

**SOLANA BEACH CITY COUNCIL**  
**REDEVELOPMENT AGENCY AND PUBLIC FINANCING AUTHORITY**

JOINT **REGULAR** MEETING

**MINUTES**

**6:00 P.M.**  
**WEDNESDAY, JANUARY 26, 2011**

CITY COUNCIL CHAMBERS  
635 S. HIGHWAY 101,  
SOLANA BEACH, CALIFORNIA

The City Council acts as the City of Solana Beach Redevelopment Agency and the Public Financing Authority.

**CALL TO ORDER AND ROLL CALL:**

**Present:** Campbell, Heebner, Kellejian, Roberts, and Nichols.

**Absent:** None.

**Also Present:** David Ott, City Manager  
Johanna Canlas, City Attorney  
Leticia Fallone, Deputy City Clerk  
Angela Ivey, City Clerk  
Dennis Coleman, Finance Director  
Wende Protzman, Dir. Admin. Serv./Deputy City Mgr  
Tina Christiansen, Community Dev. Dir.  
Mo Sammak, City Engineer/Public Works Dir.

Mayor Heebner called meeting to order at 6:05 p.m.

**CLOSED SESSION REPORT: (when applicable)**

Johanna Canlas, City Attorney, stated that there was no reportable action.

**FLAG SALUTE:**

Mayor Heebner led the flag salute.

**APPROVAL OF AGENDA:**

**MOTION:** Moved by Roberts and seconded by Kellejian. **Motion carried unanimously.**

**PRESENTATIONS:**

(Ceremonial items that do not contain in-depth discussion and no action/direction.)

1. Regional Beach Sand Project 2 Project Status Update

Chris, Moffat Nichols for SANDAG, presented a powerpoint (on file) reviewing the project status including studies completed, alternatives, analysis of performance, that today would be the release for a 45 day public review period through March 14th.

Council and speaker discussed the intent to create the least potential impact to San Elijo lagoon and that it could be problematic if the City of San Diego decided to join at a later date since the EIR and EA would require amendment at their cost.

Jim Jaffe said that he was involved in outreach with the SANDAG staff on behalf of Surfrider and CalBeach Advocates, that they were involved and hoped to continue to participate in the EIR to make it successful, and that the City should pay careful attention to all aspects specifically since this would be the largest project that would extend southward towards an actual reef structure.

**ORAL COMMUNICATIONS:**

This portion of the agenda provides an opportunity for members of the public to address the City Council on items relating to City business and not appearing on today's agenda by submitting a speaker slip (located on the back table) to the City Clerk. Comments relating to items on this evening's agenda are taken at the time the items are heard. Pursuant to the Brown Act, no action shall be taken by the City Council on public comment items. Council may refer items to the City Manager for placement on a future agenda. The maximum time allotted for each presentation is THREE MINUTES (SBMC 2.04.190). Please be aware of the timer light on the Council Dais.

Don Miller read a poem regarding Solana Beach.

**COMMUNITY ANNOUNCEMENTS:**

Council announced community events.

**COMMENTARY:****A. CONSENT CALENDAR: (Action Items) (A.1. - A.6.)**

Items listed on the Consent Calendar are to be acted in a single action of the City Council unless pulled for discussion. Any member of the public may address the City Council on an item of concern by submitting to the City Clerk a speaker slip (located on the back table) before the Consent Calendar is addressed. Those items removed from the Consent Calendar by a member of the Council will be trailed to the end of the agenda, while Consent Calendar items removed by the public will be discussed immediately after approval of the Consent Calendar.

**A.1. Waive the reading of Ordinances.**

Recommendation: That the City Council

1. Approve waiving the text reading of ordinances on this agenda pursuant to Solana Beach Municipal Code Section 2.04.460.

**MOTION:** Moved by Roberts and seconded by Nichols. **Motion carried unanimously.**

**A.2. Minutes of the City Council.**

Recommendation: That the City Council

1. Approve the Minutes of the City Council Meetings held July 26, 2010, September 22, 2010, and October 4, 2010.

**MOTION:** Moved by Roberts and seconded by Nichols. **Motion carried unanimously.**

**A.3. Register Of Demands. (File 0300-30)**

Recommendation: That the City Council

1. Ratify the list of demands for December 18 - 31, 2010.

**MOTION:** Moved by Roberts and seconded by Nichols. **Motion carried unanimously.**

**A.4. Annual Report for the Redevelopment Agency for the Year Ended June 30, 2010. (File 0115-20)**

Recommendation: That the City Council

1. Accept and file this report.

**MOTION:** Moved by Roberts and seconded by Nichols. **Motion carried unanimously.**

**A.5. Reappropriate Funding for Interchange Project and Authorize Developer Interchange Contribution Transfer. (File 0400-10)**

Recommendation: That the City Council

1. Adopt Resolution 2011-015:
  - a. Appropriating \$11,236 from Deposit Account 001-2270 to the Lomas Santa Fe at I-5 Interchange Project.
  - b. Authorizing the City Finance Director to fund the escrow account an additional amount of \$9,600 per the agreement with American Assets executed on May 24, 2006.
  - c. Authorizing the use of \$1,636 towards the Palm Engineering construction contract for the Lomas Santa Fe and I-5 Interchange Median Project.
  - d. Authorizing the City Treasurer to amend the Fiscal Year 2010/2011 Budget accordingly.

**MOTION:** Moved by Roberts and seconded by Nichols. **Motion carried 4/0/1** (Recuse: Nichols.)

**A.6. Resolution of Denial of a Development Review Permit and Structure Development Permit for 624 Mar Vista Drive, Case # 17-10-12, Applicants: Tony and Jasna Frakes. (File 0600-40)**

Recommendation: That the City Council

1. Adopt Resolution 2011-021 denying the request for an application for a Development Review Permit and an Administrative Structure Development Permit for the proposed project at 624 Mar Vista Drive.

**MOTION:** Moved by Roberts and seconded by Nichols. **Motion carried unanimously.**

**C.6. Award Construction Contract for the Fletcher Cove Community**

**Center Renovations, Bid No. 2011-01. (File 0400-10)**

Recommendation: That the City Council

1. Adopt Resolution 2011-019 to award construction contract or to reject all bids for Fletcher Cove Community Center Renovations, Bid No. 2011-01. Appropriate action will be identified in the blue-folder update.

David Ott, City manager, introduced the item.

Mo Sammak, Public Works Director, presented a powerpoint (on file) including alternate bid items, additive alternatives, what else might be considered if funds were available in the future, and that the fiscal impact was reduced.

Council and Staff discussed cost of each of the alternatives, requested a memo of costs for each of the alternatives, what type of time would be required to inform contractor if updates were desired, that updates could still be made at next meeting, that the City was providing its own lateral for sewer and water meters, that only one meter would be placed for reduced cost, looking into a booster pump instead of a meter, and a requested memo to discuss the range of costs for water meters and additional funds available in the CIP.

Peter House and Brian Cougan presented a check for \$185,000 from the Solana Beach Community Foundation for a donation to the Fletcher Cove Community Center Renovations.

David Ott, City Manager, said that they could set funds aside and ratify at the next meeting.

**MOTION:** Moved by Roberts and seconded by Campbell to approve staff recommendation awarding the contract to Delta Builders, allowing the use of the funds in the RDA for items on the alternative list of Council's preferences, and to earmark RDA funds for the project but wait for meeting to spend it specifically.  
**Motion carried unanimously.**

**C. STAFF REPORTS: (C.1. - C.10.)**  
*Submit speaker slips to the City Clerk*

**C.1. 2011 Annual Citizen Commission Appointments. (File 0120-05)**

Recommendation: That the City Council

David Ott, City Manager, introduced the item.

Vickie Driver stated that she wanted to continue on the Public Safety Commission and discussed her experiences.

Bernhard Geierstanger stated that he had been active in the CERT group and wanted to serve on the Public Safety Commission.

1. Appoint 3 members to the Budget and Finance Commission:

- a. Three (3) vacancies nominated/appointed by individual Councilmembers (Heebner, Kellejian, Roberts) for a two year term until January 2013.

**MOTION:** Moved by Kellejian and seconded by Campbell to appoint Anthony Craig (Kellejian). **Motion carried unanimously.**

**MOTION:** Moved by Roberts and seconded by Kellejian to appoint Michael Whitton (Roberts). **Motion carried unanimously.**

**MOTION:** Moved by Heebner and seconded by Campbell to appoint Gordon Johns (Heebner). **Motion carried unanimously.**

2. Appoint 4 members to the Parks and Recreation Commission:

- a. Four (4) vacancies nominated/appointed by Council-at-large for a two year term until January 2013.

**MOTION:** Moved by Nichols and seconded by Roberts to appoint Courtney Boule, Rick Fay, Wendy Forrester, and Adam Paulsen. **Motion carried unanimously.**

3. Appoint 3 members to the Public Arts Advisory Commission:

- a. Three (3) vacancies nominated/appointed by Council-at-large for a two year term until January 2013.

**MOTION:** Moved by Roberts and seconded by Nichols to appoint Sharon Klein, Allen Moffson, and Carol Rodriguez. **Motion carried unanimously.**

4. Appoint 5 members to the Public Safety Commission:

- a. Five (5) vacancies nominated/appointed by individual Councilmembers (Heebner, Kellejian, Roberts, Nichols) AND one Council-at-large for a two year term until January 2013.

**MOTION:** Moved by Kellejian and seconded by Nichols to appoint Bernhard Geierstanger (Nichols), Thomas Alexander (Kellejian), David Bittar (Roberts),

Vickie Driver (Heebner), and George Manahan (At Large). **Motion carried unanimously.**

5. Appoint 3 members to the View Assessment Commission:

- a. Three (3) vacancies nominated/appointed by individual Councilmembers (Heebner, Roberts, Nichols).

**MOTION:** Moved by Nichols and seconded by Roberts to appoint Georgia Wood (Roberts), Jack Hegenauer (Nichols), and Jewel Edson (Heebner). **Motion carried unanimously.**

**C.2. Local Coastal Program/Land Use Plan Progress Update. (File 0610-12)**

Recommendation: That the City Council

1. Provide direction to the City Manager to continue discussions with CCC staff and continue to work with the CCC staff on a final draft LCP/LUP for City Council consideration and approval.

David Ott, City Manager, introduced item.

Leslea Meyerhoff, Consultant presented a powerpoint (on file) reviewing the progress summary and that the Coastal Commission would have until November 2011 to act on the City's LUP submittal.

Vince Axelson, Axelson Law Firm, represented Solana Beach bluff owners, said that they did not object to moving forward with the final LUP but that they wanted to object to the reduction of a 50 year period that was reached as a compromise, and that they would like to open that up for further discussion.

Jim Jaffe (time donated by Michelle Jaffe) said that there was an omission in the report in that the issue was that the coastal Commission would not be able to see how the City would mitigate without an outlined finance and logistics plan. He stated some proposed steps, 1. complete the Land Lease Mitigation Study and if the mitigation is not favorable, that the City enter in agreement with the current property owners, 2. request a locally preferred ACOE alternative to remove sea walls and structures, 3. implement a program for the City to begin acquiring bluff top property, 4. establish a program to rent those properties to generate an income stream, 5. direct the SANDAG Shoreline Preservation Committee to consider removal of property and buy at fair market value in order to provide it to the City under the LUP, and 6. investigate deed restrictions that already exist on several permits and see if any way to eliminate, 7. contact the State Coastal Conservancy for grants to improved beach access. He said that if

the City pursued these proposals then the Coastal Commission could adequately evaluate the City's mitigation. He stated that there were inaccuracies in Mr. Corn's letter to Council, that there was no right under the Coastal Act for seawalls and that when one owns the land where a seawall is that it is protected, but in fact all future determinations are within the City's jurisdiction.

Council and Staff discussion ensured that the City Attorney would respond to Council in a memo regarding issues in the 3 letters received, that there was a disappointment when the citizen committee fell apart, that the City continued to progress on moving the LUP along, to include the bullet items mentioned and issues from the letter for discussion, and include what extent the City would communicate with the community, and how vacation rental would be affected.

**MOTION:** Moved by Roberts and seconded by Nichols. **Motion carried unanimously.**

Mayor Heebner recessed the meeting at 7:28 p.m. for a break and reconvened at 7:34 p.m.

**C.3. First Amended and Restated Exclusive Right to Negotiate Agreement (ERNA) for the Development of an Affordable Housing Project at the 500 block of South Sierra Avenue. (File 0400-10)**

Recommendation: That the City Council

1. Adopt Resolution 2011-022
  - a. Authorizing the City Manager to execute the First Amended and Restated Exclusive Right to Negotiate Agreement between the City of Solana Beach, Solana Beach Redevelopment Agency and Hitzke Development Corporation for the development of an affordable housing project at the 500 block of South Sierra Avenue (APN 298-211-81).
  - b. Appointing the City Manager as lead negotiator for the City during the negotiation period.
2. Adopt Resolution RDA-044
  - a. Authorizing the Executive Director to execute the First Amended and Restated Exclusive Right to Negotiate Agreement between the City of Solana Beach, Solana Beach Redevelopment Agency and Hitzke Development Corporation for the development of an affordable housing project at the 500 block of South Sierra Avenue (APN 298-



211-81).

- b. Appointing the Executive Director as lead negotiator for the Agency during the negotiation period.

David Ott, City Manager, introduced the item, and presented a powerpoint (on file) and stated that the area was a City owned parking lot, that 10 affordable rental housing unit would satisfy the Perl settlement from the 1990s and would be the focus of this agreement, that this amendment of the ERNA agreement would not obligate the City to acquire or convey any property, that grant developer rights were not done and would be decided later, that it would allow for the negotiation of a proposed pre-development loan disbursement schedule, as commonly done for affordable housing.

Council discussed that fact that this lot was not the distillery lot, as some public would have thought, and that it was the public parking lot next to Frogs back parking lot, to consider a community engagement workshops would contribute to design concepts, that this action was not approving design, and that design and approvals would begin in the next several months.

Ginger Hitzke, Hitzke Development, thanked Council for considering the item, that they had been meeting with staff for more than a 1 1/2 years to consider this agreement, and that the last time they were here they were still trying to obtain Leed platinum on a current previous project and that they had succeeded, and that they would hope to do that again.

Council continued discussion including that the current 31 parking spaces would not be displaced but would be included and that it was a complex project that included local goals and state mandates.

**MOTION:** Moved by Roberts and seconded by Campbell. **Motion carried unanimously.**

**C.4. Adopt (2nd Reading) Ordinance 412 related to film permits. (File 0910-45)**

Recommendation: That the City Council

1. Adopt Ordinance 412 adding Solana Beach Municipal Code Chapter 11.10 as it relates to film permits.

Johanna Canlas, City Attorney, read the title of the ordinance.

**MOTION:** Moved by Roberts and seconded by Kellejian. **Motion carried unanimously.**

**C.5. Artwork for Temporary Public Art Program. (File 0910-45)**

Recommendation: That the City Council

1. Adopt Resolution 2011-020 approving the two Urban Trees, Topiary and A Tree for All Seasons for the City's Temporary Public Art Program.

David Ott, City Manager, introduced the item.

Anita Edman, Community Services Coordinator, presented a powerpoint (on file), reviewing the timeline leading to the request for art placement.

Council and Staff discussion ensued regarding that the funds were designated funds for this purpose, confirmed that the artists bear all the costs and assumes risk of loss or damage, modifying the Whereas statement in the resolution regarding obligations to maintenance but that the City would still maintain the right of way area around it, that it was a temporary program, that the art could be sold or could remain in its place for approximately one year, and that it was rotating art.

Council and Staff continued discussion regarding the total allocation was \$1,000 and included lighting and that a recital regarding lighting be added.

Ali Dixon said that she was a member of PAAC but that she was speaking as private citizen, that she acquired the tree and had been storing it for about a year, that it was an urban tree from San Diego display, that the wood squares had been sealed with varnish to keep it weather proof, and passed out a picture.

**MOTION:** Moved by Roberts and seconded by Nichols. **Motion carried unanimously.**

**C.7. Introduction (1st Reading) of Ordinance 429 related to Public Notice Requirements. (File 0610-05)**

Recommendation: That the City Council

1. Introduce Ordinance 429 revising Solana Beach Municipal Code Section 17.72.030(D)(4).

David Ott, City Manager, introduced the item.

**MOTION:** Moved by Roberts and seconded by Kellejian. **Motion carried unanimously.**

**C.8. First Amended and Restated Cooperation and Repayment Agreement between the City of Solana Beach and Solana Beach Redevelopment Agency. (File 0400-10)**

Recommendation: That the City Council

1. Adopt Resolution 2011-025 approving and Authorizing the City Manager to Execute the First Amended and Restated Cooperative Agreement between the City of Solana Beach and Solana Beach Redevelopment Agency.
2. Adopt Resolution RDA 045 approving and Authorizing the Executive Manager to Execute the First Amended and Restated Cooperative Agreement between the City of Solana Beach and Solana Beach Redevelopment Agency.

Johanna Canlas, City Attorney, presented a powerpoint (on file).

**MOTION:** Moved by Campbell and seconded by Roberts. **Motion carried unanimously.**

**C.9. Public Improvements and Affordable Housing Grants and Cooperation Agreement.**

Johanna Canlas, City Attorney, presented a powerpoint (on file).

**MOTION:** Moved by Campbell and seconded by Roberts. **Motion carried unanimously.**

**C.10. 22nd District Agricultural Association Community Relations Committee Update on Discussions with the City of Del Mar Regarding the Sale of the Del Mar Fairgrounds. (File 0150-85)**

Recommendation: That the City Council

1. Discuss the item and provide direction to the 22nd District Agricultural Association Community Relations Committee as

necessary.

David Ott, City Manager, introduced the item.

Mayor Heebner stated that Carl Hilliard had resigned from the Del Mar Ad Hoc for the fairgrounds due to potential conflict of interest with his horse interests. She said that their recent meeting with Del Mar included reviewing what both cities agreed on, that there was only about 5% that they differed on, that the City was interested in ways that Del Mar could show that the property would be protected, that they presented an idea called a public trust indenture, that they were still working out the details and would report to their Council in February, and that Del Mar felt that zoning should be in Del Mar zoning.

Councilmember Roberts stated that it was a positive meeting, that it appeared that they may have been making progress, that there were some topics identified to discuss with Solana Beach City Attorney, they articulated support for some of the same topics that Solana Beach supported, and that there as discussion at looking at ways to address the impacts on the surrounding communities.

David Ott, City Manager, stated that it was perceived that the intent of this public trust would be that the entity control everything, that the current proposal of Del Mar as owner would not mean that the owner would control it, and that Del Mar seemed interested in working with Solana Beach to iron out details.

Council discussed their interest in getting an analyzed line by line comparison between the indenture trust concept v. the JPA (Joint Powers Authority) concept, whether the City of Del Mar would have the right to revoke it, that Solana Beach should continue to lobby hard on the matter, that Del Mar expressed that a JPA was too complex, that Councilmember Campbell felt that the trust would be more complex than a JPC, that it seemed that Del Mar did not want share this valuable asset, that they stated that they would work with Solana Beach on issues, that further research was needed to ensure that this trust could not be undone by one entity or council.

Council continued discussion regarding that the proposed entity would go into effect at the closing of escrow, that there were no new details on the horseman's arrangements, that they were working on lease details and they would share them when it was completed, and that the Del Mar City Manager stated that the San Diego Taxpayers Association had provided a support position after reviewing their proposal with some caviates.

**WORKPLAN COMMENTS:**

(Adopted June 23, 2010)

**COMPENSATION & REIMBURSEMENT DISCLOSURE:**

GC: Article 2.3. Compensation: 53232.3. (a) ? Reimbursable expenses shall include, but not be limited to, meals, lodging, and travel. 53232.3 (d) Members of a legislative body shall provide brief reports on meetings attended at the expense of the local agency at the next regular meeting of the legislative body.

### **COUNCIL COMMITTEE REPORTS:**

Council reported committee activity.

#### **Regional Committees: (outside agencies, appointed by this Council)**

- a. City Selection Committee - Roberts (meets twice a year).
- b. County Service Area 17 - Campbell, Nichols (alternate).
- c. Escondido Creek Watershed Authority - Nichols, Roberts (alternate).
- d. League of Ca. Cities' San Diego County Executive Committee - Roberts, Kellejian (alternate) and any subcommittees.
- e. League of Ca. Cities' Local Legislative Committee - Roberts, Kellejian (alternate).
- f. League of Ca. Cities' Coastal Cities Issues Group (CCIG) - Kellejian, Roberts (alternate).
- g. North County Dispatch JPA - Nichols, Campbell (alternate).
- h. North County Transit District - Roberts, Heebner (alternate).
- i. Regional Solid Waste Association (RSWA) - Nichols, Kellejian (alternate).
- j. SANDAG - Heebner (Primary), Roberts (1st alternate), Nichols (2nd alternate) and any subcommittees.
- k. SANDAG Shoreline Preservation Committee - Kellejian, Roberts (alternate).
- l. San Dieguito River Valley JPA - Roberts, Nichols (alternate).
- m. San Elijo JPA - Campbell, Roberts (both primary members) (no alternates).
- n. 22nd Agricultural District Association Community Relations Committee - Heebner, Roberts.

#### **Standing Committees: (All Primary Members) (Permanent Committees)**

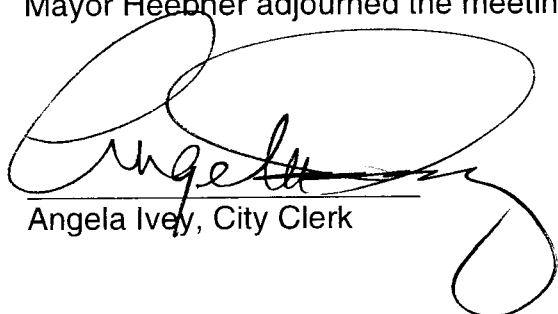
- a. Business Liaison Committee - Roberts, Campbell.
- b. Highway 101 / Cedros Ave. Development Committee - Nichols, Heebner.
- c. I-5 Construction Committee - Heebner, Roberts.
- d. Public Arts Committee - Roberts, Nichols.
- e. School Relations Committee - Roberts, Campbell.

**Ad Hoc Committees: (All Primary Members) (Temporary Committees)**

- a. Army Corps of Engineers & Regional Beach Nourishment - Kellejian, Campbell. Expires December 7, 2011.
- b. City's 25th Anniversary - Heebner, Kellejian. Expires July 13, 2011.
- c. Development Review - Nichols, Heebner. Expires November 16, 2011.
- d. Environmental Sustainability - Roberts, Heebner. Expires December 7, 2011.
- e. Fire Department Management Governance-Kellejian,Roberts. Expires July 13, 2011.
- f. Fletcher Cove - Campbell, Heebner. Expires November 16, 2011.
- g. General Plan - Campbell, Nichols. Expires July 13, 2011.
- h. La Colonia Park - Nichols, Heebner. Expires May 11, 2011.
- i. Local Coastal Plan Ad-Hoc Committee - Roberts, Campbell. Expires February 9, 2011 or at the California Coastal Commission adoption.
- j. NCTD / Train Station Site Project Ad Hoc Committee - Heebner, Nichols. Expires January 11, 2012
- k. View Assessment - Nichols, Heebner. Expires February 24, 2011

**ADJOURN:**

Mayor Heebner adjourned the meeting at 8:45 p.m.



Angela Ivey, City Clerk

Approved: May 11, 2011