

CITY OF SOLANA BEACH
SOLANA BEACH CITY COUNCIL, SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY, PUBLIC FINANCING AUTHORITY, & HOUSING AUTHORITY

JOINT **REGULAR** MEETING

MINUTES

6:00 P.M.
Wednesday, October 24, 2012

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: Kellejian, Roberts, Nichols, Campbell, and Heebner.
Absent: None.
Also Present: David Ott, City Manager
 Johanna Canlas, City Attorney
 Angela Ivey, City Clerk
 Wende Protzman, Deputy City Mgr/Community Development Dir.
 Mo Sammak, City Engineer/Public Works Dir.

Mayor Kellejian called the meeting to order at 6:00 p.m.

CLOSED SESSION REPORT: (when applicable)

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

FLAG SALUTE:

APPROVAL OF AGENDA:

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

PROCLAMATIONS/CERTIFICATES:

1. Red Ribbon Week

Mayor Kellejian presented the proclamation.

PRESENTATIONS:

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

1. Highway 101 Project Westside Improvement Project Update

Mo Sammak, Public Works Dir., presented a powerpoint reviewing the status of the project.

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.

Nancy Logan, stated that she was with San Dieguito Alliance, and announced that Mayor Kellejian had received an award at the 9th Annual Red Ribbon luncheon for excellence in prevention advocacy award for smoke free ordinances.

Jeff Anderman stated he was resident, homeowner, and a financial executive, that he had no political party affiliation or interest in the election outcome, that he wanted to respond to materials that had been mailed out during the election, he served on the City's Budget and Finance Commission, and that he was personally offended by mailings distributed by Powell, Driver, and Frankel, that alleged financial mismanagement of the City, that it was untrue and a deliberate act or a lack of understanding of financial balance sheets. He stated that the City had only had deficits two years and that the total combined was less than the average in any surplus in any other given year, that debt was incurred due to required pension payments made to the state and that those liabilities were not a product of the City Council but were issues at the state level. He continued stating that in his line of work he could not see any better financial managment, that the Budget and Finance Commission reviewed the budget and financials each year, that he had drafted the Commissions input letter himself, and that this letter was one of the best ever commending actions and moves on projects.

Daniel Powell asked if everything was so great then why did the City claim a financial emergency a few years ago, or propose tax on businesses only when businesses were hurting, which was rejected by voters, and that he thought there was still a financial crisis. He said that Taste of Solana Beach event awarded top 3 awards to local restaurants, that all Council was invited, that average sales were 16% - 45% since the

Highway 101 Project had been started, and that he would encourage events in town to increase hotel occupancy and increase sales in local stores and restaurants,.

Michelle Jaffe said that without a Local Coastal Plan, applicants had to seek City and Coastal Commission permits, that the Beach Bluff Conservancy (BBC) had sued the Coastal Commission, that they hired a political consulting firm Tom Shephard and were swaying public perception to reject the LCP. She stated that they had been hired by Powell so it appeared they was coordinationb between the BBC and candidates, that it may not be legal and would merits public disclosure, that when she met Powell the prior week he admitted that he had not read the March Coastal Commission report, that he had not followed through on meeting with Jim Jaffe, his actions showed that he did not represent all sides of constituents, and the changes by the BBC and Powell would allow walls to remain on the shorelines forever.

Jim Jaffe asked Council to consider two agenda items, one was that the only option on the table for the LCP was to continue the process, since anything else would require the entire process to start over, the second item was to accelerate the mitigation fee, which was removed from original citizens compromise in the past, and that these fees would allow opportunities to repair the stairs, and that it was the law to adopt a LCP.

Council and Staff discussed the fact that the next LCP meeting would take place around the first week in December where the options would be further considered, and consideration to to accelarated the mitigation fee.

Gerri Retman said that Tom Shephard had special interest during a nasty election, that a slate of 3 candidates sent a mailer with false and misleading finance information and project facts, that Councilmember Campbell had recently set out a letter stating the truths regarding the allegations, that the same slate of candidates failed to participate in a candidate forum, that she had been involved with the City and the Parks and Recreation Comission for 18 years and had not heard from these candidates with these view before the election, that the last two elections had been uncontested, that did not comment during the pension payment item, that the business tax was put to a vote of the people and strongly supported by the business community.

Gordon Johns said he was a retired partner from Deloitte Touche, worked with 5000 partners, served on the Budget and Finance Commission for 8 years, and was appalled by the mailer alleging financial trouble, and that this City got it right when compared to other cities, that Council had always been responsive to them, and that the City of San Diego and other communities had pension issues, not Solana Beach, and that employees paid 100% of their portion.

COUNCIL COMMUNITY ANNOUNCEMENTS:

Council reported community announcements.

COUNCIL COMMENTARY:

Council made commentary comments.

A. CONSENT CALENDAR: (Action Items) (A.1. - A.10.)

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 Heebner 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 September 12, 2012.

MOTION: Moved by Heebner 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 July 20 - September 28, 2012.

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

A.4. General Fund Adopted Budget for Fiscal Year 2012-2013 Changes. (File 0330-30)

Recommendation: That the City Council

1. Receive the report listing changes made to the FY 2012-2013 General Fund Adopted Budget.

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

A.5. Self Contained Breathing Apparatus. (File 0370-26)

Recommendation: That the City Council

1. Adopt Resolution 2012-155:
 - a. Authorize the purchases of 15 SCBAs and 30 bottles from All Star Equipment, Inc. in the amount of \$86,437.
 - b. Appropriate \$82,116 to Federal Grant Revenue in the Public Safety Special Fund.
 - c. Approve a transfer of \$4,321 from the Asset Replacement Fund for the City's required matching share.
 - d. Appropriate \$86,437 to the Equipment expenditure account.

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

A.6. Asphalt and Concrete Street Repair Project. (File 0400-10)

Recommendation: That the City Council

1. Adopt Resolution 2012-154:
 - a. Authorizing the City Council to accept as complete the 2012 Asphalt and Concrete Repair Project, Bid No. 2012-04, performed by ATP General Engineering Contractors.
 - b. Authorizing the City Clerk to file a Notice of Completion.

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

A.7. Development Review Council Ad Hoc Committee. (File 0410-48)

Recommendation: That the City Council

1. Adopt Resolution 2012-152 re-establishing the Development Review Council Ad Hoc Committee until October 23, 2013.
2. Confirm re-appointment of the two existing Councilmembers (Heebner, Nichols).

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

A.8. Sewer Pipeline Repairs. (File 0400-10)

Recommendation: That the City Council

1. Adopt Resolution 2012-146:
 - a. Authorizing the City Council to accept as complete the 2012 Sewer Pipeline Repairs, Bid No. 2012-03, performed by Sancon Engineering
 - b. Authorizing the City Clerk to file a Notice of Completion.

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

A.9. Emergency Storm Drain Repair on Acacia Ave. (File 0400-10)

Recommendation: That the City Council

1. Adopt Resolution No. 2012-153:
 - a. Authorizing the City Council to accept as complete the Emergency Storm Drain Repairs on Acacia Avenue performed by LCI Backhoe Services.
 - b. Authorizing the City Clerk to file a Notice of Completion.

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

A.10. Quarterly Investment Report (File 0350-44)

1. Accept and file the attached Cash and Investment Report for the quarter ending June 30, 2012.

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

NOTE: The City Council shall not begin a new agenda item after 10:30 p.m. unless approved by a unanimous vote of all members present. (SBMC 2.04.070)

B. PUBLIC HEARINGS: (B.1.)

This portion of the agenda provides citizens an opportunity to express their views on a specific issue as required by law after proper noticing by submitting a speaker slip (located on the back table) to the City Clerk. After considering all of the evidence, including written materials and oral testimony, the City Council must make a decision supported by findings and the findings must be supported by substantial evidence in the record. An applicant or designees for a private development/business project, for which the public hearing is being held, is allotted a total of fifteen minutes to speak, as per SBMC 2.04.210. A portion of the fifteen minutes may be saved to respond to those who speak in opposition. All other speakers have three minutes each. Please be aware of the timer light on

the Council Dais.

B.1. Development Review Permit (DRP) and Structural Development Permit (SDP) for 517 N. Rios, Applicant: Watts, Case 17-12-13. (File 0600-40)

Recommendation: The proposed project meets the minimum objective requirements under the SBMC, is consistent with the General Plan and may be found, as conditioned, to meet the discretionary findings required as discussed in this report to approve a DRP and administratively issue a SDP. Therefore, Staff recommends that the City Council:

1. Conduct the Public Hearing: Open the Public Hearing, Report Council Disclosures, Receive Public Testimony, Close the Public Hearing.
2. Find the project exempt from the California Environmental Quality Act pursuant to Section 15301 of the State CEQA Guidelines; and
3. If the City Council makes the requisite findings and approves the project, adopt Resolution 2012-156 conditionally approving a DRP and an administrative SDP for a garage conversion of 253 square feet and an addition of 726 square feet to the existing two (2) story, single family residence at 517 N. Rios Avenue.

David Ott, City Manager, introduced the item.

Catherine Lorbeer, Principal Planner, presented a powerpoint (on file) reviewing the proposed project.

Mayor Kellejian opened the public hearing and disclosed council familiarity.

Brandon Spamm, applicant, stated that he had no comments and would answer any questions.

MOTION: Moved by Heebner and seconded by Nichols to close the public hearing. **Motion carried unanimously.**

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

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

C.1. Draft Housing Element. (File 0730-10)

Recommendation: That the City Council

1. Adopt Resolution 2012-137 authorizing submittal of the draft Housing Element to the California Department of Housing and Community Development.

David Ott, City Manager, introduced the item.

Christopher Morrow, Sr. Vice President of Project Design Consultants, presented a powerpoint (on file), reviewing the requirements, new laws and regulations of the Draft Housing Element, and revisions made to the Draft Housing Element.

Sean Wherley, San Diego Housing Federation, stated that the foundation was a non-profit group that advocated for affordable housing in the region. He stated that they had sent a letter to Council thanking them for creating 9 units of affordable housing, and that with the loss of Redevelopment there was not a lot of funding at the local level for the creation of affordable housing. He stated that there were 3 areas that would cost the City little money that could assist with affordable housing, 1) that the City's code allowed for reduced parking requirements for senior developments and those that exceed base density, and that those requirements should be automatic rather than optional, 2) that the City should be more assertive in promoting accessory units, and 3) that there should be transit oriented development, that affordable housing should be located near public transit, and that the Council should prioritize the site near the train station for affordable housing.

Council and Staff discussed that by keeping the off site parking reduction as optional in the code, each project could be reviewed separately.

Daniel Powell stated that affordable housing was important for any community, that there were other cities that accomplished affordable housing by requiring some portion of a development to have affordable housing units, and that the City had not been able to achieve affordable housing goals because there had not been any projects before the Council. He stated that as a project was proposed the City should require the developer to provide some part of the development to have affordable housing units, that then it would not be a burden on the tax payer but on the private developer, and that this would give the City the opportunity to privately finance low income housing.

Johanna Canlas, City Attorney, provided some background information on the City being the first to have an affordable housing impact fee. She stated that the fee was the basis for future affordable housing units, that in 2009 the courts had held under Palmer that jurisdictions could not require set aside units for rental properties, that local governments were prohibited from requiring private developers to set aside affordable housing units in violation of the state rent control act, and that while the city's books had been revised to conform with the court decision, the set asides were allowed for "for sale" but that there was a distinction that was needed to be made for rental properties. She stated that under law the city could not require set asides for rental properties, that in lieu of that the Council was the first to quantify what it would cost to finance affordable housing units, that the fee had been in place for a while, that it was a city code, and that

it was in conformance with state law.

Council discussed the timing and sequence of events from this point forward, that once the Draft Housing Element came back from the Department of Housing and Community Development (HCD) Council would have another opportunity to review the document.

Council discussed with Staff and the Christopher Marrow several language concerns in Appendix B of the document which included 1) that the NCTD site should be added to the list of properties that had building constraints in the real estate capacity assumptions sections due to access constraints of the property, 2) regarding multi-family residential sites, that the statement, "a potential redevelopment project may occur on sites which would result in a net increase of 66 units," that the word "would" should be changed to "could," 3) regarding the commercial sites section regarding the reference that the City had limited available residential land, that 58% of land in the City was designated as residential, that the statement was referring to the availability of vacant residential land in the City was low, and that this section should be clarified to also include capacity issues. Discussion continued on concerns 4) regarding the statement under the Small Sites section that stated, "small sites could easily support densities of 20 dwelling units per acre or more," that 20 dwelling units per acre was the maximum allowed by the City so that the "or more" wording should be deleted, and, that the word "easily" should also be deleted, and 5) regarding that the City had identified 11 sites that were undeveloped and ripe for development, that rather than use the word "ripe," the phrase "potential for development" should be used.

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

Councilmember Campbell left the meeting at 7:40 p.m.

COUNCIL COMMITTEE REPORTS:

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

- a. City Selection Committee (meets twice a year) - Roberts, Kellejian (alternate).
- 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, Nichols (1st alternate), Heebner (2nd alternate)
- i. Regional Solid Waste Association (RSWA) - Nichols, Kellejian (alternate).

- j. SANDAG - Heebner (Primary), Nichols (1st alternate), Roberts (2nd alternate) and any subcommittees.
- k. SANDAG Shoreline Preservation Committee - Kellejian, Roberts (alternate).
- l. San Dieguito River Valley JPA - Heebner, 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)

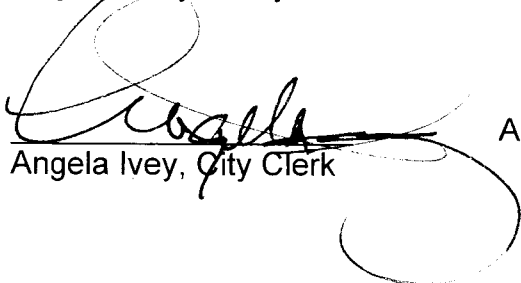
- a. Business Liaison Committee - Roberts, Campbell.
- b. Highway 101 / Cedros Ave. Development Committee - Nichols, Heebner.
- c. I-5 Construction Committee - Heebner, Roberts.
- d. Parks and Recreation Committee - Heebner, Nichols
- e. Public Arts Committee - Roberts, Nichols.
- f. School Relations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

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

- a. Army Corps of Engineers & Regional Beach Nourishment - Kellejian, Campbell. Expires December 6, 2012.
- b. Development Review - Nichols, Heebner. Expires November 15, 2012.
- c. Environmental Sustainability - Roberts, Heebner. Expires December 6, 2012.
- d. Fire Department Management Governance-Kellejian,Roberts. Expires July 12, 2012.
- e. Fiscal Sustainability - Campbell, Roberts. Expires June 12, 2013.
- f. General Plan - Campbell, Nichols. Expires July 12, 2012.
- g. La Colonia Park - Nichols, Heebner. Expires June 12, 2013.
- h. Local Coastal Plan Ad-Hoc Committee - Roberts, Campbell. Expires February 7, 2013 or at the California Coastal Commission adoption.
- i. NCTD / Train Station Site Project Ad Hoc Committee - Heebner, Nichols. Expires January 10, 2013
- j. View Assessment - Nichols, Heebner. Expires June 10, 2013

ADJOURN:

Mayor Kellejian adjourned the meeting at 7:44 p.m.


Angela Ivey, City Clerk

Approved: December 12, 2012