

MINUTES
REGULAR MEETING OF THE CITY COUNCIL
CITY OF MONTEREY
TUESDAY, June 19, 2007
4:00 – 5:30 and 7:00 – 11:00 P.M.
COUNCIL CHAMBER, FEW MEMORIAL HALL
MONTEREY, CALIFORNIA

CALL TO ORDER:

Mayor Della Sala called the meeting to order at 4:00 p.m.

Council Members

Present: Councilmembers Downey, Haferman, Selfridge, Sollecito, Mayor Della Sala
Absent: None

City Staff:

Present: City Manager, City Attorney, Assistant City Manager, Deputy Public Works Director Administrative & General Services, Director Information Resources Department / City Clerk, Finance Director, Fire Chief, Human Resources Director, Library Director, Police Chief, Public Facilities Director, Recreation and Community Services Director, Senior Assistant City Clerk

City Manager Meurer introduced newly appointed Police Chief Tim Shelby. Mayor Della Sala noted that Mrs. Barbara Bass Evans requested Items C9, C11, C15, C19, C23, and C26 be pulled for discussion. On C5, the Records Management Policy and Retention Schedule, Councilmember Downey noted that Mr. Stamp was hand delivered a copy of the staff report on June 7th and that Mr. Stamp stated he did not have time currently to review and comment on this item. Councilmember Downey said she was pleased that the City is purchasing recycled paper and hopes that the City can soon complete its final coastal plan.

CONSENT ITEMS

On a motion by Councilmember Sollecito, seconded by Councilmember Haferman, and carried by the following vote, the City Council approved the Consent Agenda, except Items C9, C11, C15, C19, C23, and C26 which were removed for discussion with Item C2 amended and approved:

AYES: 5 COUNCILMEMBERS: Downey, Haferman, Selfridge, Sollecito, Della Sala
NOES: 0 COUNCILMEMBERS: None
ABSENT: 0 COUNCILMEMBERS: None

Mayor Della Sala asked Mrs. Evans to come forward to ask questions about the items pulled for discussion. Mrs. Evans stated that all of these items are related to the budget and felt they should not be on the consent agenda. On C11 and C15 Mrs. Evans asked for clarification on the cemetery budget and related expenses. Mr. Meurer provided an overview on the cemetery budget. On C19 Mrs. Evans asked the Council to change the process for how salaries are approved, asking they be included as part of the budget. On C26 Mrs. Evans asked if the City has evaluated the impact this special event, along with others like it, effects staffing and if a cost benefits analysis has been to done to see how supporting such events effects the budget. Mr. Meurer stated that the City is not promoting the sponsor of the event, but that events like these increase revenues received from transient occupancy tax (TOT) and that this revenue stream helps to fund things like salary increases.

On C9, Scenic Highway Designation, Councilmember Downey encouraged our neighboring cities to consider landscaping along the Highway 1 to improve the view. On C19, Salary Reclassifications and Adjustments, Councilmembers Haferman and Selfridge stated that in addition to the changes in the proposed resolution GEM has asked the Council to look at other options as well. Mr. Meurer stated that most of these options require reopening the memorandum of understanding to have discussions with the bargaining unit and that staff is investigating this.

On a motion by Councilmember Sollecito, seconded by Mayor Della Sala, and carried by the following vote, the City Council approved Consent items C9, C11, C15, C19, C23, and C26:

AYES: 5 COUNCILMEMBERS: Downey, Haferman, Selfridge, Sollecito, Della Sala
 NOES: 0 COUNCILMEMBERS: None
 ABSENT: 0 COUNCILMEMBERS: None

Approval of Minutes

- C1. June 4, 2007 (City Clerk 701-09)
Action: Approved
- C2. June 5, 2007 (City Clerk 701-09)
Action: Amended and Approved

Ordinances

- C3. First Reading - Approval of an Ordinance of the Council of the City of Monterey Regarding Abatement of Public Nuisances (City Attorney 705-02)
Continued to August 7, 2007 Meeting

Resolutions

- C4. Authorizing SPCA Of Monterey Agreement Extension (Police 607-09)
Action: Adopted Resolutions 07-095 C.S.
- C5. Approving Additions and Modifications to Records Retention Schedule and Records Management Policy (City Clerk 104-03)
Action: Adopted Resolution 07-096 C.S.
- C6. Authorization to Utilize Community Development Block Grant Funds (FY 2006/07) to Purchase an Inclusionary Housing Unit at 300 Glenwood Circle (Community Development 201-09)
Action: Adopted Resolution 07-097 C.S.
- C7. Transfer of Funds for Unemployment Insurance (Human Resources 406-04)
Action: Adopted Resolution 07-098 C.S.
- C8. Approving On-Call Housing and Property Management Services (Community Development 405-04)
Action: Adopted Resolution 07-099 C.S.
- C9. Approving a Resolution of Intent Seeking Official State Scenic Highway Designation for Highway 1 Between Route 68 (Monterey/Salinas Highway) and the Seaside Limit Line (Community Development 1002-08)
Action: Removed from Consent; Discussed; Adopted Resolution 07-100 C.S.

- C10. Award of Professional Services Contract - Wharf II Parking and Turn Around Upgrade Feasibility Study (Public Works 405-04)
Action: Adopted Resolutions 07-101 & 07-102 C.S.
- C11. Authorizing the Purchase of One Toro Ground Master Mower for the Cemetery (Public Works 405-04)
Action: Removed from Consent; Discussed; Adopted Resolution 07-103 C.S.
- C12. Authorization to Transfer and Appropriate Funds to Reimburse Fire Department Overtime Expenditures (Fire 406-04)
Action: Adopted Resolution 07-104 C.S.
- C13. Awarding Contract for City Wide Oncall Paper Purchase and Delivery Service (City Clerk 405-04)
Action: Adopted Resolution 07-105 C.S.
- C14. Amending Resolution 07-052 Appropriation of Additional Funding for the Presidio of Monterey Public Works Authority Fund (Public Works 406-04)
Action: Adopted Resolution 07-106 C.S.
- C15. Amending Resolution 06-078 for Cementerio El Encinal Fees and Charges (Public Works 407-06)
Action: Removed from Consent; Discussed; Adopted Resolution 07-107 C.S.
- C16. Authorize Staff to Apply to the California Coastal Commission for a Five Year Permit to Maintain All Marina and Wharf Structures (Public Facilities 904-09)
Action: Adopted Resolution 07-108 C.S.
- C17. Order and Receive Engineer's Report, Adopt Resolution of Intention To Levy Assessment and Set Time For Public Hearing – Alvarado Street Maintenance District 85-1 (Public Works 407-08)
Action: Adopted Resolutions 07-109 & 07-110 C.S.
- C18. Order and Receive Engineer's Report, Adopt Resolution of Intention To Levy Assessment and Set Time For Public Hearing – Calle Principal Maintenance District 00-1 (Public Works 407-08)
Action: Adopted Resolutions 07-111 & 07-112 C.S.
- C19. Reclassification and Salary Adjustment Recommendations (Human Resources 502-03)
Action: Removed from Consent; Discussed; Adopted Resolution 07-113 C.S.
- C20. Adopting Memorandum of Understanding with the Monterey Fire Fighters Association (MFFA) (Human Resources 507-04)
Action: Adopted Resolution 07-114 C.S.
- C21. Resolution Updating Hourly Wages for Part-Time Positions (Human Resources 502-03)
Action: Adopted Resolution 07-115 C.S.
- C22. Awarding of Three (3) Contracts for On-Call Engineering and Surveying Design Services 2007-2008 (Public Works 405-04)
Action: Adopted Resolution 07-116 C.S.

C23. Approve the Developer Agreement to Implement the City HOME Loan to the Developer, PRI, LLC for the Monterey Hotel Mixed Use Affordable Housing Project (Community Development 207-03)

Action: Removed from Consent; Discussed; Adopted Resolution 07-117 C.S.

C24. Authorizing Inclusion of Additional Quantities of Work within the Existing Scope of Work for the Lighthouse Ave. and McClellan Ave. Traffic Signal Installation Project ***CIP*** (Public Works 406-04)

Action: Adopted Resolutions 07-118 C.S.

Other

C25. Approving Cherry's Jubilee Request to Close Streets and Use of City Properties for an Event on September 6, 7, and 8, 2007 (Recreation 302-04)

Action: Approved

C26. Approving Red Bull's Request to Close Streets and Use of City Properties for an Event on July 20 & 21, 2007 (Police 302-06)

Action: Removed from Consent; Discussed; Approved

Adjourn to Redevelopment Agency Meeting

Redevelopment Agency – Consent Resolutions

RDA1. Authorization to Enter into a Development Agreement with Moonstone Hotel Developers dba PRI, LLC for the Construction of Affordable Housing and the Expansion of the Monterey Hotel (Community Development 201-07)

Action: Adopted RDA Resolution 831

Mr. Meurer introduced the item and clarified how set aside funds work.

On a motion by Agencymember Downey, seconded by Agencymember Haferman, and carried by the following vote, the Redevelopment Agency adopted RDA Resolution 831 authorizing the Development Agreement for the Construction of Affordable Housing and the Expansion of the Monterey Hotel:

AYES: 5 AGENCYMEMBERS: Downey, Haferman, Selfridge, Sollecito, Della Sala

NOES: 0 AGENCYMEMBERS: None

ABSENT: 0 AGENCYMEMBERS: None

*****End of Consent Agenda*****

PUBLIC COMMENTS

Mayor Della Sala opened the floor for public comments on items not on the agenda and seeing no requests to speak Mayor Della Sala closed public comments.

Mayor Della Sala called a recess at 4:55 p.m., then reconvened the meeting at 7:00 p.m. where all Councilmembers were present. Mayor Della Sala called for a moment of silence in honor of nine firefighters who perished responding to a fire in Charleston, South Carolina.

CONTINUED PUBLIC COMMENTS

Mayor Della Sala opened the floor for public comments on items not on the agenda. David Dillworth asked for clarification on the City's stance on the Del Monte Forest Plan Initiative, which was Measure A on the November 2000 ballot. Mr. Dillworth also asked for feedback on a letter signed by Mayor Della Sala, which was presented at a recent Coastal Commission meeting where the Commission denied Pebble Beach Company's project within Del Monte Forest, thereby saving thousands of trees. Mr. Meurer provided historical background.

Mr. Charles Carter spoke against the consolidation of fire services, stating Monterey gains nothing from consolidation. Mr. Meurer explained that consolidation is just one proposal, but that another could be contracting fire services. Mr. Meurer stressed that the intent of any final recommendation is to give all cities on the peninsula a higher level of service at a cheaper cost.

Richard Ruccello asked the City to refrain from providing rebuttal during public comment. Mr. Ruccello stated that such rebuttal could intimidate and inhibit public comment. Mayor Della Sala clarified that the City may respond to address inaccuracies made during public comments. Mrs. Evans asked the Council to agendaize a discussion on this topic at a future meeting and asked the Council to refrain from loading up the consent agenda in order to conduct public business openly. Mr. Meurer stressed that the entire agenda is used to conduct public business and that citizens can pull consent items for discussion as noted on the agenda. Seeing no further requests to speak Mayor Della Sala closed public comment.

PUBLIC APPEARANCE

1. Adoption of Council Mission, Vision, Value Drivers and Strategic Initiatives (City Manager 701-15)

Action: *Adopted Mission, Vision, Value Drivers & Strategic Initiatives*

Mayor Della Sala read aloud the proposed vision, mission, and strategic initiatives and stated if approved these will be posted to the City's web site.

For the public's benefit Councilmember Haferman explained how the Council worked with a facilitator over the span of several months and meetings to develop these recommendations, starting first by stating individual preferences and then working together as a team towards developing the Council's shared items as presented tonight.

Mayor Della Sala opened the floor for public comment. James Bryant asked that seismic retrofit of historic adobes owned by the City be added as a strategic initiative. Mayor Della Sala noted that this would be part of the value driver preserving, promoting, and maintaining our historic, cultural, and environmental assets. Richard Ruccello asked the Council to consider permanently zoning some City owned beach property as open space where buildings could never be constructed, noting that current open space zoning allows construction of certain building types. Seeing no further requests to speak Mayor Della Sala closed public comment. Councilmember Selfridge stated she would like to review the mission, vision, drivers, and initiatives in 6 months.

On a motion by Councilmember Sollecito, seconded by Councilmember Downey, and carried by the following vote, the City Council adopted the Mission, Vision, Value Drivers and Strategic Initiatives as presented:

AYES: 5 COUNCILMEMBERS: Downey, Haferman, Selfridge, Sollecito, Della Sala
 NOES: 0 COUNCILMEMBERS: None
 ABSENT: 0 COUNCILMEMBERS: None

PUBLIC HEARINGS

2. Consider Resolutions Approving Budget for FY 2007-2008
 - a. Operating Budget FY 2007/08 (Finance 406-03)
Action: Adopted Resolution 07-119 C.S. (4-1; Downey voting No) approving 2007-08 operating budget; approved \$15,000 total request for Monterey County Film Commission; continued decision on request by Big Sur Marathon to July 3, 2007
 - b. Capital Improvement Program FY 2007/08 (Public Works 406-03)
Action: Continued to July 3, 2007 Meeting
 - c. Neighborhood Improvement Program FY 2007/08 (Public Works)
Action: Continued to July 3, 2007 Meeting

City Manager Meurer and Finance Director Rhoads presented the staff report, noting the recommendation includes requests from two outside agencies, the Monterey County Film Commission request for a total of \$15,000 and a request from Big Sur Marathon for \$30,000.

Greg Robinson, Executive Director from the Monterey County Film Commission, stated this funding would be used for 3 new projects all targeted at increasing the number of film projects conducted in Monterey and in turn bringing substantial revenues to the City in the form of TOT and other sales. Commission Board Member Teresa Del Piero stated this year is the Commission's 20th anniversary and thanked Monterey for its continued support. Nola Rocca, writer and director of *Where's Marty?*, said her film won an award for tourism and travel and hopes that it will bring many visitors to Monterey.

Wally Kastner, Race Director of Big Sur Marathon, described the *Just Run* program and stated their request for \$30,000 would support adding a new race for *Just Run* kids by adding an additional day to the Big Sur Marathon race weekend. Mr. Kastner stated lengthening the weekend would create additional TOT and other sales for the City. Susan Love, Program Administrator, spoke in favor of the request and described how this event could lead to similar events in the future. Councilmember Downey asked to see the Big Sur Marathon budget for this event.

Mayor Della Sala opened the floor for public comments on the budget. Mrs. Evans asked why more money is not included for repair of streets, why the Sports Center is not self-supporting, and asked if Council would be interested in creating an advisory board to assist with the budget preparation process. Mrs. Evans displayed a chart indicating money transfers from specific funds to the Civic Center fund from 2001-2004 and asked if these funds could be transferred back or used for street repairs. Seeing no further requests to speak, Mayor Della Sala closed public comments.

On a motion by Councilmember Downey, seconded by Councilmember Sollecito, and carried by the following vote, the City Council approved a grand total funding of \$15,000 for the Monterey County Film Commission:

AYES: 5 COUNCILMEMBERS: Downey, Haferman, Selfridge, Sollecito, Della Sala
 NOES: 0 COUNCILMEMBERS: None
 ABSENT: 0 COUNCILMEMBERS: None

On a motion by Councilmember Downey, seconded by Councilmember Sollecito, and carried by the following vote, the City Council continued decision on funding for the Big Sur Marathon to the July 3, 2007 Meeting in order to review Big Sur Marathon's budget for this race:

AYES: 5 COUNCILMEMBERS: Downey, Haferman, Selfridge, Sollecito, Della Sala
 NOES: 0 COUNCILMEMBERS: None
 ABSENT: 0 COUNCILMEMBERS: None

On a motion by Councilmember Sollecito, seconded by Councilmember Selfridge, and carried by the following vote, the City Council adopted Resolution 07-119 approving the FY 2007-2008 operating budget to include a \$30,000 line item for cultural arts:

AYES: 4 COUNCILMEMBERS: Haferman, Selfridge, Sollecito, Della Sala
 NOES: 1 COUNCILMEMBERS: Downey
 ABSENT: 0 COUNCILMEMBERS: None

On a motion by Councilmember Selfridge, seconded by Councilmember Downey, and carried by the following vote, the City Council continued Items 2B and 2C, Capital Improvement Program and Neighborhood Improvement Program Budgets for FY 2007/2008, to the July 3, 2007 Meeting:

AYES: 5 COUNCILMEMBERS: Downey, Haferman, Selfridge, Sollecito, Della Sala
 NOES: 0 COUNCILMEMBERS: None
 ABSENT: 0 COUNCILMEMBERS: None

At 9:25 p.m. Mayor Della Sala convened a recess and reconvened the meeting at 9:34 p.m.

Mayor Della Sala adjourned the City Council Meeting to the Redevelopment Agency Meeting

Redevelopment Agency – Public Hearing

RDA2. Redevelopment Agency Budget for Fiscal Year 2007/2008 (Finance 406-05)

Action: Adopted RDA Resolution 832

Finance Director Rhoads presented the staff report. Mayor Della Sala opened the floor for public comment and seeing no requests to speak closed public comments.

On a motion by Agencymember Downey, seconded by Agencymember Sollecito, and carried by the following vote, the Redevelopment Agency adopted RDA Resolution 832 approving the RDA Budget for 2007-2008:

AYES: 5 AGENCYMEMBERS: Downey, Haferman, Selfridge, Sollecito, Della Sala
 NOES: 0 AGENCYMEMBERS: None
 ABSENT: 0 AGENCYMEMBERS: None

Mayor Della Sala adjourned the meeting to the Joint Powers Financing Authority Meeting.

Joint Powers Financing Authority – Public Hearing

JPA1 City of Monterey Joint Powers Financing Authority Budget for 2007-2008 (Finance 406-06)

Action: Adopted JPA Resolution 25

Finance Director Rhoads presented the staff report. Mayor Della Sala opened the floor for public comment and seeing no requests to speak closed public comments.

On a motion by Agencymember Downey, seconded by Agencymember Sollecito, and carried by the following vote, the Joint Powers Financing Authority adopted JPA Resolution 25 approving the JPA Budget for 2007-2008:

AYES: 5 AGENCYMEMBERS: Downey, Haferman, Selfridge, Sollecito, Della Sala
 NOES: 0 AGENCYMEMBERS: None
 ABSENT: 0 AGENCYMEMBERS: None

Mayor Della Sala adjourned the meeting to the Ocean View Community Services District Meeting.

Ocean View Community Services District – Public Hearing

CSD1. Ocean View Community Services District Budget for 2007-2008 (Finance 406-07)
Action: Adopted CSD Resolution 009

Finance Director Rhoads presented the staff report. Mayor Della Sala opened the floor for public comment and seeing no requests to speak closed public comments. Councilmember Selfridge asked that at a future meeting the District consider increasing director salaries.

On a motion by Agencymember Sollecito, seconded by Agencymember Downey, and carried by the following vote, the Community Services District adopted CSD Resolution 009 approving the CSD Budget for 2007-2008:

AYES: 5 BOARDMEMBERS: Downey, Haferman, Selfridge, Sollecito, Della Sala
 NOES: 0 BOARDMEMBERS: None
 ABSENT: 0 BOARDMEMBERS: None

Adjourn to City Council Meeting

Mayor Della Sala adjourned the meeting back to the City Council Meeting.

PUBLIC HEARINGS

3. Extension of An Urgency Ordinance of the City Council of The City of Monterey that Extended for Three Months a Moratorium on the Conversion of Rental Housing to Condominiums; Exempt from CEQA Requirements (Community Development 203-07)
Action: Adopted Ordinance 3389 C.S.; granted exception for approved and under construction mixed use projects to file applications for condominium conversions

Senior Planner Marvin presented the staff report, stating the Planning Commission and the Planning Commission Subcommittee recommend the 6-month extension and granting an exception to this for the mixed used project at 191 Lighthouse Avenue. Mr. Marvin described the work of the Subcommittee and listed items slated for further development by the Subcommittee if the moratorium is extended.

Mayor Della Sala opened the floor for public comment. Jennifer James, representing the Monterey County Association of Realtors, asked that the Council extend the moratorium for only an additional 90 days, not 6 months. Bob Chorny spoke in favor of the 6-month extension. Seeing no further questions to speak, Mayor Della Sala closed public comment.

On a motion by Councilmember Downey, seconded by Councilmember Sollecito, and carried by the following vote, the City Council adopted Ordinance 3389 C.S. approving a 6-month extension of the condominium moratorium and granting an exception for mixed used projects under construction to file applications for condominium conversions:

AYES: 5 COUNCILMEMBERS: Downey, Haferman, Selfridge, Sollecito, Della Sala
 NOES: 0 COUNCILMEMBERS: None
 ABSENT: 0 COUNCILMEMBERS: None

4. 825 and 831 Casanova Avenue; Planning Commission Recommendation to approve a Zoning Map Amendment, Master Use Permit for Planned Unit Development, Vesting Tentative Map, Condominium Plan, 18-space Parking Adjustment and a Variance to Convert 90 Apartments to 83 Condominiums with 18 Inclusionary Units at Low, Moderate and Workforce Pricing; Applicant Allen Robinson for the Sienna Company; Owner Monterey Townhouse Partners, LLC; R-3-10-S and R-1-6 Zoning Districts; Negative Declaration Filed (Community Development 203-06)

Action: Adopted Resolution 07-120 C.S.

Senior Planner Marvin presented the staff report. Mayor Della Sala opened the floor to the applicant. Matt Lowe, representing the Sienna Company, stressed that this project brings affordable workforce housing to Monterey. Mr. Grant Sedwidge emphasized that an independent traffic count survey indicated the project has adequate parking.

Mayor Della Sala opened the floor for public comment. Richard Ruccello, President of the Casanova Oak Knolls Neighborhood Association stated the association supports the project and urged the Council to maintain at a minimum a 1.7 parking space per unit ratio as the standard for Casanova Avenue. Seeing no further requests to speak Mayor Della Sala closed public comment.

On a motion by Councilmember Downey, seconded by Councilmember Haferman, and carried by the following vote, the City Council approved the staff recommendation adopting Resolution 07-120 approving a Zoning Map Amendment, Master Use Permit for Planned Unit Development, Vesting Tentative Map, Condominium Plan, 18-space Parking Adjustment and a Variance to Convert 90 Apartments to 83 Condominiums with 18 Inclusionary Units at Low, Moderate and Workforce Pricing:

AYES: 5 COUNCILMEMBERS: Downey, Haferman, Selfridge, Sollecito, Della Sala
 NOES: 0 COUNCILMEMBERS: None
 ABSENT: 0 COUNCILMEMBERS: None

COUNCIL COMMENTS

Councilmember Sollecito stated he has had nothing but positive feedback on the appointment of Chief Tim Shelby and on the fact that selection was made from in-house. Councilmember Sollecito asked the Council to consider a feasibility study on expanding our Conference Center, specifically a second ballroom the size of the Serra Ballroom, stating Monterey could miss out on opportunities if we do not have the capacity that other local venues may have.

Councilmember Downey stated she and City Manager Meurer attended an open house at Interim Inc. and sends kudos to them on their renovations and improvements.

Councilmember Haferman asked how the City is monitoring the ARC guidance on the Trader Joe's development at 570 Munras; City Manager Meurer provided background on the review process. Councilmember Haferman and Councilmember Sollecito, who are Monterey representatives to the Airport District, said that they would work together to bring something back to Council in response to a letter the Council received recently from the Casanova Oak Knoll Neighborhood Association referencing the airport. Councilmember Haferman asked for and received an update on the process for synchronizing streetlights within the City.

Councilmember Selfridge congratulated Chief Shelby on his appointment and Interim Inc. on their Open House.

Mayor Della Sala provided a summary of yesterday's Special Joint Meeting between the Council and the Councils of Carmel and Pacific Grove to discuss a Fire Department Feasibility Study and asked the public to get involved and provide input.

CITY MANAGER REPORTS

City Manager Meurer stated he recommends the Council allocate 3 hours for the Catellus study session. By consensus the Council agreed to 3 hours for the study session June 27, 2007 from 4 p.m. to 7 p.m.

ADJOURNMENT

There being no further business to come before the City Council, Mayor Della Sala adjourned the meeting at 10:43 p.m.

Respectfully Submitted,

Approved,

Catherine A. Raynor, Senior Assistant City Clerk

Chuck Della Sala, Mayor