

**MINUTES
CITY COUNCIL MEETING
MONDAY, MARCH 3, 2008**

CALL TO ORDER Mayor Shoals called the meeting to order at 6:30 p.m. in the City Hall Council Chambers, 154 South Eighth Street, Grover Beach, California.

MOMENT OF SILENCE

FLAG SALUTE The flag salute was led by Taylor Murphy, a nine-year-old, 4th grade student at Grover Heights Elementary School.

ROLL CALL

City Council: Council Members Ashton, Bright, Mayor Pro Tem Nicolls, and Mayor Shoals were present. Council Member Lieberman was absent.

City Staff: City Manager Perrault, City Attorney Koczanowicz, City Clerk McMahon, Administrative Services Director Chapman, Police Lieutenant Bewick, Fire Chief Hubert, Parks and Recreation Director Petker, Public Works Superintendent Ford, and Planning Manager Gould-Wells were also present.

Also present was City Engineer Garing.

CLOSED SESSION ANNOUNCEMENTS City Attorney Koczanowicz read the following announcement:

On Tuesday, February 19, 2008 after meeting in Closed Session regarding:

1. Conference with Legal Counsel - Pending Litigation
Pursuant to Government Code Section 54956.9(a)
Mireya Jaimes-Freyre v. City of Grover Beach CV 070478
2. Conference with Legal Counsel – Pending Litigation
Pursuant to Government Code Section 54956.9(a)
Santa Maria Valley Water Conservation District v. City of Santa Maria, etc., et al,
and Related Cross-Actions: Santa Clara Superior Court Case No. CV 770214.

the City Council reconvened into open session, and announced there were no reportable actions taken.

AGENDA REVIEW

Action: Upon consensus (Council Member Lieberman absent), the Council adopted the agenda as presented.

CEREMONIAL CALENDAR

1. Recognition of 2007 Employees of the Year.

Mayor Shoals read the title to the foregoing item and deferred to City Manager Perrault to introduce the honorees, along with their respective department directors or managers. The following employees were recognized as 2007 Employees of the Year, and the City

Council extended its congratulations and praise to each of the honorees for their dedication to the City:

- City Hall - Lynn Carr, Administrative Specialist-Confidential
- Public Works - Jerry Ross, City Mechanic
- Fire Department - Mark Searby, Fire Engineer
- Police Department - Devon Polit, Communications Supervisor, who was unable to attend the meeting.

PUBLIC COMMUNICATIONS The Mayor opened the floor to any member of the public for comment on items of interest which were within the jurisdiction of the City Council but were not listed on the agenda.

- A. Ralph Wright, Grover Beach, stated that he had recently attended a Citizen Oversight Committee meeting regarding the budget and commended the City for the amount of funds allocated towards street improvements. He then expressed concerns with issues regarding parking, new business developments, and mixed-use projects.

PUBLIC HEARINGS

2. First Reading of an Ordinance to Amend the Grover Beach Municipal Code by Revising the Residential Development Standards as Contained in Article IX, Planning and Zoning Regulations of the City of Grover Beach Municipal Code.

Mayor Shoals read the title to the foregoing item, declared the Public Hearing open, and deferred to staff for a report. For the information of those present, Planning Manager Gould-Wells gave an overview of previous direction received from the City Council and Planning Commission regarding proposed revisions to the City's residential development standards to afford greater development flexibility for projects in the R-1, R-2 or R-3 zoning districts. She summarized the proposed amendments as follows:

- For R-3 development standards:
 - increasing density while reducing negative impacts to surrounding properties,
 - increasing lot coverage,
 - lowering building heights, and
 - providing larger foot prints (building envelopes).
- For R-1, R-2 and R-3: revising base zoning district development standards which address setbacks, lot coverage, and building height.
- For Part 40, Development and Design Standards, revising common area developments (i.e., condominiums and planned unit developments) with regard to:
 - minimizing impacts to on-street parking,
 - allowing centralized trash areas in R-3 projects, and
 - providing a buffer area between residential areas of higher density and lower density.

It was noted that the proposed revisions did not apply to the coastal zoning designations of C-R-1, C-R-2 or C-4-3. Planning Manager Gould-Wells and City Attorney Koczanowicz responded to questions from the Council regarding density, guest parking, buffer zones, building heights, setbacks, and location of easements.

Mayor Shoals invited comments from those in the audience who wished to be heard on this matter.

Lois Hughes, Grover Beach, spoke in support of increasing the allowable floor ratio between the first and second floors from 80% to 90%.

Gary Edmunds, Grover Beach, spoke in support of retaining the 80% first to second floor ratio and lowering building heights in R-3 zoning districts. He then objected to the method used to calculate density and proposed minimum setbacks.

There were no further public comments received and the Mayor closed the Public Hearing on this item.

Further discussion was held regarding affordable housing requirements pursuant to state law for five or more units as compared to proposed local residential development standards for projects with four units or less, which included an affordable housing component. Additional discussion was held regarding density, architectural design aesthetics, parking, landscaping, setbacks, and further suggested changes to other sections of Part 40. At Council's direction, revisions to Part 40 would not be made at this time.

City Attorney Koczanowicz summarized the Council's suggested changes to the proposed Ordinance as follows:

1) delete Section 9109.8 (D) regarding additional setbacks in R-2 Districts:
Each lot in the "R-2" District that shares a property line(s) with a lot in the "R-1" District shall provide an additional ten (10) foot setback (beyond that which is currently required) along that property line(s).

2) amend Section 91119.9 regarding additional setbacks in R-3 Districts:
Each lot in the "R-3" District that shares a property line(s) with a lot(s) in an "R-1" or "R-2" District shall provide an additional a minimum ten (10) foot setback (beyond that which is currently required) along those property lines(s).

3) delete Section 9140.2 regarding development standards:
(A) Minimum lot size shall be governed by the General Plan Density applicable to the parcel being developed.
(B) Off street parking shall be an attached 2-car garage per unit, together with one guest parking space per unit. Subject to a Use Permit, the one required guest parking space per unit may be located in front of the garage or in the required setbacks. Said garage shall have twenty (2) feet by twenty (20) feet interior dimensions and the guest parking spaces shall be ten (1) feet by twenty (2) feet.
(C) Centralized trash collection areas in R-3 zoning districts considered under this section may be approved in lieu of individual trash cans through the Use permit process.

Action: It was m/s by Council Members Bright/Ashton to introduce and conduct the first reading, by title only, of Ordinance No. 08-03, as amended, amending the Grover Beach Municipal Code and revising Residential Development Standards in the R-1, R-2 and R-3 zoning districts, and schedule second reading and adoption at the next regular City Council meeting. The motion carried on the following roll call vote:

AYES: Council Members Ashton, Bright, Mayor Pro Tem Nicolls, and Mayor Shoals.
NOES: Council Members - None.
ABSENT: Council Member Lieberman.
ABSTAIN: Council Members - None.

Ordinance No. 08-03: An Ordinance of the City Council of the City of Grover Beach, California, Amending Article IX of the Grover Beach Municipal Code by Providing Revisions to Development Standards in R-1, R-2 and R-3 Zoning Districts. (First reading only.)

CONSENT AGENDA

It was m/s by Council Member Ashton/Mayor Pro Tem Nicolls to approve Consent Agenda Item Nos. 3, 4, and 5 as recommended. The motion carried on the following roll call vote:

AYES: Council Members Ashton, Bright, Mayor Pro Tem Nicolls, and Mayor Shoals.
NOES: Council Members - None.
ABSENT: Council Member Lieberman.
ABSTAIN: Council Members - None.

3. Treasurer's Report for the Period February 13 - 26, 2008.

Action: Approved as submitted.

4. Minutes of the Following City Council Meetings:

- Regular City Council Meeting of December 3, 2007; and
- Joint City Council / Improvement Agency Meeting of December 3, 2007.

Action: Approved as submitted.

5. Second Reading of Ordinance for Public Employees Retirement System (PERS)

Contract Amendment - Amending the City's contract with CalPERS to provide Local Miscellaneous 2.5% at Age 55 Modified Formula Retirement Plan. **Action:** Conducted second reading, by title only, and adopted Ordinance No. 08-02.

Ordinance No. 08-02: An Ordinance of the City Council of the City of Grover Beach, California, Authorizing an Amendment to the Contract Between the City Council of the City of Grover Beach and the Board of Administration of the California Public Employees' Retirement System.

REGULAR BUSINESS

6. Appeal of an Administrative Decision to Deny a Waiver of Impact Fees.

Mayor Shoals read the title to the foregoing item and deferred to staff for a report. City Manager Perrault gave a brief overview of an appeal filed by Kirby Gordon on behalf of his client, Joe Rowles, to waive payment of development impact fees for relocating a home from 385 South 8th Street to 1582 Nice Street to be used as a secondary unit.

City Manager Perrault reviewed the manner, pursuant to state law, in which the City collected fees when a building permit was issued in order to offset the impact new development had on the City's infrastructure system and facilities. He noted that in 2006 the City had received an analysis of development impact fees by the firm Tuckfield & Associates, which served as the City's basis for the setting and collecting of various fees. City Manager Perrault reviewed the basis of his decision to deny the exemption request, stating that the relocation created a new impact on the City's infrastructure systems as if it were a newly constructed unit. He and City Attorney Koczanowicz then responded to questions from the Council.

As a point of clarification, City Attorney Koczanowicz stated that, in order for the Council to adjust or remove a specific fee that had previously been set and approved by the Council based on the Tuckfield study, "specific findings" would be necessary.

At this time, the following Council Members announced that they had individually received messages from the appellant and/or his attorney to discuss this matter:

- Council Members Ashton, Bright, and Mayor Pro Tem Nicolls individually stated they did not respond to calls from Mr. Rowles or his attorney, Kirby Gordon.
- Mayor Shoals stated that he did speak with Mr. Gordon earlier that day.

Mayor Shoals invited comments from those in the audience who wished to be heard on this matter.

Joe Rowles, appellant, provided information regarding the remodeled home previously located at 385 South 8th Street. He stated that he intended to live in the building as his primary residence after it was relocated and rent out the larger existing home on Nice Street. He reviewed the information he received from the City in order to relocate the building, and that he was not aware of the required additional fees until after the garage had been demolished and the process of relocating the building had already begun.

Kirby Gordon, attorney for the appellant, distributed photos of the relocated home and a copy of a letter submitted on behalf of his client back in June 2007, requesting that the City waive certain fees in connection with the relocation of the home. He cited the following in support of the request: investment of federal block grant funds used to remodel the home that was now relocated, the lack of precedence regarding relocation or preservation of a CDBG-renovated home, his client's senior citizen status, and the demolition permit which had been issued.

Further discussion was held regarding the time frame when the applicant/appellant had contact with City staff, dates when permits were issued, and concerns that the applicant should have been required to notify surrounding property owners/residents of his application to relocate the building. For the information of those present, City Attorney Koczanowicz summarized the contents of an internal memorandum from Planning staff regarding 1582 Nice Street that he had just received during the meeting. He summarized the contents of the memorandum which chronologically outlined the dates when applications were received, permits were issued, and/or required corrections were provided to the applicant.

Kirby Gordon, attorney for the applicant/appellant, requested that the Council consider reimbursing his client for a portion of the fees already paid.

City Attorney Koczanowicz noted that fees paid by the applicant/appellant were for work which had already been done; i.e., the permits had been issued. He stated that reimbursement of fees was not the issue scheduled for discussion at this meeting and should therefore be considered separately.

Action: It was m/s by Mayor Pro Tem Nicolls/Council Member Ashton to deny the appeal and uphold the administrative decision. The motion carried on the following roll call vote:

AYES: Council Members Ashton, Bright, Mayor Pro Tem Nicolls, and Mayor Shoals.
NOES: Council Members - None.
ABSENT: Council Member Lieberman.
ABSTAIN: Council Members - None.

7. Awarding the Meadow Creek Bridge Replacement and City Storm Drain System Upgrades.

Mayor Shoals read the title to the foregoing item, and deferred to staff for a report. City Engineer Garing gave a brief overview of the extensive permitting required from federal, state, railroad, County, and environmental agencies in order to replace the existing bridge over Meadow Creek and improve the surrounding storm drain system. He reviewed the nine bids received on February 13, 2008, with the lowest responsive bid received from MGE Underground, the company previously contracted by the City to construct improvements for the Mentone Storm Drain. He noted the Mentone Storm Drain Project was completed on time and under budget. He then responded to questions regarding costs, construction management, materials, alternate traffic routes during the construction process to maintain access to the beach, and the estimated project completion date by August 2008.

Upon request, City Manager Perrault reviewed the planned project area for storm drain improvements that would extend from Highway One to 4th Street, and the project area for downtown enhancements using federal funds secured through Congresswoman Capps' that would be along West Grand Avenue.

Action: It was m/s by Mayor Pro Tem Nicolls/Council Member Ashton to: 1) adopt Resolution No. 08-19 awarding the Meadow Creek Bridge Replacement and City Storm Drain Upgrades Project to the lowest responsive bidder, MGE Underground in the amount of \$1,981,117.90; 2) authorize the City Manager to sign and affirm change orders to the project in amounts totaling up to \$198,111.79; and 3) authorize the Mayor to execute the contract on behalf of the City. The motion carried on the following roll call vote:

AYES: Council Members Ashton, Bright, Mayor Pro Tem Nicolls, and Mayor Shoals.
NOES: Council Members - None.
ABSENT: Council Member Lieberman.
ABSTAIN: Council Members - None.

Resolution No. 08-19: A Resolution of the City Council of the City of Grover Beach, California, Awarding the Meadow Creek Bridge Replacement and City Storm Drain System Upgrades Project.

Recess: Upon consensus of the City Council, the meeting recessed at 8:44 p.m.
Reconvene: At 8:53 p.m., the meeting reconvened with all Council Members present, except for Council Member Lieberman who was absent from this meeting.

8. Goals and Work Tasks.

Mayor Shoals read the title to the foregoing item and deferred to staff for a report. City Manager Perrault gave a brief overview of progress achieved to date on the Council-

approved goals and work program for FY 08 and identified areas where progress had been limited. He also reviewed comments received from the Planning Commission, Parks, Recreation and Beautification Commission, and management staff.

Brief discussion was held regarding the prioritized list of goals, further refinements to the wording for each goal and work program in preparation for the upcoming two-year budget cycle, and scheduling presentation of an economic development strategy before the end of the fiscal year.

Discussion/comments included the following:

Goal 1A - Economic Development

- Develop a long-term funding strategy to construct and rehabilitate local streets;
- Develop demonstration projects, such as narrowing the street width on Longbranch Avenue and Newport Avenue;
- Develop traffic calming projects for areas such as along Margarita Avenue, Manhattan Avenue, and 10th Street.

Work Program 1A - Economic Development

- Develop a Master Plan for the downtown core area and the beach area.

Work Program 3A - Public Safety

- Develop a South County Public Safety Training Facility.

Goal 5A - Finance

- Re-prioritize the list to move the third item on the list regarding development of a long-term revenue strategy to appear first.

Goal 6A - Housing

- Inventory City-owned property and under-developed property to potentially designate those sites for affordable housing projects.

Goal 7A - Transportation and Parking

- Complete a parking analysis of the West Grand Avenue corridor.

Work Program 7A - Transportation and Parking

- Apply to the San Luis Obispo Council of Governments or the State for Proposition 1B funds to complete environmental reviews for specific transportation projects.

Goal 8A - Policy/Administration

- Review code enforcement efforts conducted to date.

Work Program 8A - Policy/Administration

- Provide annual reports to the Council from Commissions.

Goal 8A - City Employees

- Consider other possible incentives to redirect vacation hours from being cashed out, such as purchasing long-term medical retirement at employee expense.

Work Program 8A- City Employees

- Refurbish City Hall, beginning with a "face lift" to the building exterior: sidewalk repair, planting drought-tolerant landscaping, installing monument signage, and painting the exterior.

Goal 9A - Parks

- Develop a bikeway plan;
- Develop a signage program for design consistency at major City entrances and parks;
- Prepare an updated list of approved street trees;
- Conduct a feasibility study regarding a senior center at, or in the vicinity of, Ramona Garden Park.

Mayor Shoals invited comments from those in the audience who wished to be heard on this matter.

Leah Greeley, Parks, Recreation & Beautification Commissioner, spoke on discussions held at the Commission meeting regarding the goals.

Upon question, City Manager Perrault confirmed that Commission comments would be consolidated into the list with comments received from the Planning Commission and City Council, and presented at the next meeting when the City Council was scheduled to discuss goals and the work program.

There were no further public comments received.

Action: Upon consensus of the Council, staff was directed to revise the goals and work program for further consideration by the Council at the Public Hearing scheduled for Monday, March 17, 2008.

COUNCIL COMMITTEE REPORTS

Council Member Ashton stated he had nothing to report at this time.

Council Member Bright reported on the meeting of the Economic Vitality Corporation.

Mayor Pro Tem Nicolls stated he had nothing to report at this time.

Mayor Shoals stated he had nothing to report at this time.

Council Member Lieberman was absent.

CITY COUNCIL AGENDA

9. Participation in the San Luis Obispo County-wide 10-Year Plan to End Chronic Homelessness.

Mayor Shoals read the title to the foregoing item, and deferred to staff for a report. City Manager Perrault gave a brief report on the County's Homeless Services Coordinating Council, tasked with developing a County-wide 10-year plan to end chronic homelessness in response to a federal mandate requiring all public agencies to develop such a plan in order to continue receiving federal funds for homeless services and housing funds. He stated the Coordinating Council was requesting that each City designate two Council Members as representatives to serve on the "Leadership Council", along with other service providers, for at least one meeting per month.

Brief discussion was held regarding interest and availability by individual Council Members to attend these meetings.

Action: Upon consensus (Council Member Lieberman absent), Mayor Pro Tem Nicolls and Council Member Ashton were designated to participate in development of the 10-year plan and the City Manager was authorized to provide respective staff support as he may determine.

10. Request to Agendize Reconsideration of Planned Development Overlay District.

Mayor Shoals read the title to the foregoing item and deferred to staff for a report. City Manager Perrault stated that Ordinance No. 08-01 was adopted at the last Council meeting and would become effective thirty days thereafter. That Ordinance would incorporate the West Grand Avenue Corridor Planned Development Overlay District (PD Overlay) into the Grover Beach Municipal Code. The City received a written request from Council Member Lieberman for the Council to agendize the Ordinance for reconsideration, stating that the Ordinance did not meet its stated purpose to provide greater flexibility and incentives to encourage future projects with higher quality design or increased energy efficiencies.

Brief discussion was held regarding the process to amend an adopted Ordinance, the frequency with which changes occur to Title 24 energy efficiency standards that may prove cumbersome when applying requirements of the Ordinance, and additional

components of the Leadership in Energy and Environmental Design (LEED) Rating System that extended beyond energy efficiency.

Action: Upon m/s by Mayor Pro Tem Nicolls/Council Member Bright, staff was directed to place Ordinance No. 08-01 on a future agenda for reconsideration. The motion carried by voice vote (Council Member Lieberman absent).

COUNCIL COMMUNICATIONS

Council Member Ashton announced topics and guest speakers scheduled for upcoming Neighborhood Watch meetings: a guest speaker from the San Luis Obispo District Attorney's Office Victim Witness Assistance Center, and the following month a guest speaker to teach CPR.

Mayor Shoals announced that the Chamber of Commerce would be hosting the first annual Central Coast Celebration to be held the weekend of April 5-6, 2008.

CITY MANAGER'S REPORTS AND COMMENTS

City Manager Perrault reminded all those present that the Volunteer Appreciation Dinner hosted by the Parks and Recreation Department was scheduled for Saturday, March 8, 2008, and to contact the Parks and Recreation Department with RSVPs.

He then discussed scheduling future special meetings for the following three items:

- The final workshop to discuss solutions for street rehabilitation;
- A joint City Council/Planning Commission Workshop; and
- Awards Board meeting for the Grover Beach Lodge and Conference Center Project with members of the State and City on Friday, March 21, 2008, to review and make recommendations to the City Council.

He suggested and received Council consensus to schedule a Special Joint City Council / Improvement Agency meeting on Monday, March 31, 2008, regarding: 1) the Grover Beach Lodge and Conference Center Project, and 2) solutions for street rehabilitation.

CITY ATTORNEY'S REPORTS AND COMMENTS

None at this time.

CLOSED SESSION

None at this time.

ADJOURNMENT

There being no further business to come before the City Council, Mayor Shoals adjourned the meeting at 10:14 p.m.

/s/JOHN P. SHOALS, MAYOR

Attest:

/s/DONNA L. McMAHON, CITY CLERK
(Approved at CC Mtg 6/16/08)