

**MINUTES
CITY COUNCIL MEETING
TUESDAY, SEPTEMBER 5, 2006**

CALL TO ORDER Mayor Versaw called the meeting to order at 6:39 p.m. [delay due to technical difficulties with the video production company's equipment] in the City Hall Council Chambers, 154 South Eighth Street, Grover Beach, California.

MOMENT OF SILENCE

FLAG SALUTE The flag salute was led by Police Lieutenant John Bewick.

ROLL CALL

City Council: Council Members Ashton, Ekblom, Shoals, Mayor Pro Tem Lieberman, and Mayor Versaw were present.

City Staff: City Manager Perrault, City Attorney Koczanowicz, City Clerk McMahon, Community Development Director Hansen, Police Chief Copsey, Planner III Hetherington, and Planner I Reese were also present.

CLOSED SESSION ANNOUNCEMENTS: Mayor Versaw read the following announcement:

On Monday, August 21, 2006 after meeting in Closed Session regarding:

1. Conference with Legal Counsel - Pending Litigation
Spooner v. City of Grover Beach CV 030134
2. Conference with Legal Counsel - Pending Litigation
Miller v. City of Grover Beach CV 040293

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

CEREMONIAL CALENDAR

ORDER OF THE DAY: Upon consensus of the City Council, the Order of the Day was revised for the ceremonial portion of the agenda.

2. Swearing-in Ceremony of New Police Officers Frederick Fetty and Sonny Gerber, and Interim Police Lieutenant Jim English.

Police Chief Copsey introduced and administered the Oath of Allegiance to Police Officers Fetty and Gerber, and Interim Police Lieutenant English. The following family members participated in the badge pinning ceremony: Officer Fetty's wife Bobbie Fetty, Officer Gerber's fiancée Amy Andrews and his daughter Audrey, and Lieutenant English's wife Debbie English.

1. Introduction of Police Department Employees - Communications/Records Technician Richard Castillo, Lead Communications/Records Technician Bernadine Holt, and Records/Property Technician Sybyl Hollis.

Police Chief Copsey introduced new Police Department Communications/Records Technician Castillo to the City Council and members of the audience. Mrs. Bambi Castillo participated in the badge pinning ceremony.

Police Chief Copsey introduced Records/Property Technician Hollis and Lead Communications/Records Technician Holt, who were both recently promoted within the department.

ORDER OF THE DAY: At this time, the Order of the Day resumed as posted on the agenda.

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. Gary Edmunds, Grover Beach, voiced concerns regarding new multi-story projects being developed and inadequate parking for those developments.

- B. Don Fielding, Grover Beach, objected to the development of multi-story and multi-family structures and urged changes to the City's zoning regulations.
- C. Joseph Holmes, Grover Beach, suggested beautifying neighborhoods with increased landscaping. He then commended the City's Public Works crews for their quick response to his requests for neighborhood street repairs.
- D. Victor Lopez, Grover Beach, objected to a three-story project proposed near the intersection of South 8th Street and Manhattan Avenue.

Mayor Versaw requested that Mr. Lopez reserve any further comments until public comments were called specifically for that issue under Agenda Item No. 7.

- E. John A. Wysong, Grover Beach, expressed concerns that people were recently observed riding mopeds on the beach boardwalk.
- F. Daniel Sanchez, Grover Beach, objected to the development of three- and four-story buildings in the City.

There were no further public comments received, and the Mayor closed the Public Communications segment for this portion of the meeting.

CONSENT AGENDA

Prior to consideration of the Consent Agenda, Council Member Ekbom stated that he would abstain from voting on Consent Agenda Item No. 4 as he was absent from the meetings on August 7, 2006. It was m/s by Mayor Pro Tem Lieberman/Council Member Ashton 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, Ekbom (*except* for Consent Agenda Item No. 4), Shoals, Mayor Pro Tem Lieberman, and Mayor Versaw.
NOES: Council Members - None.
ABSENT: Council Members - None.
ABSTAIN: Council Member Ekbom (for Consent Agenda Item No. 4 *only*).

3. Treasurer's Report for the Period August 15 - August 30, 2006.

Action: Approved as submitted.

4. Minutes of the Following City Council Meetings:

- Regular Meeting of Monday August 7, 2006; and

- Joint City Council / Improvement Agency Meeting of August 7, 2006.

Action: Approved the minutes as submitted (*except* for Council Member Ekbom).

5. Records Destruction Authorization.

Action: Adopt Resolution No. 06-75 authorizing the destruction of certain Police Department records in accordance with the City's Records Retention Policy.

Resolution No. 06-75: A Resolution of the City Council of the City of Grover Beach, California, Accepting the Police Department's Staff Report and Recommendations for Records Destruction.

REGULAR BUSINESS

6. Authorization to Submit a Letter to the Coastal Commission in Support of a Request for a Permit Waiver for Arroyo Grande Creek Maintenance.

Mayor Versaw read the title to the foregoing item and deferred to staff for a report. For the information of those present, City Manager Perrault summarized a request from the Coastal San Luis Resource Conservation District for a letter of support for the District's request for a permit waiver. He stated that the permit would enable the District to conduct an annual maintenance program in Arroyo Grande Creek over the next three years, and that a similar letter had been submitted from the Council last year for a one-year period. He also noted there would be an address correction to the draft letter before it was finalized for signature.

There were no questions from the Council and no Council discussion held at this time.

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

The following persons spoke in support of sending the proposed letter of support:

- Julie Thomas, Coastal San Luis Resource Conservation District;
- Norm Getty, Oceano resident and member of the Zone 1/1A Task Force; and
- Jim Hill, Board Member, Oceano Community Services District.

Action: It was m/s by Council Members Ekbohm/Shoals to submit a letter to the Coastal San Luis Resource Conservation District in support of a permit waiver for Arroyo Grande Creek maintenance, and authorize the Mayor to sign the letter on behalf of the City. The motion passed on the following roll call vote:

AYES: Council Members Ashton, Ekbohm, Shoals, Mayor Pro Tem Lieberman, and Mayor Versaw.
NOES: Council Members - None.
ABSENT: Council Members - None.
ABSTAIN: Council Members - None.

PUBLIC HEARINGS

Prior to discussion of Agenda Item No. 7, Mayor Versaw stated that he wanted to ensure complete and full due process was received for those applications reviewed by the Planning Commission and subsequently appealed to the City Council. He therefore recused himself, stepped down from the dais, and left the room. Mayor Pro Tem Lieberman presided over the meeting at this time.

7. Development Permit Application No. 05-071: 1) Appeal of Planning Commission's Failed Motion to Approve Site and Architectural Plans and Use Permit; and 2) Approval of Planning Commission Recommended Development Concessions / Incentives and Tentative Tract Map.

Project Location: 385 South 8th Street, Grover Beach; APN 060-281-008.

Applicant and Appellant: Saint Joseph Properties, LLC, Marilyn Sullivan, Attorney and CEO.

Mayor Pro Tem Lieberman read the title to the foregoing item, declared the Public Hearing open, and deferred to staff for a report. Community Development Director Hansen gave an overview of the development permit application components, the review process conducted by the Planning Commission, and subsequent actions. He stated that the City Council was being requested to consider: 1) an appeal of the failed motion at the May 9, 2006 Planning Commission meeting to approve the Site, Architectural Plans, and Use Permit for a proposed five-unit condominium project, with one unit being designated for affordable housing; and 2) a request to approve the following development concessions / incentives: (a) increase the allowable lot coverage from 35 percent to 40 percent, and (b) allow the second floor to exceed 80 percent of the first floor. He also noted that the project met the State's requirements for the number of parking spaces provided for projects with an affordable housing component.

Community Development Director Hansen pointed out that the Council would need to act on the appeal first. If the appeal was approved, then action could be taken on the second issue involving the Applicant's request for concessions / incentives. If the appeal was denied, no further action on the Applicant's request would be necessary.

Upon request, Community Development Director Hansen summarized the contents of supplemental information received from Attorney John Belsher, co-counsel with Appellant Marilyn Sullivan, and distributed prior to the meeting that referenced their position with respect to several Planning Commission action items and the State Affordable Housing Density Bonus Law. Community Development Director Hansen also confirmed the project site was located in the R-3, Multiple Residential, Zoning District, which was designated High Density Residential in the West Grover Beach Neighborhood of the City's General Plan. He stated that the proposed project would demolish an existing single-story dwelling and detached garage in order to build a five-unit, three-story residential condominium development with one deed-restricted unit

designated for a moderate income household for a 45-year period, as it was located in the City's Redevelopment Area. Community Development Director Hansen, Planner I Reese, City Attorney Koczanowicz, and City Manager Perrault then responded to questions from the Council.

Council Member Ashton objected to the proposed project, stating it provided no net gain in the number of affordable housing units being offered and the project site already had one existing affordable housing unit. He then expressed concerns regarding the City's water resources and stated that the proposed project lacked sufficient off-street parking.

Mayor Pro Tem Lieberman invited comments from those in the audience who wished to be heard on this matter, and called first upon the Applicant.

Marilyn Sullivan, Applicant, CEO of Saint Joseph Properties, LLC, gave an overview of her background and an equity sharing program she had developed in the 1980s in Marin County to assist first-time home buyers. She then provided a detailed overview of the proposed project, various project design changes made, fees paid to date, and comments received on the project during the review process at five separate Planning Commission meetings. Ms. Sullivan cited examples of other three-story projects in the same vicinity which had all been approved. She then outlined reasons to approve the proposed project as presented; however, she offered to lower the project height by changing the roof pitch.

The following persons spoke in opposition to the proposed project, citing concerns regarding State regulations superceding the City's codes, insufficient parking, building height, the three-story project design, density, insufficient number of affordable housing units, and accessibility issues for the disabled. The City Council also received requests to place a moratorium on three-story projects until the City's codes could be updated:

- Don Fielding, Grover Beach;
- Gary Edmunds, Grover Beach;
- Victor Lopez, Manhattan Avenue, Grover Beach;
- Frank Moreno, Manhattan Avenue, Grover Beach;
- Daniel Sanchez, Trouville Avenue, Grover Beach;
- Loretta Doukas, Grover Beach;
- Elizabeth Doukas, Grover Beach;
- Richard Rungren, property owner of the apartment complex immediately north of the proposed project;
- John Wysong, Grover Beach; and
- Joey Ybarra, Manhattan Avenue, Grover Beach.

The following persons spoke in support of the proposed project:

- Paul Bischoff, Grover Beach; and
- John Belsher, attorney, and co-counsel representing the Applicant.

There were no further public comments received.

Discussion was held regarding requirements for affordable housing units funded through the Community Development Block Grant program, parking restrictions applicable under a Homeowners Association's CC&R's (Conditions, Covenants, and Restrictions), and various project design components reviewed by the City Engineer.

Recess: Upon consensus of the City Council, the meeting recessed at 10:11 p.m.

Reconvene: At 10:22 p.m., the meeting reconvened with all Council Members present, except for Mayor Versaw.

Council Member Ashton objected to the project due to potential negative impacts to the surrounding neighborhood from the lack of sufficient off-street parking, the project's building height, and the City's limited water resources. He suggested updating the City's zoning regulations to prevent further negative impacts to residential areas from similar projects.

Further Council discussion was held regarding the City's current method of calculating the number of allowable units per lot, and revising it from measurements taken from the middle of the street to instead using a calculation based on the actual lot size; and restrictions placed on local agencies under state regulations for projects with an affordable housing component. Additional discussion focused on comments from the

City's visioning workshops regarding three-story developments and the difficulty in changing the City's zoning regulations for those projects already in the design review process.

The Council then discussed scheduling future discussion on: 1) amending the City's zoning regulations for projects in the R-3, Multiple Residential, Zoning District; 2) discussion of allowable building heights in all zoning districts; 3) discussion of allowable lot coverage in all zoning districts; 4) providing further clarification Part 40 of the City's zoning regulations regarding attached condominium projects; and 5) discussion of the method of calculating allowable density per lot.

City Manager Perrault stated that staff was currently working on an affordable housing ordinance that would address some of the concerns raised, and that staff would be presenting a summary of the proposed ordinance for general discussion with suggested time frames.

Action: It was m/s by Council Members Shoals/Ekbom to: 1) amend the Resolution to lower the overall building height by modifying the roof pitch, and adopt Resolution No. 06-76, as amended, approving Site and Architectural Plans and the Use Permit pursuant to staff findings and recommended conditions of approval; 2) adopt Resolution No. 06-77 approving the two requested development concessions, pursuant to State Government Code Section 65915, as amended by SB 435, and pursuant to staff findings and recommended conditions of approval; and 3) adopt Resolution No. 06-78 approving the Tentative Tract Map pursuant to staff findings and recommended conditions of approval. The motion carried on the following roll call vote:

AYES: Council Members Ekbom, Shoals, and Mayor Pro Tem Lieberman.
NOES: Council Member Ashton.
ABSENT: Council Members - None.
ABSTAIN: Council Members - None.
RECUSED: Mayor Versaw.

Resolution No. 06-76: A Resolution of the City Council of the City of Grover Beach, California, Approving Site and Architectural Plans and a Use Permit for Development Permit Application No. 05-071.

Resolution No. 06-77: A Resolution of the City Council of the City of Grover Beach, California, Adopting the Requested Affordable Housing Concessions (Incentives) relating to Development Permit Application No. 05-071, Pursuant to California Government Code Section 65915 (as Amended by SB 435).

Resolution No. 06-78: A Resolution of the City Council of the City of Grover Beach, California, Approving a Tentative Tract Map for Development Permit Application No. 05-071.

At this time, Mayor Versaw returned to the dais.

11:00 p.m. Rule: At 10:45 p.m., it was m/s by Council Members Shoals/Ekbom to continue the meeting past 11:00 p.m. The motion passed on the following roll call vote:

AYES: Council Members Ashton, Ekbom, Shoals, Mayor Pro Tem Lieberman, and Mayor Versaw.
NOES: Council Members - None.
ABSENT: Council Members - None.
ABSTAIN: Council Members - None.

8. FY 07 Citizens Option for Public Safety (COPS) Grant.

Mayor Versaw 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, Police Chief Copey gave an overview of the request to designate \$100,000 in COPS grant funding for one full-time Communications/Records Technician position, overtime for patrol services, and any remaining funds not spent on personnel to be expended on front-line services in the Police Department. He then responded to questions regarding the types of front-line services and the restrictions on the use of grant funds.

Mayor Versaw invited comments from those in the audience who wished to be heard on this matter. There were no public comments received and the Mayor closed the Public Hearing on this matter.

Action: It was m/s by Council Member Ashton/Mayor Pro Tem Lieberman to adopt Resolution No. 06-79 approving the allocation of FY 07 COPS funds. The motion passed on the following roll call vote:

AYES: Council Members Ashton, Ekbom, Shoals, Mayor Pro Tem Lieberman, and Mayor Versaw.
NOES: Council Members - None.
ABSENT: Council Members - None.
ABSTAIN: Council Members - None.

Resolution No. 06-79: A Resolution of the City Council of the City of Grover Beach, California, Accepting the Grover Beach Police Department's Recommendation for Spending the Citizen Option for Public Safety (COPS) Grant (FY 07).

9. First Reading of an Ordinance of the City of Grover Beach Adding Chapter 15 to Article X of the Grover Beach Municipal Code Establishing a Transaction and Use Tax to be Administered by the State Board of Equalization.

Mayor Versaw read the title to the foregoing item, declared the Public Hearing open, and deferred to staff for a report. City Attorney Koczanowicz gave an overview of the proposed Ordinance to enact a transactions and use tax, or sales tax, in the amount of one-half percent to ensure the continued delivery of public services such as public safety, street and sidewalk maintenance, parks and recreation programs, and other essential City services from the City's General Fund, which would be enacted only upon majority vote approval of the people of Grover Beach at the November 7, 2006 General Municipal Election.

City Attorney Koczanowicz stated that Section 1, paragraph D of the draft Ordinance regarding emergency calls received by the City's emergency dispatch center was being proposed for amendment. He noted that the original draft Ordinance had been forwarded to the County Clerk-Recorder's Office by the required deadline to be included on the November 7, 2006 ballot as Measure X-06 and that if the Council chose to print the full text of the Ordinance in the sample ballot, the previously submitted text could only be amended at this point with a court order.

Referencing a handout of two sample ballot drafts prepared by the County Clerk-Recorder's Office and distributed earlier to the City Council, he reviewed the options available for printing either the full text of the Measure or printing only the title of the Measure with the statement that a copy of the full text was available by mail by contacting the City Clerk's Office. He also confirmed that the full text of the Ordinance was currently available on the City's website as well as at City Hall and, if amended, that information could be updated accordingly.

Mayor Versaw invited comments from those in the audience who wished to be heard on this matter. There were no public comments received and the Mayor closed the public comment portion of the hearing.

Brief Council discussion was held regarding a misstatement in the original draft Ordinance that subsequently appeared in a citywide mailer. Further discussion was held regarding amending Section 1 of the draft Ordinance as follows (added text denoted with a double underline, deleted text denoted with ~~strikeout~~):

"D. Last year, more than ten thousand ~~emergency 9-1-1~~ calls were placed to the City's emergency dispatch center related to police, fire or medical emergencies -- and many of those calls come from Grover Beach's most vulnerable population, seniors."

Action: Upon consensus, staff was directed to request that the County Clerk-Recorder's Office print only the title of the Measure with the statement that a copy of the full text was available by mail by contacting the City Clerk's Office and was also available on the City's website. It was then m/s by Council Members Ekbom/Shoals to introduce

Ordinance No. 06-12, as amended, for first reading by title only, and schedule second reading and adoption at the next Regular City Council meeting. The motion passed on the following roll call vote:

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

Ordinance No. 06-12: An Ordinance of the City Council of the City of Grover Beach, California, Adding Chapter 15 to Article X of the Grover Beach Municipal Code Establishing a Transactions and Use Tax to be Administered by the State Board of Equalization. (First Reading only)

COUNCIL COMMITTEE REPORTS

Council Member Ashton gave a report on the Dune Run Run special event hosted by the Parks and Recreation Department.

Council Member Ekbom stated that he had nothing to report.

As he had been absent from the meeting, Mayor Pro Tem Lieberman deferred to City Manager Perrault, who gave a report on the recent meeting of the South County Fire Consolidation Oversight Committee.

Council Member Shoals reminded all those present that two meetings with representatives from the City and the State Department of Parks and Recreation would be held at City Hall on Thursday, September 14, 2006 at 1:00 p.m. and 6:30 p.m. to receive public comments on the proposed 150-room beachfront lodge and conference center facility to be located at the end of West Grand Avenue on State Parks property.

Mayor Versaw stated he would defer his committee reports to the next meeting due to the late hour.

CITY COUNCIL AGENDA

10. Request to Place an Item on a Future City Council Agenda Regarding a Discussion of City Employee Pension Programs - Council Member Ekbom.

Due to the late hour, Council Member Ekbom offered to defer discussion of this item to the next City Council meeting.

Action: Upon unanimous consensus, this item was deferred to the City Council meeting of September 18, 2006.

COUNCIL COMMUNICATIONS

- A. Mayor Pro Tem Lieberman reminded all those present that a 9/11 Memorial Event would be held at Ramona Garden Park on Monday, September 11, 2006 at 5:30 p.m.
- B. Council Member Shoals stated that he had recently met with a representative from SLO Greenbuild and would present the information at the next Council meeting.
- C. Council Member Ashton announced the next Neighborhood Watch meeting would be held at Ramona Garden Park Center on Wednesday, September 20, 2006 at 6:30 p.m.

CITY MANAGER'S REPORTS AND COMMENTS

City Manager Perrault stated that he, along with two City Council Members, the Fire Chief, and the City Attorney, would be attending the League of California Cities Annual Conference in San Diego from September 6 - 9, 2006, and that Police Chief Copsey would serve as Acting City Manager during his absence.

CITY ATTORNEY'S AGENDA

11. Follow-up on Citizen Request for An Amendment to the Grover Beach Municipal Code to Allow Sea-Train Storage Containers on Residential Property.

Due to the late hour, City Attorney Koczanowicz offered to defer his report to the next meeting.

Action: Upon unanimous consensus, this item was deferred to the City Council meeting of September 18, 2006.

CLOSED SESSION

At 11:10 p.m., the Council met in Closed Session regarding the following item:

1. **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.

Closed Session Announcements: At 11:20 p.m., the Mayor reconvened the meeting in open session with all Council Members present and announced there were no reportable actions taken during the Closed Session.

ADJOURNMENT

There being no further business to come before the City Council, Mayor Versaw adjourned the meeting at 11:20 p.m.

/s/ LARRY VERSAW, MAYOR

Attest: /s/ DONNA L. McMAHON, CITY CLERK

(Approved at CC Mtg 10/02/06)