

**MINUTES  
CITY COUNCIL MEETING  
MONDAY, JUNE 7, 2010**

**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 Council Member Mires.

**ROLL CALL**

City Council: Council Members Bright, Mires, Peterson, Mayor Pro Tem Nicolls, and Mayor Shoals were present.

City Staff: City Manager Perrault, City Attorney Koczanowicz, City Clerk McMahon, Administrative Services Director Chapman, Community Development Director Buckingham, Public Works Director/City Engineer Ray, Police Chief Copsey, Fire Chief Hubert, and Battalion Chief Heath were also present.

Also present was Ellen Curtis of the marketing firm Whizbang.

**AGENDA REVIEW**

**Action:** Upon unanimous consensus, the Council adopted the agenda as presented.

**CEREMONIAL CALENDAR**

**1. Drawing to Select Monthly Winners of the Local Economic Stimulus Program Shop Local, Shop Loyal Campaign - "Shop & Dine Grover Beach".**

Administrative Services Director Chapman briefly described the "Shop & Dine Grover Beach" Program to encourage residents to support local businesses by shopping and dining in Grover Beach. Members of the audience assisted with the random drawing. The names of the following Shop & Dine Grover Beach winners were announced: Frances Acosta, Roseanna Escobedo, Jacqueline Ginsberg, T.D. Jackson, A. Johnson, Rosemary Lucier, Richard Peterson, Pat Pierce, Judy Puma, and Jim Wilson.

**2. Proclamation Declaring June 7 & 8, 2010 as "Special Olympics Law Enforcement Torch Run Days".**

Mayor Shoals read and presented the Proclamation to Police Chief Copsey, who invited all those present to attend the South County portion of the event on Tuesday, June 8, 2010.

**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. No one responded and the Mayor closed the Public Communications segment for this portion of the meeting. At this time, Mayor Shoals acknowledged San Luis Obispo County District 3 Supervisor Adam Hill, who was seated in the audience.

**PUBLIC HEARINGS**

**3. Consideration of an Amendment to the Zoning Regulations to Eliminate the Requirement for General Development Plans in Certain Zoning Districts and Revise the Commercial Use Table - Zoning Code Amendment 10-001.**

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, Community Development Director Buckingham provided an overview of proposed amendments to the City's Zoning regulations to streamline and expedite the development review process by: 1) eliminating the General Development Plan requirement, and 2) revising the Commercial Use Table to streamline the development process for certain uses to assist businesses. He stated that the Planning Commission had reviewed the proposed amendments and

recommended approval. It was also noted that this was not a comprehensive review of the Commercial Use Table, but rather a change for the more common types of projects submitted. He stated that a comprehensive update, which was included as part of the FY 11 - FY 12 Goals and Work Program, would require a much lengthier process to complete. He then responded to questions from the Council.

Brief discussion was held regarding the estimated time frame to complete a comprehensive update of Use Tables, opportunities to continue receiving Council and public input regarding significant development projects, and the development review process conducted by the County.

Mayor Shoals invited comments from those in the audience who wished to be heard on this matter. There was no response and he closed the Public Hearing.

**Action:** It was m/s by Mayor Pro Tem Nicolls/Council Member Bright to introduce Ordinance No. 10-4, by title only, 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 Bright, Mires, Peterson, Mayor Pro Tem Nicolls,  
and Mayor Shoals.  
NOES: Council Members - None.  
ABSENT: Council Members - None.  
ABSTAIN: Council Members - None.

**Ordinance No. 10-04: An Ordinance of the City Council of the City of Grover Beach, California, Amending Article IX, Planning and Zoning Regulations, Chapter 1, Parts 6, 14, 21, 22, and 27 to Eliminate the Requirement for a General Development Plan, and Amend Chapter 1, Part 22, Table 1 - Commercial District Use Table.**  
(First Reading only.)

#### **CONSENT AGENDA**

It was m/s by Council Members Peterson/Bright to approve Consent Agenda Item Nos. 4, 5, 6, and 7, as recommended. The motion carried on the following roll call vote:

AYES: Council Members Bright, Mires, Peterson, Mayor Pro Tem Nicolls,  
and Mayor Shoals.  
NOES: Council Members - None.  
ABSENT: Council Members - None.  
ABSTAIN: Council Members - None.

**4. Treasurer's Report for the Period May 11 - June 2, 2010.**

**Action:** Approved as submitted.

**5. Minutes of the City Council Meeting of December 7, 2009 and December 21, 2009.**

**Action:** Approved the minutes as submitted.

**6. Second Reading of Ordinance No. 10-03 to Amend Section 3900, Chapter 9, Article III of the Grover Beach Municipal Code Regarding Massage Establishments and Massage Technicians** - Proposed amendments to City regulations regarding massage establishments and technicians, including adding a procedure to obtain an Off-Site Special Event Permit and further requirements regarding health and safety.

**Action:** Conducted second reading, by title only, and adopted Ordinance No.10-03.

**Ordinance No. 10-03: An Ordinance of the City Council of the City of Grover Beach, California, Amending Section 3900 of Chapter 9 of Article III of the Grover Beach Municipal Code.** (Second Reading.)

**7. Undergrounding Utilities Appropriation** - Amending the budget to appropriate in-lieu fees collected for the purpose of undergrounding utilities for the remainder of the fiscal year.

**Action:** Adopted Resolution No. 10-28.

**Resolution No. 10-28: A Resolution of the City Council of the City of Grover Beach, California, Adopting the 9<sup>th</sup> Amendment to the Annual Appropriation Resolution No. 09-47 by Providing Funding for Undergrounding of Utilities Expenditures for FY10.**

**REGULAR BUSINESS**

**8. Consideration of Actions Authorizing the City to Participate in the Five Cities Fire Joint Powers Authority.**

Mayor Shoals read the title to the foregoing item and deferred to staff for a report. For the information of those present, City Manager Perrault described events since 2004, in partnership with the City of Arroyo Grande and subsequently with the Oceano Community Services District as well, to improve the delivery of fire service and achieve cost savings over and above the continued independent operation of fire services. He then outlined the actions necessary to authorize the City's participation as a partner in the formation of the "Five Cities Fire Joint Powers Authority" which, if approved by the other two agencies, would become effective July 9, 2010.

He reviewed the proposed budget for the Joint Powers Authority (JPA) and outlined the following objectives to be achieved with the full consolidation of fire services:

- creates an independent entity capable of efficiently and cost-effectively delivering fire service to a regional area;
- builds on and preserves existing cost savings through the management of personnel and equipment;
- shares future costs for new or replacement equipment;
- transfers liability and workers compensation costs and responsibility to the new entity; and
- positions the new entity to potentially generate its own revenue base.

City Manager Perrault stated that the proposed budget had been reviewed by the Fire Oversight Committee and, as part of the organizing process, was being referred to each member jurisdiction for review. He then described key components of the JPA to create the Five Cities Fire Authority and costs allocated to each member jurisdiction. He also reviewed the proposed two-year Memorandum of Understanding, stating the structure of the Authority would have its personnel employed by the City of Arroyo Grande with their services contracted to the Authority. He then noted the Council would need to appoint a representative and alternate to the JPA Board of Directors. He concluded his presentation with an overview of the efforts to also analyze joint fire dispatch services and options for Grover Beach to host dispatch services or request a proposal from the City of San Luis Obispo. He then responded to questions from the Council.

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

The following persons spoke in support of participating in the Five Cities Fire JPA:

- Adam Hill, 3<sup>rd</sup> District Supervisor, San Luis Obispo County, and Grover Beach resident; and
- P.J. Ferguson, Captain, Grover Beach Fire Department, and President, International Association of Fire Fighters, Local 4403.

There were no further comments received.

The Council thanked and praised all those who had worked collaboratively towards this effort.

**Action:** It was m/s by Mayor Pro Tem Nicolls/Council Member Bright to adopt Resolution No. 10-29 authorizing the City to enter into a Joint Powers Agreement with the City of Arroyo Grande and the Oceano Community Services District (OCSO) to form the Five Cities Fire Joint Powers Authority. The motion carried on the following roll call vote:

AYES: Council Members Bright, Mires, Peterson, Mayor Pro Tem Nicolls,  
and Mayor Shoals.  
NOES: Council Members - None.  
ABSENT: Council Members - None.  
ABSTAIN: Council Members - None.

**Resolution No. 10-29: A Resolution of the City Council of the City of Grover Beach, California, Authorizing the City to Enter into a Joint Powers Agreement Between the Cities of Arroyo Grande and Grover Beach and the Oceano Community Services District.**

**Action:** Upon unanimous consensus, the Council:

- 1) Recommended approval of the annual budget to the JPA Board of Directors;
- 2) Recommended approval of the Memorandum of Understanding to the JPA Board;
- 3) appointed Mayor Shoals to serve as the City's representative and Mayor Pro Tem Nicolls to serve as the alternate to the JPA; and
- 4) Authorized staff to: (a) continue working on recommendations for joint dispatch operations for the Cities of Arroyo Grande and Grover Beach and the Oceano Community Services District, and (b) request a proposal from the City of San Luis Obispo for contract police and fire dispatch services.

**Recess:** Upon consensus of the City Council, the meeting recessed at 7:23 p.m.

**Reconvene:** At 7:33 p.m., the meeting reconvened with all Council Members present.

**9. Award of Contract to Prepare the Environmental Impact Report for the Grover Beach Lodge and Conference Center.**

Mayor Shoals read the title to the foregoing item and deferred to staff for a report. For the information of those present, Community Development Director Buckingham stated that the City was the lead agency for preparing the Environmental Impact Report (EIR) for the proposed 150-room hotel and conference center. In February 2010, Pacifica Companies submitted a development application for the project. In March 2010, an Initial Study was prepared, which determined that the project could have a significant impact on the environment and that an EIR should be prepared.

After reviewing responses to the City's Request for Proposals, three firms were interviewed. At the conclusion of the interviews, the firm recommended as having the best combination of skills and experience to prepare the EIR was SWCA. He stated that Mary Reents would be the project manager, Marty Inouye of Omni-Means would prepare the traffic study, Robert Carr would prepare the visual analysis for the project, and Karl Mikel would prepare the analysis for noise, air quality, and greenhouse gases. He then reviewed costs associated with preparation of the EIR and the tentative schedule for the EIR scoping session.

Mayor Shoals invited public comments on this matter. There was no response received and he closed the public comment period for this item.

**Action:** It was m/s by Council Members Council Member Peterson/Mires to: 1) adopt Resolution No. 10-30 authorizing the City to enter into a professional services agreement with SWCA to prepare the EIR for the Grover Beach Lodge and Conference Center Project; and 2) adopt Resolution No. 10-31 amending the Annual Appropriation Resolution. The motion carried on the following roll call vote:

AYES: Council Members Bright, Mires, Peterson, Mayor Pro Tem Nicolls,  
and Mayor Shoals.  
NOES: Council Members - None.  
ABSENT: Council Members - None.  
ABSTAIN: Council Members - None.

**Resolution No. 10-30: A Resolution of the City Council of the City of Grover Beach, California, Authorizing the City Manager to Enter into an Agreement with SWCA to Prepare the Environmental Impact Report for the Grover Beach Lodge and Conference Center.**

**Resolution No. 10-31: A Resolution of the City Council of the City of Grover Beach, California, Adopting the 8<sup>th</sup> Amendment to the Annual Appropriation Resolution No. 09-47 by Providing Funding for the Environmental Impact Report and the Receipt of Fees for the Environmental Impact Report and the Associated Administrative Fees.**

**10. Discussion of Guest Parking Requirements for Planned Unit Developments / Condominiums.** *(Continued from the City Council meeting of April 19, 2010.)*

Mayor Shoals read the title to the foregoing item and deferred to staff for a report. For the information of those present, Community Development Director Buckingham reviewed the Council's direction at the April 19, 2010 meeting for staff to: 1) further review the specific situation regarding property located at 352 North 4<sup>th</sup> Street, owned by Jennifer Mouzis, to determine whether the property could accommodate additional guest parking if subdivided; 2) review guest parking requirements for all zoning districts in relation to the availability of on-street parking; and 3) review guest parking requirements in other cities to determine whether flexible parking requirements were allowed. He noted that the City's Land Use Element, which contained smart growth principals focused on pedestrian-friendly neighborhoods, contained a policy that residential areas should provide adequate parking.

He stated that, after an onsite visit with Ms. Mouzis, it was determined that her property could not provide adequate guest parking with the creation of two lots. In reference to guest parking requirements in general, it was determined that it would be too difficult to universally apply a guest parking standard that met the needs of all areas city-wide. Parking requirements in other cities allowed flexibility with some form of planned development overlay in return for projects that contributed quantifiable amenities or benefits above and beyond the standard requirements. He then reviewed potential alternatives for amending the guest parking requirements and responded to questions from the Council.

Brief discussion was held regarding parking requirements for various types of development; variations city-wide of available on-street parking; whether to allow single-family homes to be developed in R-3 zoning districts or preserve those areas for multi-unit developments; whether to allow a reduction in guest parking requirements in R-2 zoning districts on a case-by-case basis; potential inconsistencies when calculating one-half of a parking space; and instead conducting a comprehensive review and update of Part 40 of the zoning regulations.

**Action:** Upon consensus, this item was tabled until a comprehensive update to Part 40 of the Zoning Ordinance was completed.

**11. Adoption of a Resolution of Intent to Sell a Portion of a City-Owned Parcel to the Improvement Agency for Development of Affordable Housing.**  
(Location: 1541 Hillcrest Drive, APN 060-581-032)

Mayor Shoals read the title to the foregoing item and deferred to staff for a report. For the information of those present, City Manager Perrault described the last Regional Housing Needs Assessment (RHNA) cycle that assigned the City a specific allocation of affordable housing units and the recently certified Housing Element that requires the City to move forward with programs designed to meet that allocation. He then described the four very-low income housing units recently developed in partnership with Habitat for Humanity on South 5<sup>th</sup> Street and Longbranch Avenue, and stated that another property was purchased for construction of a similar affordable housing project on South 10<sup>th</sup> Street and Farroll Road.

He then described a proposed parcel that would be carved out of a larger existing City-owned property on Hillcrest Drive that could potentially be developed for senior housing, workforce housing, or private development of an affordable housing project. He also reviewed how the proposed sale price was calculated and noted that proceeds from the sale would assist in balancing the budget.

Mayor Shoals invited public comments on this matter.

Nancy Beckstrom, resident of Hillcrest Drive, Arroyo Grande, spoke against developing the property, citing potential negative impacts from increased traffic on an existing narrow street. She also expressed concerns regarding the public notification process, and requested that the City plant trees to replace those previously removed that visually screened the City's water tanks.

Gil Wolosz, resident of Hillcrest Drive, Arroyo Grande, expressed concerns with increased traffic and potential negative impacts to on-street parking.

Maggie Summers, resident of Newport Drive, Grover Beach, expressed concerns regarding pedestrian safety and questioned whether the site could be accessed from Hillcrest Drive.

There were no further public comments received.

City Manager Perrault described the noticing requirements for a Public Hearing versus the that conducted for a construction project or when work was performed on the water tanks or communication towers. He emphasized that there was no specific development project being contemplated at this time and that, if sale of the property was approved, the public would have opportunities to comment when a project was being considered.

Mayor Shoals stated that he would abstain from voting on this matter as he was absent from the meeting when this proposed parcel was originally discussed.

**Action:** It was m/s by Council Members Mires/Bright to adopt Resolution No. 10-32 setting a Public Hearing to consider the sale of a portion of the City-owned property located on Hillcrest Drive to the Improvement Agency for an affordable housing project. The motion carried on the following roll call vote:

AYES: Council Members Bright, Mires, Peterson, and Mayor Pro Tem Nicolls.  
NOES: Council Members - None.  
ABSENT: Council Members - None.  
ABSTAIN: Mayor Shoals

**Resolution No.10-32: A Resolution of the City Council of the City of Grover Beach, California, Stating the Council's Intent to Sell to the Grover Beach Improvement Agency a Parcel of Real Property for the Purpose of Developing an Affordable Housing Project.**

**Recess:** Upon consensus of the City Council, the meeting recessed at 8:27 p.m. to the Joint City Council/Improvement Agency meeting, which was also scheduled for this same evening.

**Reconvene:** At 8:47 p.m., the meeting reconvened with all Council Members present.

### **COUNCIL COMMITTEE REPORTS**

Council Member Bright reported on meetings of the Air Pollution Control District (APCD) and the San Luis Obispo County Economic Vitality Corporation (EVC).

Council Member Mires stated he had nothing to report.

Council Member Peterson reported on the meeting of the San Luis Obispo County Visitors & Conference Bureau.

Mayor Pro Tem Nicolls reported on meetings regarding the San Luis Obispo Countywide 10-Year Plan to End Chronic Homelessness and the Klaproad Initiative Task Team.

Mayor Shoals stated he had nothing to report.

**ORDER OF THE DAY:** Pursuant to Council consensus, Agenda Item No. 13, the City Manager's Report and Comments, was considered next.

## **CITY MANAGER'S REPORTS AND COMMENTS**

### **13. West Grand Avenue Enhancement Project Status Report.**

For the information of those present, City Manager Perrault provided an update on the West Grand Avenue Enhancement Project, stating the original construction schedule anticipated completion by mid-June 2010. However, heavier than anticipated rainfall from January to mid-April delayed the project. At this point, the project was sixty percent complete, two travel lanes in each direction would be provided over the Fourth of July holiday weekend, and concrete work in the center median would therefore continue until mid-July.

He then described measures taken to offset construction impacts on local businesses with the purchase of signs directing motorists to designated parking areas, installing a changeable message sign reminding motorists that all businesses were open, modified work schedules for certain streets and driveways to remain open longer or earlier than originally scheduled, and traffic control measures to improve traffic circulation. He stated that the City had also retained the services of a local marketing firm, Whizbang, to create a signage program for businesses in the project area and develop a project-related marketing program, including radio and print advertising, to support affected businesses. He and Public Works Director/City Engineer Ray then responded to questions from the Council.

Brief discussion was held regarding the proposed signage program, maximizing visibility of signs, and potential options for emphasizing that this project was primarily being funded from federal sources.

**Action:** Upon consensus, the Council: 1) requested that staff continue communicating on a regular basis with impacted businesses located within the project area; 2) authorized implementing a business assistance program to assist affected businesses; and 3) authorized the City Manager to proceed with improving signage to inform the public regarding the source of project funding.

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

Prior to discussion of the following item, at 9:10 p.m. Mayor Shoals recused himself from the discussion, stating that his employer was the utility company Pacific Gas & Electric (PG&E).

## **COUNCIL COMMUNICATIONS**

### **12. Communication Received From Council Member Bright Regarding Proposition 16.**

Council Member Bright described Proposition 16, the statewide ballot measure that, if approved, would require a two-thirds majority vote before local governments could use tax dollars to start a public power agency. She expressed concern that one position was being primarily advertised in the media and the general public might not be aware of the Proposition's potential impacts for local municipalities. She noted that the County and some local cities were taking a position on the Proposition.

Brief discussion was held whether to take a formal position regarding the Proposition, as well as personal viewpoints expressed.

**Action:** Upon consensus, the information was received and filed.

At this time Mayor Shoals returned to the dais.

**12A.** Council Member Peterson distributed information regarding economic forecasts she received from a recently held seminar sponsored by the Economic Vitality Corporation, describing data regarding employment, unemployment, and growth rates in the County, as well as increases in retail/taxable sales and home values. She noted the seminar emphasized that economic efforts should be focused on streamlining permit processes and the use of federal stimulus funds to develop infrastructure.

### **CITY ATTORNEY'S REPORTS AND COMMENTS**

**14. Adoption of a Resolution Placing the Term of Office for Mayor on the November 2, 2010 Ballot.**

City Attorney Koczanowicz provided an overview of recent Council discussions to place a measure on the November 2010 ballot changing the Mayoral term from two years to four. He stated he was awaiting information from outside legal counsel as to when the measure, if approved, would become effective; in other words, with the Mayoral candidate elected in 2010 or the candidate elected in November 2012.

Brief discussion was held regarding additional time for the Council to consider the matter.

**Action:** Upon consensus, this item was continued to the next City Council meeting.

### **CLOSED SESSION**

At 9:35 p.m., the Council met in Closed Session regarding the following item:

1. **Conference with Legal Counsel - Existing Litigation**  
Pursuant to Government Code Section 54956.9(a)  
Scoville v. City of Grover Beach CV 100139

Closed Session Announcements: At 9:50 p.m., Mayor Shoals reconvened the meeting in open session with all Council Members present, and announced there were no reportable actions taken during Closed Session.

### **ADJOURNMENT**

There being no further business to come before the City Council, Mayor Shoals adjourned the meeting at 9:50 p.m.

/s/ JOHN P. SHOALS, MAYOR

Attest:

/s/ DONNA L. McMAHON, CITY CLERK  
(Approved at CC Mtg 11/01/2010)