

**MINUTES  
CITY COUNCIL MEETING  
MONDAY, OCTOBER 5, 2009**

**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 Justin Stinson, a 7-year-old, second grade student from Grover Heights Elementary School.

**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, Interim Community Development Director Beck, Police Chief Copsey, Parks and Recreation Director Petker, and Economic Development Specialist Buckingham were also present.

Also present were City Engineer Garing and Cheryl Lenhardt and Ann Sever, representatives from the Wallace Group.

**CLOSED SESSION ANNOUNCEMENTS**

None at this time.

**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 described the "Shop & Dine Grover Beach" Program to encourage residents to support local businesses by shopping and dining in Grover Beach. With each qualifying purchase, shoppers received a sticker to affix to a "Shop & Dine Grover Beach" card. After ten qualifying purchases, the cards were entered into the City's monthly drawing. At the first Council meeting of each month, ten cards would be selected by random drawing and the names of winners announced. Winners would receive \$50 gift certificates, redeemable at participating restaurants and merchants. Administrative Services Director Chapman stated that all cards not selected at monthly drawings during the period October - December 2009 would be entered into a special, one-time drawing in honor of the City's 50<sup>th</sup> anniversary celebration to be held on December 21, 2009. On that date, five cards would be drawn and winners would receive \$100 gift certificates.

Second grade student Justin Stinson then assisted Administrative Services Director Chapman with the random drawing. The names of the following Shop & Dine Grover Beach winners were announced: Marnie Barrett, Steve Bergstrom, Gail Guerra, Alfredo Mendez (two separate cards were drawn with the same name), Debbie Peterson, Rebecca Realin, Janet Reese, Yesenia Villarreal, and Barry Vostro.

**2. Proclamation Declaring October 7-8, 2009 as "Ride 2 Recovery Days".**

Mayor Shoals read and presented the proclamation to Jim DeCecco, a representative from the "Ride 2 Recovery" Program, who described the program that assisted wounded members of the armed forces. Mr. DeCecco invited all those present to attend the South County segment of the ride to cheer on the veterans.

**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. Barbara Nicolls, Board Member, Grover Beach Friends of the Library, invited all those present to attend the Cowboy Poetry Night to be held on Friday, October 8, 2009 at Nan's Pre-owned Book Store in Grover Beach. She stated that the event would include live music, demonstrations, and that one of the featured guest poets was City Manager Bob Perrault.
- B. Dee Santos, Interim Chair of the Parks, Recreation & Beautification Commission, briefly reviewed recent events hosted by the Parks and Recreation Department and announced a list of upcoming special events.

### **PUBLIC HEARINGS**

#### **3. Consideration of Ordinance Amending the Grover Beach Municipal Code to Include Mobile Home Park Conversion Regulations.**

Mayor Shoals read the title to the foregoing item, declared the Public Hearing open, and deferred to staff for a report. City Attorney Koczanowicz provided an overview of the draft Mobile Home Park Conversion Ordinance to provide a process for those instances when a mobile home park owner was considering converting the property to another type of use or ownership character. He stated that the draft Ordinance was patterned after a similar Ordinance adopted recently by the City of San Luis Obispo. The Planning Commission had also reviewed the proposed Ordinance and the recommended changes were incorporated into the draft document. He stated that representatives of the Le Sage Mobilehome Owners Association had also reviewed the draft Ordinance and were requesting further revisions. He then responded to questions regarding the term "fair market value".

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

Paul Brunner, resident, Le Sage Mobilehome Park, Grover Beach, requested the Council consider further modifications to the draft Ordinance, which had been submitted to the City on September 11, 2009 and listed as "Attachment 2" to the staff report. He thanked the City Council for the opportunity to provide input regarding the proposed Ordinance and thanked staff for their assistance with the process.

Laura Segura, resident, Le Sage Mobilehome Park, Grover Beach, expressed concerns regarding potential relocation difficulties for families with children.

Dick Giles, President, Le Sage Mobilehome Park Association, expressed concerns regarding the requirement to provide relocation assistance and requested an opportunity to meet with staff to further explain his concerns.

There were no further public comments received.

Brief discussion was held regarding the proposed Ordinance, including:

- insufficient information in the staff report for the Council to make a determination at this time;
- having a legal analysis prepared regarding potential impacts of the Ordinance to residents and park owners, as well as a legal analysis regarding existing State regulations;
- ensuring residents were provided adequate protection during the relocation process;
- the value of mobile home parks to provide affordable housing units in the community; and
- whether to impose such a significant financial burden on a park owner prior to the owner undertaking a conversion process.

City Attorney Koczanowicz suggested several options to allow the Council further opportunities to deliberate on the proposed Ordinance and receive public input.

**Action:** Upon unanimous consensus, the Council: 1) continued the Public Hearing to consider first reading of a proposed Mobile Home Park Conversion Ordinance at the regular City Council meeting to be held on Monday, January 4, 2010; 2) directed staff to prepare an analysis of the proposal received from the mobile home park residents; and 3) directed staff to schedule the matter for further Council consideration as a "business item" at the regular City Council meeting on Monday, November 16, 2009.

#### **CONSENT AGENDA**

It was m/s by Council Members Bright/Peterson to approve Consent Agenda Item Nos. 4 and 5, 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 September 15 - October 1, 2009.**

**Action:** Approved as submitted.

**5. Minutes of the City Council Meeting of Monday, May 18, 2009.**

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

#### **REGULAR BUSINESS**

**6. Request to Finalize Conceptual Plans for Longbranch Avenue and Adopt Plans as Guidance for Future Projects on Longbranch Avenue.**

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 provided an overview of the goal in the City's long-term street rehabilitation strategy to narrow some of the City's wider residential streets, such as Longbranch Avenue. He stated that grant funding had been received from the San Luis Obispo Council of Governments (SLOCOG) to complete a demonstration project to: 1) reduce pavement maintenance costs, while promoting alternative forms of transportation; 2) enhance the aesthetics of the neighborhood, while improving the safety of cyclists, pedestrians, and disabled users; and 3) enhance the health of the watershed. The Council had previously reviewed and commented on initial design concepts for the Longbranch Avenue Demonstration Project, which were then refined further after receiving public comments at a neighborhood meeting held on September 15, 2009.

City Manager Perrault reviewed the design revisions in response to Council direction and to address public concerns. He noted that additional funding had been secured through the Safe Routes to School Grant for improvements located adjacent to Grover Beach Elementary School along Longbranch Avenue; however, improvements for the entire project area would need to be completed in segments as funding became available. He then introduced Cheryl Lenhardt, Project Engineer, from the Wallace Group.

Ms. Lenhardt displayed revised schematics of the project area and described each of the design revisions. She estimated design and construction costs would be \$300,000 - \$400,000 for each block segment, with an approximate total project cost of \$4 - \$5 million. The most expensive component would be street rehabilitation, followed by curb ramps and trees / landscape plantings. Ms. Lenhardt then reviewed a list of proposed alternatives for reducing costs through utilizing existing infrastructure, limiting the number of landscaped areas, and/or prioritizing the improvements to be constructed in phases. She then responded to questions from the Council regarding proposed irrigation methods, landscaping materials, parking, and efficiently capturing storm water runoff. It was noted that no traffic count data had been collected for this part of the design phase.

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

Spencer Thomas, property owner in the 1600 block of Longbranch Avenue and Arroyo Grande resident, expressed concerns regarding any potential reductions to on-street parking along Longbranch Avenue. He then spoke against the proposed project as being too costly, unless warranted by an increase in traffic accidents.

There were no further public comments received.

Brief Council discussion was held regarding the proposed design concepts, the Council's original discussions regarding narrowing the width of a smaller segment of Longbranch Avenue, and the estimated overall project costs.

**Action:** Upon consensus, the Council provided the following direction:

- 1) focus the Longbranch Avenue Demonstration Project on completing improvements from 10<sup>th</sup> Street to 13<sup>th</sup> Street, combining funds received from the Safe Routes to School Grant and street rehabilitation funds as a single project in the Capital Improvement Plan;
- 2) amend the design to provide a separation between the drop-off area at the elementary school and through traffic;
- 3) make no changes to the areas along Longbranch Avenue located at 11<sup>th</sup> Street and between 13<sup>th</sup> Street to Oak Park Boulevard; and
- 4) for staff to prepare a report regarding the costs to narrow Longbranch Avenue from 4<sup>th</sup> Street to 10<sup>th</sup> Street, giving the additional street right-of-way back to the adjacent property owners, and long-term street maintenance costs for the existing wider street width.

**Recess:** Upon consensus of the City Council, the meeting recessed at 8:26 p.m.

**Reconvene:** At 8:37 p.m., the meeting reconvened with all Council Members present.

## 7. **Proposition 1A Securitization Program.**

Mayor Shoals read the title to the foregoing item and deferred to staff for a report. For the information of those present, Administrative Services Director Chapman stated that Proposition 1A was adopted by California voters in 2004 to ensure that local property tax and sales tax revenues remained with local governments to safeguard funding for public safety, health, libraries, parks, and other local services. However, the Governor had declared a fiscal emergency in 2009 and the Legislature had approved, as part of the State budget package, the temporary suspension of Proposition 1A. The State was then scheduled to borrow eight percent of property tax revenues apportioned to cities, counties, and special districts, with repayment plus interest due by June 30, 2013.

In response, a securitization program was established by the California Statewide Communities Development Authority ("California Communities"), a joint powers authority sponsored by the California State Association of Counties and the League of California Cities, to enable local agencies to sell their respective Proposition 1A receivables to California Communities. Simultaneously, California Communities would purchase the receivables, issue bonds, and provide local agencies with cash proceeds to coincide with the dates when the State would be shifting property tax revenues from local agencies.

Discussion was held regarding potential negative fiscal impacts, if the Council chose not to participate in the program; the amount of interest payments to be received by California Communities; and the possibility that the State might declare another fiscal emergency in the future and borrow additional local revenues.

Mayor Pro Tem Nicolls objected to another agency receiving interest payments. He spoke in favor of the City using reserve funds, instead of participating in the securitization program, to make up for the loss of Proposition 1A receivables.

**Action:** It was m/s by Council Members Peterson/Bright to: 1) participate in the Proposition 1A Securitization Program; 2) adopt Resolution No. 09-70; and 3) authorize the Mayor to execute the Purchase and Sale Agreement on behalf of the City. The motion carried on the following roll call vote:

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

**Resolution No. 09-70: A Resolution Approving the Form of and Authorizing the Execution and Delivery of a Purchase and Sale Agreement and Related Documents with Respect to the Sale of the Seller's Proposition 1A Receivable from the State and Directing and Authorizing Certain Other Actions in Connection Therewith.**

**8. Status Report - City's 50<sup>th</sup> Anniversary of Incorporation Celebration.**

Mayor Shoals read the title to the foregoing item and deferred to staff for a report. For the information of those present, Parks and Recreation Director Petker reviewed plans in preparation for the City's 50<sup>th</sup> anniversary of incorporation, which included a self-guided informational tour of historical locations in the City, anniversary banners, special anniversary lapel pins, a 1950s holiday parade theme, and a multi-media presentation and reception at the City Council meeting to be held on December 21, 2009. She then reviewed the anticipated total budget for the special event and responded to questions regarding the proposed multi-media presentation of the City's history.

Discussion was held regarding promoting the anniversary event further with special street banner displays on West Grand Avenue, and funding the cost for these additional banners through donations, business sponsorships, and use of reserve funds and/or Agency marketing funds. Additional discussion was held regarding potential conflicts with the schedule for holiday banners to be posted during November/December, additional equipment rentals required to post street banners, and appointing two members of the City Council to work with staff in order to expedite the design approval process for the new street banners.

**Action:** Upon consensus, Council Member Peterson and Mayor Pro Tem Nicolls were appointed to work with staff to determine the final design for street banners in celebration of the City's 50<sup>th</sup> anniversary.

**PULLED CONSENT AGENDA ITEMS**

None at this time.

**Recess:** Upon consensus of the City Council, the meeting recessed at 9:13 p.m. to the Joint City Council/Improvement Agency meeting, which was also scheduled for this same evening.

**Reconvene:** At 9:35 p.m., the meeting reconvened with all Council Members present.

**COUNCIL COMMITTEE REPORTS**

Council Member Peterson reported on meetings of the San Luis Obispo County Visitors & Conference Bureau (VCB) and the Housing Trust Fund.

Council Member Bright reported on the meeting of the Air Pollution Control District.

Mayor Pro Tem Nicolls stated that he had nothing to report.

Mayor Shoals stated that he had nothing to report.

**CITY COUNCIL MEMBER ITEMS**

None at this time.

### **COUNCIL COMMUNICATIONS**

- A. Council Member Mires requested and received Council consensus to invite Elizabeth Scott-Graham from the San Luis Obispo Botanical Garden to provide the Council with a 15-20 minute presentation regarding recent activities at the botanical garden.
- B. Council Member Bright congratulated the Grover Beach Fire Department for coordinating and hosting the recent South County area location for the "First Responder Point of Distribution Drill" to provide seasonal flu vaccines.
- C. Mayor Shoals stated: 1) a group identifying themselves as "Friends of Grover Beach", headed by Larry and Mary Ann Conner, were interested in coordinating a "Grover Beach in Bloom" event to include sidewalk clean-up and painting activities; 2) he had received and would be distributing information from the League of California Cities regarding a "Healthy Living, Active Communities" campaign; and 3) he wanted to acknowledge City Manager Perrault and Interim Community Development Director Beck, who were highly praised in a letter the Mayor had recently received from Mr. Paul Brunner regarding the professional manner and courtesy shown to Mr. Brunner when he was researching information regarding the City's draft Mobile Home Conversion Ordinance.

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

None at this time.

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

None at this time.

### **CLOSED SESSION**

At 9:46 p.m., the Council met in Closed Session regarding the following item(s):

- 1. **Conference with Legal Counsel – Existing 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.
- 2. **Conference with Legal Counsel - Anticipated Litigation**  
Significant exposure to litigation pursuant to subdivision (b) of Section 54956.9: One (1) potential case.

Closed Session Announcements: At 10:17 p.m., Mayor Shoals reconvened the meeting in open session with all Council Members present. He 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 10:17 p.m.

/s/JOHN P. SHOALS, MAYOR

Attest:  
/s/DONNA L. McMAHON, CITY CLERK  
(Approved at CC Mtg 03/01/10)