

# City of Capitola

## City Council Meeting Minutes

### Thursday, August 22, 2024 – 6:00 PM



City Council Chambers  
420 Capitola Avenue, Capitola, CA 95010

**Mayor:** Kristen Brown

**Vice Mayor:** Yvette Brooks

**Council Members:** Joe Clarke, Margaux Morgan, Alexander Pedersen

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#### **Closed Session – 5:30 PM**

- i. CONFERENCE WITH REAL PROPERTY NEGOTIATOR (Govt. Code § 54956.8)  
Property: A portion of the easterly terminus of Escalona Drive, spanning approximately 60-feet wide, bounded by 620 El Salto Dr. (APN 03614331) to the west and bounded by 722 Escalona Dr. (APN 03614128) to the east  
City Negotiator: Jamie Goldstein, City Manager  
Under Negotiation: Price and terms of payment

#### **Regular Meeting of the Capitola City Council – 6 PM**

- 1. Roll Call and Pledge of Allegiance** – *The meeting was called to order at 6:00 PM. In attendance: Council Members Clarke, Morgan, Pedersen, Vice Mayor Brooks, and Mayor Brown.*
- 2. Additions and Deletions to the Agenda** – *None*
- 3. Report on Closed Session** – *The City Council met and discussed one item on the Closed Session agenda. No reportable action was taken.*
- 4. Additional Materials**
  - A. *Item 8A – One email received after publication of the agenda packet.*
- 5. Oral Communications by Members of the Public**
  - *James Whitman*
  - *John Mulry*
  - *Marilyn Garrett*
  - *Shamara Vandervoort*
  - *Gerry Jensen*
- 6. Staff / City Council Comments**
  - *Council Member Clarke advised the public of a Beach Clean Up Event on Saturday, August 24<sup>th</sup>.*
  - *Vice Mayor Brooks advised the public that school is back in session and to be aware of e-bike safety and shared that applications are still open for the Youth Liaison Program through Youth Action Network and that youth of all ages may submit essays for the Mayor for a Day Contest.*
- 7. Consent Items**
  - A. City Council Meeting Minutes

Recommended Action: Approve minutes from the regular meeting on July 25, 2024.

B. City Check Registers

Recommended Action: Approve check registers dated July 19, 2024, July 26, 2024, and August 2, 2024.

C. City Attorney Services Contract

Recommended Action: Authorize the City Manager to enter a five-year contract with Burke, Williams, & Sorenson, LLP to continue providing City Attorney services, effective September 1, 2024.

D. Stockton Bridge Repair Project Completion

Recommended Action: 1) Accept as complete the Stockton Bridge Repair Project constructed by Anderson Pacific Engineering Construction, Inc.; 2) authorize the City Clerk to file and record a Notice of Completion; and 3) authorize the release of the contract retention of \$14,610 as prescribed in the contract.

E. Wharf Resiliency and Public Access Project Completion

Recommended Action: 1) Accept as complete the Wharf Resiliency and Public Access Project constructed by Cushman Contraction Corporation at a final cost of \$10,145,475; 2) authorize the City Clerk to file and record a Notice of Completion; and 3) authorize the release of the contract retention held in escrow of \$257,273.75.

F. Conflict of Interest Code

Recommended Action: Adopt Resolution No. 4391 amending the City of Capitola's Conflict of Interest Code to reflect the current organizational structure.

G. City Banking Services Agreement

Recommended Action: Authorize the City Manager to execute a five-year agreement for banking services with Santa Cruz County Bank with an option for a five-year contract extension, subject to City Attorney review and approval.

***Motion to approve the Consent Calendar: Council Member Morgan***

***Second: Council Member Clarke***

***Voting Yea: Council Members Clarke, Morgan, Pedersen, Vice Mayor Brooks, Mayor Brown***

## 8. General Government / Public Hearings

A. Citywide Housing Element Re-Adoption

Recommended Action: Adopt Resolution No. 4392 approving the Planning Commission recommendation to 1) adopt the Addendum to the General Plan Update Environmental Impact Report; and 2) amend the 2023-2031 Housing Element of the General Plan, as conditionally approved by the California Department of Housing and Community Development; and direct staff to submit the amended Housing Element to the State of California for certification.

***Community Development Director Herlihy presented the staff report.***

***Public Comment:***

- ***Marilyn Garrett***
- ***Gerry Jensen***
- ***Joanna Carman***
- ***Melinda Orbach***

**The City Council thanked staff for their work on the Housing Element, voiced support for affordable housing availability, and expressed concern about lack of local control over RHNA numbers.**

**Motion to adopt Resolution No. 4392 and update timelines as presented for Program 1.7:  
Vice Mayor Brooks**

**Second: Mayor Brown**

**Voting Yea: Council Members Clarke, Morgan, Pedersen, Vice Mayor Brooks, Mayor Brown**

**B. Affordable Housing Development Loan Amendment**

**Recommended Action:** Adopt Resolution No. 4393 authorizing the City Manager to execute an Amended Loan Agreement with MP Rail Trail Associates, LP to increase an existing loan of \$250,000 by \$1,307,808 for a total loan of \$1,557,808 to fund development of 52 residential units affordable to low income households at 1098 38<sup>th</sup> Avenue, Capitola, CA and allocating \$357,807.60 of PLHA Funds and \$950,000 of Housing Successor Agency Funds thereto.

**Community Development Director Herlihy presented the staff report.**

**Public Comment:**

- **Marilyn Garrett**
- **Joanna Carman**

**The City Council discussed partnerships between this housing development and Soquel Unified Elementary School District and different senior communities and voiced support for the project.**

**Motion to adopt Resolution No. 4393 to increase the existing loan of \$250,000 by \$1,350,000 for a total loan of \$1,600,000 and allocating \$428,872 of PLHA funds and \$921,128 of Housing Successor Agency Funds: Vice Mayor Brooks**

**Second: Council Member Morgan**

**Voting Yea: Council Members Clarke, Morgan, Pedersen, Vice Mayor Brooks, Mayor Brown**

**C. Coastal Commission Recommended Modifications to Capitola Zoning Code: Monarch Cove Inn**  
**Recommended Action:** Adopt Resolution No. 4394 accepting the California Coastal Commission modifications to amendments to the City of Capitola General Plan Map, Zoning Map, Municipal Code Chapter 17.28 Visitor Serving Overlay Zones, and removal of Municipal Code Chapter 17.30 Visitor Serving District - Monarch Cove Inn.

**Senior Planner Froelich presented the staff report.**

**Public Comment:**

- **Robert Blodgett**

**Motion to adopt Resolution No. 4394: Vice Mayor Brooks**

**Second: Council Member Morgan**

**Voting Yea: Council Members Clarke, Morgan, Pedersen, Vice Mayor Brooks, Mayor Brown**

**D. League of California Cities Annual Conference Voting Delegate**

**Recommended Action:** Designate the City of Capitola's voting delegate and alternate to the League of California Cities Annual Conference.

**City Clerk Gautho presented the staff report.**

**Public Comment:**

- **Marilyn Garrett**

**Motion to appoint Vice Mayor Brooks as the voting delegate and Mayor Brown as the alternate: Council Member Clarke**

**Second: Council Member Morgan**

**Voting Yea: Council Members Clarke, Morgan, Pedersen, Vice Mayor Brooks, Mayor Brown**

- 9. Adjournment** - The meeting adjourned at 7:28 PM. The next regularly scheduled City Council meeting is on September 12, 2024 at 6:00 PM.

**ATTEST:**

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Kristen Brown, Mayor

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Julia Gautho, City Clerk