

City of Capitola

City Council Meeting Minutes

Thursday, June 22, 2023 – 4:00 PM



City Council Chambers
420 Capitola Avenue, Capitola, CA 95010

Mayor: Margaux Keiser
Vice Mayor: Kristen Brown
Council Members: Yvette Brooks, Joe Clarke, Alexander Pedersen

Regular Meeting of the Capitola City Council – 4 PM

1. Roll Call and Pledge of Allegiance

The meeting was called to order at 4:00 PM. In attendance: Council Members Brooks, Clarke, Pedersen, Brown, and Mayor Keiser.

2. Additions and Deletions to the Agenda

The appellants from 7A requested that their item be heard last.

3. Additional Materials

- A. Correspondence Received - Item 7A – 15 emails
- B. Correspondence Received - Item 7B – 3 emails

4. Oral Communications by Members of the Public

- *Dave Fox, resident, spoke about Monterey Avenue Park slide.*
- *Gorin Kovich, resident, spoke about debris in the road on 41st Avenue.*
- *Tom Mader, resident, spoke about deceased resident Antony Gualtieri.*
- *Resident spoke about the Shadowbrook Restaurant's propane tanks.*
- *John Mulry, resident, spoke about the Coastal Rail Trail plans.*

5. Staff / City Council Comments

Mayor Keiser commended the Police Department on the Special Olympics Torch Run event.

6. Consent Items

- A. Approval of City Council Minutes
Recommended Action: Approve 6/8/2023 City Council Meeting Minutes
- B. Approval of City Check Registers Dated May 26, 2023, and June 9, 2023
Recommended Action: Approve check registers.
- C. Modification to Parking Meter Rates
Recommended Action: 1) Adopt, by title only, waiving further reading of the text, an ordinance of the City of Capitola amending Municipal Code Sections 10.36.055A and 10.38.010; and 2) Adopt a resolution authorizing submittal to the California Coastal Commission for the certification of an amendment to the Local Coastal Program for Section 10.36.055A.
- D. Storm Damage Repair Contracts – Small Projects

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Recommended Action: Authorize staff to enter into all necessary contracts to repair storm-damaged infrastructure in an amount not to exceed a total cost of \$790,000, with a net cost to the City of less than \$50,000.

E. 2023-24 Road Maintenance and Rehabilitation Account Expenditures

Recommended Action: Approve a resolution adopting a list of road maintenance and rehabilitation projects for Fiscal Year 2023-24, funded by Senate Bill 1: the Road Repair and Accountability Act of 2017.

Motion to approve the Consent Calendar: Council Member Pedersen

Seconded: Vice Mayor Brown

Voting Yea: Council Members Brooks, Clarke, Pedersen, Brown, and Mayor Keiser

7. General Government / Public Hearings

A. Capitola Bar and Grill Entertainment Permit Appeal

Recommended Action: Adopt a resolution denying an appeal of the City Manager's decision to deny an application for a 2023 Regular Entertainment Permit for Capitola Bar and Grill.

City Attorney Zutler provided an outline of the appeal procedure. Police Chief Dally presented the staff report.

Michelle and Lasalle Strong, appellants, provided an 8-minute presentation.

Public Comments:

- **Resident and employee of the Capitola Bar and Grill spoke in support of Capitola Bar and Grill's Entertainment Permit.**
- **Sarena Wagner, resident and employee of Capitola Bar and Grill, spoke in support of Capitola Bar and Grill's Entertainment Permit.**
- **Alexis Underwood, resident, spoke in support of Capitola Bar and Grill's Entertainment Permit.**
- **Donna Vanelle, resident, spoke in support of Capitola Bar and Grill's Entertainment Permit.**
- **Kelly Shannon, Santa Cruz resident, spoke in support of Capitola Bar and Grill's Entertainment Permit.**
- **James Navarro, local business owner, spoke in support of Capitola Bar and Grill's Entertainment Permit.**
- **James Fredrickson, resident, spoke in support of Capitola Bar and Grill's Entertainment Permit.**
- **Patricia Timber, local instructor, spoke in support of Capitola Bar and Grill's Entertainment Permit.**
- **George Henderson, resident, spoke in support of Capitola Bar and Grill's Entertainment Permit.**
- **Glen Blanchford, resident and local musician, spoke in support of Capitola Bar and Grill's Entertainment Permit.**
- **Don Williams, UCSC and Cabrillo Professor and Santa Cruz County resident, and President of the Local NAACP Chapter, voiced concerns about the treatment of racial minorities in Capitola.**
- **Dwayne Gardner, former Capitola resident, encouraged the City Council to find a compromise to work with the Capitola Bar and Grill business owners.**
- **Jake Goodman, resident, spoke in support of Capitola Bar and Grill's Entertainment Permit.**
- **Nancy Williams, Santa Cruz County resident, spoke in support of Capitola Bar and Grill's Entertainment Permit.**

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- ***Dawn Campbell, resident, spoke in support of Capitola Bar and Grill's Entertainment Permit.***

Michelle and Lasalle Strong, appellants, provided a 4-minute rebuttal to staff comments.

Council Member discussion included an acknowledgement of staff's oversight, and encouragement for the business owner and property owner to resolve their dispute.

Motion to adopt the resolution denying the appeal of the City Manager's decision to deny an application for a 2023 Regular Entertainment Permit for the Capitola Bar and Grill: Council Member Brooks

Seconded: Council Member Clarke

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

Abstaining: Mayor Keiser

B. Grand Avenue Pathway

Recommended Action: Direct staff to relocate and repair existing fencing to maintain a minimum walkway width of eight feet on the Grand Avenue Pathway.

Public Works Director Kahn presented the staff report.

Public Comments:

- ***Skip Allen, resident, spoke in favor of maintaining a pathway.***
- ***Sam Dennar, resident, voiced concerns about encroachments along the pathway.***
- ***Tom Mader, resident, spoke in support of Option 1.***
- ***TJ Welch, resident, spoke in support of Option 1.***
- ***Susan Bennett, resident, spoke in favor of maintaining a pathway.***
- ***John Mulry, resident, spoke in favor of maintaining a pathway but closing the path to bicycle use.***

Council Member discussion included clarification on fencing requirements, federal funding reimbursement, and signage.

Motion to relocate and repair the existing fencing along the Grand Avenue Pathway, and reassess removal of encroachments during the Mid-Year Budget Assessment: Council Member Brooks

Seconded: Council Member Pedersen

Voting Yea: Council Members Brooks, Clarke, Pedersen, Brown, and Mayor Keiser

C. Memorials Installed on Capitola Wharf

Recommended Action: Determine the plan for memorial plaques currently installed on Capitola Wharf.

Assistant to the City Manager, Chloe Woodmansee, presented the staff report.

Public Comments:

- ***Caroline Hoagland, resident, spoke in favor of replacing plaques in their previous location.***
- ***Linda Davis, resident, spoke in favor of replacing plaques in their previous location.***
- ***Lisa Murphy, City of Santa Cruz, spoke in favor of an artistic element on the Wharf to incorporate memorial plaques.***
- ***Dean Sutton, resident, spoke in favor of replacing plaques in their previous location.***
- ***Patty, resident, spoke in favor of replacing plaques in their previous location.***
- ***Steph Christman, resident, spoke in favor of replacing plaques in their previous location.***

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- **Valerie Levitt, resident, spoke in favor of replacing plaques in their previous location.**
- **Joni S., resident, spoke in favor of replacing plaques in their previous location.**

Council Member discussion included clarification about the responsibility of maintenance costs for plaques, avoiding placing the plaques near the restroom facilities, and installation of a public art element.

Motion to direct staff to re-install all memorial plaques on the Wharf and amend the Administrative Policy to require plaque purchasers to replace plaques if damaged: Vice Mayor Brown

Seconded: Council Member Clarke

Voting Yea: Council Members Brooks, Clarke, Pedersen, Brown, and Mayor Keiser

D. 1098 38th Avenue Project Introduction and Funding Request

Recommended Action: Receive presentation and direct staff to prepare loan agreement to assist with predevelopment activities for a 100% affordable multifamily rental housing development located at 1098 38th Avenue.

Community Development Director Herlihy, representatives from MidPen Housing and FORA Architects presented the staff report.

Public Comments:

- **Tracy Weiss, O’Neil Representative, supports the development of this project.**

Council Member discussion included suggestion of evaluating parking needs for the project.

Motion to direct staff to prepare a loan agreement to assist with predevelopment activities for an affordable housing development: Council Member Brooks

Seconded: Vice Mayor Brown

Voting Yea: Council Members Brooks, Clarke, Pedersen, Brown, and Mayor Keiser

E. Levy of Capitola Village and Wharf Business Improvement Area Assessments for Fiscal Year 2023-24

Recommended Action: Conduct the noticed public hearing and adopt a resolution levying the Fiscal Year 2023-24 Capitola Village and Wharf Business Improvement Area Assessments and accepting the CVWBIA Annual Plan and budget.

Finance Director Malberg presented the staff report.

Motion to adopt the resolution levying the Fiscal Year 2023-24 Capitola Village and Wharf Business Improvement Area Assessments and accepting the CVWBIA Annual Plan and budget: Council Member Brooks

Seconded: Vice Mayor Brown

Voting Yea: Council Members Brooks, Clarke, Pedersen, Brown, and Mayor Keiser

F. Fiscal Year 2023-2024 Budget and Capital Improvement Program

Recommended Action: Adopt a resolution adopting the City of Capitola’s Fiscal Year 2023-24 Budget and Capital Improvement Program.

Finance Director Malberg presented the staff report.

Motion to adopt the resolution adopting the City of Capitola’s Fiscal Year 2023-24 Budget and Capital Improvement Program: Vice Mayor Brown

Seconded: Council Member Brooks

Voting Yea: Council Members Brooks, Clarke, Pedersen, Brown, and Mayor Keiser

G. Fiscal Year 2023-24 Fee Schedule

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Recommended Action: Conduct the duly noticed public hearing on the proposed Fee Schedule for FY 2023-24 and adopt a resolution amending the current fee schedule.

Finance Director Malberg presented the staff report.

Motion to adopt the resolution amending the current Fee Schedule, with a modification to the Band Stand Full Day Rental Fee: Council Member Clarke

Seconded: Council Member Pedersen

Voting Yea: Council Members Brooks, Clarke, Pedersen, Brown, and Mayor Keiser

8. Adjournment – *The meeting was adjourned at 7:51 PM to the next regularly scheduled meeting on July 27, 2023, at 6:00 PM.*

DocuSigned by:

Margaux Keiser

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ATTEST:

Margaux Keiser, Mayor

DocuSigned by:

Julia Moss

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Julia Moss, City Clerk