



A G E N D A

CITY OF SEASIDE
CITY COUNCIL/SUCCESSOR
AGENCY TO REDEVELOPMENT
AGENCY OF THE CITY OF SEASIDE

JOINT SPECIAL MEETING
Council Chamber
440 Harcourt Avenue
Thursday, March 1, 2018
6:00 PM

PLEASE TURN OFF YOUR CELL PHONES UPON ENTERING THE MEETING

1. **CALL TO ORDER**

Ralph Rubio	Mayor/Chair
Dennis Alexander	Mayor Pro Tem/Vice Chair
Jason Campbell	Council/Agency Member
David R. Pacheco	Council/Agency Member
Kayla Jones	Council/Agency Member

2. **PLEDGE OF ALLEGIANCE**

3. **PUBLIC COMMENT**

Members of the public wishing to address the City Council on matters within the jurisdiction of the City of Seaside, but not on this agenda, Presentation items and the Consent Agenda may do so during the Public Comment period for up to three minutes. Public Comments on other agenda items are heard under that item. For the public record, please state your name.

4. **CONSENT AGENDA**

A. **APPROVE MINUTES OF FEBRUARY 15, 2018**

B. **APPROVE AND FILE SUCCESSOR AGENCY CHECKS**

PURPOSE & RECOMENDATION: It is requested that the Agency Board approve and file the accounts payable and wired payments made during the period of February 6, 2018 through February 16, 2018. In addition, approval of the payroll and benefits checks, direct deposits and wired payments related to the period of February 15, 2018 is requested. Total Accounts Payable and Payroll for the above referenced period is \$11,906.44.

5. **ADJOURN TO CLOSED SESSION**

Any person or group desiring to make Public Comments on a Closed Session item may do so by addressing the City Council before they adjourn to Closed Session.

A. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54956.9
(2) (d) - ANTICIPATED LITIGATION

Conference with legal counsel regarding significant exposure to litigation (eight potential cases).

6. RECONVENE OPEN SESSION AND CLOSED SESSION REPORTS

7. ADJOURNMENT

Next Regularly Scheduled Meeting:
March 15, 2018
Seaside City Hall
5:30 PM

The City of Seaside is committed to providing accessible facilities and accommodating people with disabilities in all of its services programs and activities. If special considerations are needed by any person to fully participate in this meeting, they are asked to contact the City Clerk at 899-6707 no fewer than two business days prior to the meeting to allow reasonable arrangements. The City Council chamber is equipped with a portable microphone and assisted listening devices are available at all meetings.

City Council Meetings that are held in the City Council Chambers are broadcast live to all Seaside residents on Comcast Channel 25 and U-verse Channel 99. Meetings are also available through live streaming at:

<http://cyp.telvue.com/player?id=T01629&video=52314&noplaylists=1&width=400&height=300>

Videos of past meetings are available on demand through the City's website: <http://www.ci.seaside.ca.us>

Agenda-related writings or documents provided during public meetings are available for public inspection during the meeting or from the office of the City Clerk. This agenda is posted in compliance with California Government Code Section 54954.2(a) or Section 54956.



DRAFT MINUTES

CITY OF SEASIDE
CITY COUNCIL/ SUCCESSOR
AGENCY TO THE
REDEVELOPMENT AGENCY

JOINT SPECIAL MEETING
COUNCIL CHAMBER
Thursday, February 15, 2018
5:30 PM

1. **CALL TO ORDER**

Mayor Rubio called the meeting to order at 5:30 PM.

CITY COUNCIL/SUCCESSOR AGENCY TO REDEVELOPMENT AGENCY OF THE CITY OF SEASIDE

PRESENT: Alexander, Campbell, Jones, Pacheco, Rubio

ABSENT: None

2. **PLEDGE OF ALLEGIANCE**

Council Member Jones led the pledge of allegiance

3. **PUBLIC COMMENT**

Mayor Rubio invited comments from the public and had no requests to speak.

4. **CONSENT AGENDA**

Nothing was pulled for further consideration. There were no public comments on the items.

On motion by Mayor Pro Tem Dennis Alexander and seconded by Council Member Dave Pacheco and passed by the following vote the City Council approved the Consent Agenda as presented.

RESULT: **Approved**

MOVER: Mayor Pro Tem Dennis Alexander

SECONDER: Council Member Dave Pacheco

AYES: Ralph Rubio, Dennis Alexander, Jason Campbell, Dave Pacheco, Kayla Jones

NOES: None

ABSENT: None

A. **APPROVE MINUTES OF JANUARY 18, 2018 AND FEBRUARY 1, 2018**

Action: Approved

B. **APPROVE AND FILE SUCCESSOR AGENCY CHECKS**

Action: Approved

C. **ACCEPT AND FILE THE CASH AND INVESTMENT REPORT FOR THE CITY OF SEASIDE AND THE SUCCESSOR AGENCY OF THE REDEVELOPMENT AGENCY OF THE CITY OF SEASIDE FOR THE QUARTER ENDING DECEMBER 31, 2017**

Action: Accepted

5. **PUBLIC HEARING**

A. **CONSIDER AN APPEAL OF A DENIED TREE PERMIT APPLICATION FOR 1199 SHAFER STREET**

City Manager Malin introduced the item and explained the staff attempt to come to a mutual

agreement with the appellant. City Engineer Riedl spoke to the details of the property and the request from the residents to remove eleven large cypress trees. The staff recommendation which is supported by a certified arborist report substantiates the removal of trees, 1-4, 7 and 11, five out of eleven trees. He indicated that the City Council should consider the appeal and make a determination.

On question, Mr. Malin indicated that the applicant wanted to remove tree 11 to have better access to the property. Council Member Campbell questioned the city's requirement to replant if trees are removed to which Mr. Riedl indicated there is no regulation for tree replacement. Mayor Pro Tem questioned the probability of the trees failing to which Mr. Riedl indicates that five have a high probability of failing and one had a moderate probability. On question, staff responded that there is some existing damage to the sidewalk from the first four trees. Mr. Riedl also responded the trees are estimated at 50-75 years of age.

Mayor Rubio opened the public hearing and requested the applicant to speak to their request.

- Mr. and Ms. Fittro spoke to nuisance that is caused by the trees with falling branches that break the fence and block traffic and disrupt the power lines for the neighborhood. They also spoke to the root intrusion into the sewer pipes that have had to be repaired on multiple occasions and the roots are damaging the foundation of their house. They indicated they are willing to replace the trees with a different species of tree that is suitable.

Public hearing was closed with no further requests to speak and the Council deliberated on the appeal.

Council Member Campbell spoke to damage due to trees as very common, he expressed his concern with clear cutting a grove of canopy trees will be detrimental to the neighborhood environment and removing only part of the trees will leave enough of a canopy cover for wildlife to adjust, and if replaced by any sort of native, we can see how they adjust and consider removal of the rest at a later date. He spoke to his opposition to the full removal of the grove at once.

Mayor Pro Tem Alexander and Council Member Jones spoke in support of Council Member Campbell's position. Mayor Rubio indicated that the next largest grove of this species of tree is up on Hilby and it would dynamically impact the neighborhood if they were all removed. He agreed that a partial removal is substantiated as it will no longer impact the house foundation. He acknowledged the impacts of the trees but agreed with the staff recommendation.

On motion by Mayor Pro Tem Dennis Alexander and seconded by Council Member Dave Pacheco and passed by the following vote the City Council denied the appeal and approved the removal of only trees one through four, seven and eleven as outlined on the diagram.

RESULT:	Approved
MOVER:	Mayor Pro Tem Dennis Alexander
SECONDER:	Council Member Dave Pacheco
AYES:	Ralph Rubio, Dennis Alexander, Jason Campbell, Dave Pacheco, Kayla Jones
NOES:	None
ABSENT:	None

6. BUSINESS ITEMS

A. CONSIDER REVISING COMMUNITY CONTRIBUTIONS FOR CANNABIS DISPENSARY DEVELOPMENT AGREEMENTS

City Manager Malin requested the City Council to provide high level policy direction regarding the revision of the community benefit for cannabis dispensary applications. With the approval of three additional applicants than originally proposed, there may be an impact to the applicant's ability to abide by their proposed community benefits. He spoke to the different benefits that were proposed within their application. The combinations of benefits are null because they were competing against two versus five competitors. Mr. Malin indicated that the policy questions is whether to keep the standards as originally presented or amend applicants to reduce commitments according to the policy change. If direction is amend, the Council should provide policy direction on how to amend. He also questioned consideration of if the Council prefers a particular focus as we work to amend these community benefit agreements.

Council Member Pacheco said he was disappointed with the letter from the applicant and the intent to change their employee salaries, security, and building design, because of the policy change. The City Attorney Freeman responded that they cannot make the modifications as the City Council approved the applications as submitted, and unless the City Council provides policy direction to modify the agreement, what was submitted will stand. They have the ability to come before the council and ask for a modification, and it is up to the council to decide.

Council Member Pacheco disagreed to allow volunteer hours in lieu of contributions for compliance purposes and suggested there be a flat rate contribution. The Council discussed but noted that it takes away from the individuality of the applications. The Council questioned the ability to modify the agreements to which Mr. Freeman indicated that the agreements will come back to the City Council for approval and any future modifications will also have to come back to the Council for approval.

Council Member Campbell reiterated that the City Council introduced more competition which he believes the obligation has created a burden but the community should not be penalized. He recommended the policy should be at a minimum to maintain the aggregate amount of the first three applicants to maintain the same level of projected community benefit.

Council Member Jones spoke reports the Shadowbox owner is being pushed out due to the cannabis dispensaries and questioned if there could be added regulations that could encourage or mandate that permitted dispensaries interview displaced workers. Ms. Jones also requested that Economic development assist to find a new location. Mr. Malin indicated staff has been working to do just that.

Mayor Rubio indicated that the market has too many unknowns to decide the policy now and since there is the ability to request changes to agreements at any time, he recommended waiting six months to make a more informed decision. Council Member Pacheco, spoke in support of Mr. Rubio's comments.

City Manager Malin reminded the Council that a mandatory requirement of payment is like a tax and we would appear to be taxing them twice. The community benefit was intended to allow the applicants ability to demonstrate their particular commitment to the community.

The Council discussed the direction to enter into agreements as they are now, recognizing that at some point within the year, allow them to request amendments to the agreements as a group.

Mayor Rubio invited comments from the public.

- Sal Palma from Higher Level of care requested to allow the operators to fulfill their

commitments at the end of the year out of profits and not start up capital. He suggested to allow applicants to adjust to 1/2 of the commitment, as the Council allowed twice the total permits. Also spoke in support of a future date to be able to base commitments from real numbers instead of projections. Thinks that making them at the end of the operational year is beneficial.

- Jamie Rivard from the Reef/Canopy spoke to revenue vs profit citing costs as extremely high, and this business type cannot deduct business expenses on Federal taxes and that his Federal tax bill is a 96% tax rate. He spoke to the high cost nature of the business and that if the revenues go down, then they cannot make their community commitments.

Council Member Campbell reiterated support for establishing policy of maintaining the community aggregate. The Council spoke in support of upholding the original agreement terms, and extending the payment for community benefit to the end of the agreement as it allows the business the opportunity to establish. Council Member Alexander and Mayor Rubio do not support requiring all applicants to come back as a group but should be done on a case by case basis as there was never a representation made that there would not be subsequent applications.

City Manager Malin clarified that there was a consensus with allowing the actual delivery of benefits to be made at the end of the fiscal year, which would allow applicants to request modifications to the agreement, if they so chose.

On motion by Council Member Pacheco, seconded by By Mayor Pro Tem Alexander and passed 4-1, the Council directed staff to modify the agreement to allow the community benefits to be paid at the end of the 12 month period, allowing applicants to individually request revisions to their community contribution if they so choose.

Speaking on the second, Council Member Campbell indicated that he expects revenue to be down due to the 50% increase in dispensaries. Please understand that their projected revenue could have been overly optimistic. He is concerned about having future Councils waiving community benefit and urged policy to maintain the aggregate amount.

Motion carried 4-1, Campbell voting no.

RESULT: **Approved**

MOVER: Mayor Pro Tem Dennis Alexander

SECONDER: Council Member Dave Pacheco

AYES: Ralph Rubio, Dennis Alexander, , Dave Pacheco, Kayla Jones

NOES: Jason Campbell

ABSENT: None

7. **CLOSED SESSION**

The city Council adjourned to Closed Session at 6:37 PM.

A. **CONFERENCE WITH REAL PROPERTY NEGOTIATORS PURSUANT TO GOVERNMENT CODE SECTION 54956.8:**

1. **One Heitzinger Plaza.** Negotiator for the City: Craig Malin, City Manager, Negotiator for Developer: Honda of Seaside. Instructions to negotiator will concern price, terms of payment or both.
2. **Parker Flats Medical Barracks Known as the Nurses Barracks buildings** located on the Former Fort Ord near the Department of Defense Building Located at Gigling Road and Parker Flats Cutoff Road. Negotiator for the City: Craig Malin, City Manager, Negotiator for Developer: Al Glover. Instructions to negotiator will concern price, terms of payment or both.
3. **2699 Col. Durham Street.** Negotiator for the City: Craig Malin, City Manager. Instructions to

negotiator will concern price, terms of payment or both.

4. **Parcel located at the NE corner of Sonoma and Contra Costa.** Negotiator for the City: Craig Malin, City Manager. Instructions to negotiator will concern price, terms of payment or both.

The City Council reconvened the meeting at 7:18 PM and City Attorney Freeman announced that the City Council received updates and there were no reports for the public.

8. **ADJOURNMENT**

On motion, the meeting was adjourned at 7:20 PM.

Respectfully submitted,

Lesley Milton-Rerig, City Clerk

Ralph Rubio, Mayor/Chair



**CITY OF SEASIDE
STAFF REPORT**

Item No.: 4.B.

TO: Successor Agency to the Redevelopment Agency of the City of Seaside

FROM: Craig Malin, Executive Director

BY: Daphne Hodgson, Deputy City Manager Administrative Services

DATE: March 1, 2018

SUBJECT: APPROVE AND FILE SUCCESSOR AGENCY CHECKS

PURPOSE & RECOMMENDATION

It is requested that the Agency Board approve and file the accounts payable and wired payments made during the period of February 6, 2018 through February 16, 2018. In addition, approval of the payroll and benefits checks, direct deposits and wired payments related to the period of February 15, 2018 is requested. Total Accounts Payable and Payroll for the above referenced period is \$11,906.44.

BACKGROUND

In accordance with Government Code Section 37208, at each Agency Board meeting the Board is provided a listing of the payroll and general checks issued since the last report so that it can inspect and confirm these checks. Each purchase has been reviewed and approved by the department making the purchase at the time of procurement. The invoice has been reviewed by the Finance Department prior to payment to ensure that it conforms to the approved budget.

Therefore, in accordance with Government Code Section 37208, the above referenced, and linked list of checks conforms to the approved budget and has been paid. These checks are submitted to the Agency Board for inspection and confirmation.

A description of the checks and wires exceeding \$10,000.00 is as follows:

* There were no checks over \$10,000.00 for the period of February 6, 2018 to February 16, 2018.

The Checks report is available on the City's website here:

<http://www.ci.seaside.ca.us/194/Check-Draft-Register>

Reviewed for Submission to the
City Council by:



Craig Malin, City Manager