



CITY OF SEASIDE
CITY COUNCIL

FINAL MINUTES

REGULAR MEETING
COUNCIL CHAMBER
Thursday, October 19, 2017
7:00 PM

1. **CALL TO ORDER**

Mayor Rubio called the meeting to order at 7:51 PM.

Cannabis dispensary permit

2. **ROLL CALL – ESTABLISHMENT OF QUORUM**

PRESENT: Alexander, Campbell, Jones, Pacheco, Rubio

ABSENT: None

3. **INVOCATION AND PLEDGE OF ALLEGIANCE**

Pastor Elder Sims provided the invocation and Council Member Pacheco led the Pledge.

4. **REVIEW OF AGENDA**

Council Member Campbell requested to close the meeting in honor of Luther Hurt, Seaside resident, former Planning Commissioner and Monterey County Sheriff Officer.

5. **PUBLIC COMMENT**

Mayor Rubio invited comments from the public.

- Rebecca Pieken shared that she has a problem with her neighbor on Wanda Street. Her neighbor throws garbage outside the car, screams and threatens and assaults the neighbors. She has called the police 20 times, has been to the police department three and this has been going on for 13 months. She is not comfortable in her own home and does not feel safe. She requested help from the City Council.
- Dennis Mal from Mal's market spoke in agreement of the previous speaker. The resident is a problem in the whole neighborhood and requested the Council's assistance.
- A resident spoke to the park improvements at Mescal Neil park thanking the Council for the collaboration between the City and the community.
- Dan Fernandez from CSUMB, applauded the desires to put solar on the City Hall building. He spoke to having personal experiences with both of the vendors and spoke highly of both citing advantages of solar are multiple. He also introduced his students for the Sustainable Cities program at CSUMB who will be working with City staff on sustainable projects, working on the Campus Town Project and the environmental center at Roberts Lake.
- Robert Bernales, CSUMB students informed the Council of his project working to build a field guide to identify the field species and native animals around Robert's Lake. Also working on take home guides on single-use waste and the educational class of gardening with aquaponics.
- Ian Oglesby requested the City Council to encourage the City to take some action acknowledging October as breast cancer awareness month.

6. **PUBLIC AGENCY COMMUNICATIONS**

Economic Development Manager Gloria Stearns spoke to the Sea Stars weed pulling group next scheduled pull on Saturday October 21st at Lincoln-Cunningham park, meeting on the Lincoln side. It is a fun event. Meet community and make a park look pretty in one hour.

Economic Development Manager Kurt Overmeyer spoke to the Campus Town Design Charrette on October 30th – the 3rd, a community design meeting the project and encourage all to stop by any time during the week. The Campus Town project is between Giggling Road and Lightfighter Avenue and First Avenue to the City limit.

Mayor Rubio indicate that Friday was the City's 63rd Birthday party and there were 200 certificates for volunteers in the city. He shared that the City loves volunteers and there are many opportunities for anyone who wants to get involved

7. **PRESENTATIONS**

A. **PRESENTATION OF OCTOBER 2017 HOUSE OF THE MONTH**

Mayor Rubio presented the House of the Month award to the residents at 1145 Plumas save for beautifying and maintaining their property.

B. **PRESENTATION OF 2017 BUSINESS OF THE THIRD QUARTER**

Mayor Rubio presented the Business of the Quarter for the third quarter to Millers Carpet One and Mayor Rubio thanked them for operating a business in Seaside. The owners spoke to wanting to be a part of Seaside as a community and thanked the City for the acknowledgement.

8. **CONSENT CALENDAR**

Mayor Rubio invited comments on the Consent Calendar and had no requests to speak.

On motion by Council Member Jason Campbell and seconded by Council Member Dave Pacheco and passed by the following vote the City Council Approved the Consent Calendar as presented

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

A. **APPROVE MINUTES OF OCTOBER 5, 2017**

Action: Approved

B. **APPROVE AND FILE CITY CHECKS**

Action: Approved

C. **APPROVE TRAFFIC ADVISORY COMMITTEE (TAC) RECOMMENDATIONS.**

Action: Approved

D. **APPROVE MAYOR'S YOUTH FUND CONTRIBUTION REQUEST FROM GIRLS INCORPORATED OF THE CENTRAL COAST**

Action: Approved

- E. **ADOPT A RESOLUTION TO APPROVE A SERVICE MAINTENANCE AGREEMENT WITH BEAR ELECTRICAL SOLUTIONS TO PROVIDE TRAFFIC SIGNAL AND STREET LIGHT MAINTENANCE SERVICES FOR AN AMOUNT NOT TO EXCEED SEVENTY THREE THOUSAND NINETY DOLLARS \$73,090**

Action: Approved Authorized & Adopted Resolution 17-73

- F. **APPROVE A RESOLUTION AUTHORIZING THE CITY MANAGER TO SIGN A CONTRACT WITH MOTOROLA SOLUTIONS, INC. IN THE AMOUNT OF \$862,803.49 FOR THE PURCHASE OF MOBILE AND PORTABLE RADIOS FOR THE FIRE AND PUBLIC WORKS DEPARTMENTS PAID FOR WITH GRANT FUNDS FROM THE ASSISTANCE TO FIREFIGHTERS GRANT.**

Action: Authorized & Adopted Resolution 17-74

9. **PUBLIC HEARING**

- A. **INTRODUCTION OF ORDINANCE AUTHORIZING TEXT AMENDMENT TO CHAPTER 17.40 OF THE SEASIDE MUNICIPAL CODE THAT SETS FORTH STANDARDS FOR ELECTRONIC MESSAGE DISPLAY SIGNS RELATED TO PUBLIC AND PRIVATE MEETING FACILITIES WITHIN RESIDENTIAL AND COMMERCIAL ZONING DISTRICTS CITYWIDE, AND ADDRESSING OTHER MATTERS PROPERLY RELATING THERETO THAT ARE IN CONFLICT WITH THE PROPOSED TEXT AMENDMENT.**

Senior Planner Medina presented the draft ordinance changing regulations allowing electronic message display signs for public meeting facilities in certain areas of the City. Currently electronic message signs are prohibited, and there have been requests to modify the ordinance. He further explained that the regulations require each sign to be approved on a discretionary basis. He reported that the Planning Commission reviewed the ordinance in two instances and all requested changes were incorporated into the draft ordinance. The text changes affect 5 areas within the code which Mr. Medina outlined. He also identified all of the possible facility locations within the City where this could be approved and provided examples of signs that would be in compliance with the draft regulations. Mr. Medina answered questions from the Council.

The City Council asked questions regarding distracting drivers, dimming regulations, and timing regulations and industry options for these type of signs and expressed concern that sign settings would be reset in the event of a power outage and requested clarification about enforcement of complaints. Mr. Medina indicated that the permit would a contact that can be reached after hours in the event of an issue.

Mayor Rubio invited comments from the public.

Pastor Britt from Greater Victory Temple requested approval of this item.

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 first reading of the draft ordinance.

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

10. BUSINESS ITEMS

A. DISCUSS AND PROVIDE DIRECTION REGARDING A PROPOSED DRAFT ORDINANCE ESTABLISHING REGULATIONS FOR SHORT-TERM RENTALS IN THE CITY OF SEASIDE AS DIRECTED BY THE CITY COUNCIL DURING THE SEPTEMBER 21, 2017 STUDY SESSION

City Manager Malin indicated this is the second time this topic is before the Council the first providing a good discussion from differing opinions. He clearly specified that this is a draft ordinance and briefly spoke to the options available for Council deliberation and guidance with anticipation to bring back an actual draft ordinance at a near future meeting. Deputy City Manager Administrative Services Hodgson outlined the elements under consideration to include the following:

- The distinctions between a hosted or non-hosted short term rental
- Limits the number of annual permits
- Who can obtain a permit; property owner or tenant
- Low income or deed restricted units eligibility
- grandfathering of existing
- Any total number of permits projected into the future?
- Payment of TOT required and would it be set aside for any specific uses?
- Off street parking
- Maximum number of renters
- Fire and safety inspections
- Party houses
- Vacation rental signs
- Local 24/7 contact person
- Enforcement
- Permit application fees and how would they be set

Mr. Malin and staff answered questions from the Council.

Council Member Pacheco questioned the increase rate of the short term rental market and how enforcement efforts are undertaken and costs associated with regulations or banning. Ms. Hodgson indicated that the future rates of increase are unknown due to the changing nature of the market that enforcement will be challenging and will incur costs with either regulation or prohibition. Enforcement costs will take away services from other city programs unless there is a revenue mechanism to offset the enforcement costs.

The Council discussed community characters, how residents as well as VRBO's invest into the community, when to start collecting TOT and who will be conducting the inspections and the idea of regulating hosted vs non-hosted. They also discussed limiting the number of permits and the justification for that. The City Council discouraged having a grandfather clause for existing VRBOs and agreed that the ratio of parking to guests as proposed was unfair.

Council Member Jones clarified that there will need to have enforcement if we ban or allow permits to which staff indicated that either way there will be enforcement costs. On

question from Council Member Jones, Mr. Malin indicated that there are no current regulations on this issue. This is not punishment, but a regulatory framework going forward.

City Attorney Freeman further clarified that these regulations will this have to go before the Planning Commission to make sure it is consistent with the Zoning Code and General Ordinance. On question by Council Member Campbell, City Attorney Freeman indicated that the enforcing party for code violations would be the city and would operate on a complaint basis, or by hiring a group to identify violations. Council Member Campbell questioned if the permit fees would be sufficient to cover all of the costs involved with the permitting process to which Mr. Malin affirmed and acknowledged there would have to be a time and expense analysis to establish the actual permit costs.

Mayor Pro Tem Alexander expressed the major concern is that short term rentals would jeopardize the number of housing stock to which Mr. Malin indicated the existing rentals equate to 2% of the housing stock in Seaside. Data collected from a variety of sources show it is an insignificant market and most of the STRs deliberately want to keep it off the long term housing market.

Mayor Rubio spoke to the fact some neighborhoods would lend itself to this type of activities where other streets are much more constrained and provide more challenges. He suggested looking at that type of regulations and creating a balanced approach. As far as taking care of property, every resident should take care of their property and he wants enforcement on long term rentals that rent to people who also host party houses.

Mayor Rubio invited comments from the public.

- Dick Mathews director of Monterey county vacation rental alliance advocated in favor of regulations for a good fair ordinance. He questioned the proposed ordinance indicating that predominant renters are non hosted throughout the county and cities by 80% and requested to permit STRs to all owners.
- Ruelfor Wijbrandus spoke to it being an illegal practice and disagreed to grandfather an illegal use. He questioned if this would create pockets of commercial throughout R1 zones and questioned if there will be limitations on the number of permits or proximity of permits and requested consideration of how R1 zones will be impacted by commercial activities.
- Kristin Alley spoke to Mr. Wijbrandus comments that existing homeowners will now have devalued homes, and may not want to invest. She spoke to the investments that she has made to her home and that STR owners do not invest in the community the same way. She advocated for banning all STRs.
- Robert Lewis spoke to having an STR in Monterey, until there was enforcement by the city. He spoke to the good experiences that they had and the financial benefit to the community, specific to the restaurant industry. It bring money who need income to pay the mortgage and spurs money to local businesses.
- Sergio Rangel Unite Here local hospitality union, he spoke to the STR increases as an issue for the community. They are fighting for affordable housing and rent control and these are risking the places where union workers live by allowing these activities in neighborhoods. 75% union members live in seaside.
- Donna Kaufman spoke to her letter that she provided previously and to her experience in hosted and non-hosted and to the fact that the visitors are mainly

families with young children and elders with them. She acknowledged non hosted takes a lot of work, especially to keep the neighborhood happy. She spoke to the marketing materials that they produced referring them to local business. She reported calling the city attempting to get a business permit and pay TOT and was told there was no vehicle to be able to pay. Back taxing is unfair but going forward is ok.

- Gertrude Smith said that STRs are what is trending in society right now. It's not a bed and breakfast, it is not a hotel, it is not a hostel; they are legitimate, and STRs are the bootleg option. She also condemned Mayor Rubio for commenting to hold residents to the same standard [of up keeping their property].
- Justin V. thanked the city for their speed. He spoke in support of non-hosted permitting, against parking space regulations. he spoke to the investment he makes by hiring local workers to keep up is property the same as a regular owner, as well as to the industry need for good reviews wich drives further improvements to the property.
- Helen Rucker, speaking for Al Glover informed the council about large homes being purchased on Skyview drive and rented as party houses. She would like to know if the proposed ordinance will limit the number of people allowed per night. She expressed his frustration and that she is against STRs and wants all neighborhoods restored to an R1.
- Sandy Burman is not in favor of an ordinance to regulate STR. She was wondering if a cost benefit study was done. 50-60% of homes in seaside are non-occupied owner rentals and that long time rentals are more problematic than short term rentals. She requested the safety rules should be applied to all rentals. She also indicated she was told there was no mechanism to pay the TOT.
- John Wizard believes that no regulation currently means it is a disallowed use. STRs can be useful when there is not a market for hotels, but that is not us as there are many hotels locally. He spoke in favor of the Council adding a sunset clause to re-review this at a later, he questioned if there has been a discussion of fee to pay for a parking structure and thinks it should be put to a vote in the general election and not by the Council.
- Cathy Lewis applauded the Council for taking up this item with all its variables. She spoke to the affordability of the area and that it is necessary for some to be able to keep their homes. She hopes that all factors are considered and a balanced approach is agreed to.
- C.W. Friedman empathized with Ms. Rucker and that regulations can help with enforcement of those that are taking advantage of a system. He indicated that the Coastal Commission had ruled that to promote use of the coastal area, you have to consider single family residential houses as a priority. There is no difference between 3 or 30 days, as the use is the same. Non hosting, density is the solution, create density for each neighborhood, and regulate the distance at a reasonable distance. That seems to work. Through attrition you can have new permits issued. The idea is to bring people in to get them to abide by the rules.
- Susan Bradley spoke to her life choices and the market changes and the economy that made her a traveling nurse sharing the difficulty of finding housing. She now provides housing to other traveling medical professionals. She said residents need that income and professionals need good housing. She spoke to people who rent homes for kids who have severe food allergies to control the environment or people who move here and don't know where they want to live yet. She spoke in support of

new people coming to Seaside instead of the drug users she typically encounters.

- Felix Bachofner thinks that the problems are the outliers rather than the rule. There are clear cases that some neighborhoods are more suited than others.
- A resident read a letter speaking in support of non-hosted and against parking regulations. The STRs is only 1% of the available housing so will not impact the long term housing market. The increase of the housing price has to do with the nationwide economic cycle, not the STR market.
- Enid Sanchez she spoke to having a perception of seaside has a boring community, and now she is now proud to be a Seaside resident. She gets to meet people from all around the world. It hurt her feelings to hear that people think it is a hotel city. She spoke in support of the regulations.
- Dennis Mal, Mal's Market spoke to owning multiple vacation rentals through good financial planning and hard work. He asked the City of the regulations for STRs citing they cannot be called illegal as city did not discourage it from happening. He understands that not all neighborhoods lend themselves to this, but the entire City can benefit.
- Cookie Sanchez spoke in support of non-hosted. She spoke to the benefit to families that are larger than 4, as the maximum allowed in a standard hotel room. She spoke against the back payments. In support of paying the TOT going forward, against unreasonable parking.
- Linda Perry spoke to three years of hosting STRs and had no complaints from neighbors. She spoke in support of regulations. The only way that seaside is going to beautify itself is by getting more revenue. She spoke in support of paying TOTs for the benefit of the whole city.

Mayor Rubio clarified the comments about his long headed thinking. He does not think it's unfair or wrong to expect to residents to be respectful of their neighbors. It's not wrong to expect them to clean up after themselves, keep their properties clean and be good neighbors by keeping the noise down. We can find a reasonable accommodation and some people may be upset, but not everyone. It should be structured so we can move forward in this City. It's good to have people come in from outside the areas to Seaside as we have a lot to offer.

Council Member Pacheco questioned if the TOT can be delineated for specified purposes to benefit the City to which CM Malin indicated that it could be delineated in the ordinance.

Council Member Jones questioned the potential funding that could be put into an affordable housing and the Council discussed the ability to leverage the existing affordable housing fund. Mayor Rubio indicated to bring a full housing project to fruition would be approximately 15 million dollars and would require multiple partners to accomplish. The Council discussed the long term housing market in Seaside.

Council Member Jones believes that this ordinance contributes to neighborhood decline and gentrification, and that the current system of renting allows home owners can discriminate against renters and questioned any way the City can regulate this discrimination. Mr. Freeman indicated there is no way to enforce it. She questioned many elements of the regulation, including if the City would have to create a new classification of zoning and spoke in support of facilitating a cost data analysis.

The following changes were recommended to the ordinance;

Pacheco suggested changes to the ordinance

- Section 6E: suggest 60 day permit application window and meet all requirements and then be closed for STRs for a min of 12 months. A waiting list should be established for those that do not renew their license.
- 7J /10B: All costs to operate the program should be accounted for in the permitting process. 40-50 % of the revenue, beyond the costs of permit issuance and compliance, should be allocated for affordable housing. The remaining should be allocated to the neighborhood improvement program.
- 8B: should not limit ownership of short term owners.
- 9C /12A – suggest a three strike program for property owners who cannot resolve the issue within 60 minutes. Add penalty of \$250 for first offence, \$500 for second and on third violation, loose the permit.
- 12B – if a person/home owner is illegally operating without a permit, it should be a \$500 per day fine.

Council Member Jones on question of asking the benefits of hosted vs un-hosted, disagreed that people should be allowed to keep their family home, after their parents are deceased to themselves but should add to the housing rental market. Mrs. Jones indicated that the majority of the peninsula does not allow STRs for a reason. She expressed that owning a home is a privilege in this area and that we are drafting the regulations benefiting the 1% of the community. She also indicated that non-action of the Council has generated this problem and this action would rectify the inaction of the Council to the detriment of the citizens.

As requested the City Manager agreed there would be significant community outreach about this regulation. He explained the approval process including Planning Commission determination for consistency with the general plan, identification if it is a project under CEQA and if an amendment to general plan is required, the amendment would come via Planning Commission to the City Council then the ordinance would follow.

Council Member Campbell requested to link a significant portion of revenues to housing affordability believing the linkage could make a significant impact to families.

He expressed the following changes to the ordinance

- He spoke in support of non-owner occupied STRS as well as, owner occupied and to a renter subleasing and Requested that 4B eliminate the “not limited to” statement
- Reduce the regulation of 4C
- 4E. good neighbor brochure, hope it’s not just regulations, but also suggestions that will impact economic development.
- Section 5 is confusing and thinks that opens up accessory dwelling units to short term rentals.
- 8A – “or termination”... should be in the second paragraph
- 7I - delete “and a new initial application and first time application fee will be required.”
- Agreed that violations should be fairly punitive.

Mayor Pro Tem Alexander is in support and believes that many people are trying to follow

rules and showcase Seaside as the place we all love to live. He sees a positive impact economic, housing and city services and agrees with Mr. Campbell that it should not be restrictive but inclusive for as many people as possible. Agreed with the City Manager that the density is the challenge so we should decide how to address that with the specific neighborhoods.

Mayor Rubio appreciated engaged Council Comments and agrees that it should be open and balanced between hosted and non-hosted, allowing 150-200 permits, no grandfathering clauses and is not in favor of a sunset to restrict to hosted permits. Density issues should be addressed by going through the General Plan and determine where it is more and less appropriate for STRs. He is not in agreement of banning STRs completely. He commented that this issue had been brought up by the Council during strategic planning sessions but was not taken up as there were more pressing priorities and constraints. He acknowledged there are affordable housing issues in Seaside as well as throughout the state and spoke to the 20% affordable solution regulations that has been built into every housing development agreement going forward.

He spoke in support of looking for partners to help assemble and fund to bring an affordable housing project to fruition. He cautioned the Council about divvying up the pot before we have a pot, speaking to potential revenues from permits, but expressed the need to understand the full cost of operating the program, including enforcement and permitting. He indicated that the City needs a robust Planning Department to help get these projects through. There is a lot of built up demand in many corners of the city, and if this is a new revenue sources and we need to make sure we take care of city needs.

The Council requested staff to incorporate their comments into the draft ordinance and present it to the Planning Commission.

On motion by Council Member Pacheco and seconded by Council Member Campbell and approved unanimously, the City Council agreed to continue the meeting past 10:30 to no later than 12:30 am.

B. RECEIVE PRESENTATION, DISCUSS AND CONSIDER A RESOLUTION SETTING VALUES FOR LAND TRANSFERRED TO THE STATE OF CALIFORNIA FOR THE CALIFORNIA CENTRAL COAST VETERANS CEMETERY

City Attorney Freeman spoke to the developed Fort Ord Base Reuse plan, stating since that time both the City and County of Monterey have taken 84 acres they would have received but instead allocated that land or asked FORA to release the land so that they could make a non-monetary conveyance to the Veterans but as yet have not received credit for their contribution. The draft resolution, recently was adopted by FORA, recognize a local contribution to this particular records. This action will actually allow the veterans' to raise additional funds toward the completion of the project and environmental documents.

Mayor Rubio invited comments from the public.

- Sid Williams spoke in support of the item, and suggested that in the staff report that the funds should be used for phase II rather than all of the remaining 11 phases, so please don't limit it to phase II, and would allow the State to do what they wish to do. Seaside deserves recognition for what they have done, and for the agreement of the endowment that supports

the ongoing efforts.

Mr. Freeman commented that there are 11 phases. The purpose of this, is that there are significant unknown expenses to occur in completing phase 2 and will allow the City and the coalition to get credit for the contribution of land value.

On motion by Council Member Alexander, seconded by Council Member Campbell and passed by the following vote, the City Council approved the action and passed Resolution 17-

11. COUNCIL MEMBER REQUESTS

A. DISCUSS COUNCIL MEMBER JONES REQUEST TO CREATE A HOMELESS COMMISSION AND AN ENVIRONMENTAL COMMITTEE

City Manager Malin indicated that this was placed on the agenda based on Council Member Jones' request at the October 5, 2017 meeting. He noted that previously the Council discussed her request for the addition of three different commissions; the action was it would be discussed at the next strategic planning session, but Mrs. Jones wanted to bring it up again in advance of the strategic planning. He requested the Council to discuss and decide as to agendaize this for action or not.

Mayor Rubio did remind the Council that the previous majority vote was to take it up at strategic planning and as it is not time sensitive believes that should still be the action. Council Member Pacheco spoke to being opposed to it in the past and questioned the City Manager, with the addition of new staff approved in the budget, once hired would there capacity to be able to manage this program without hardship to the current staff as it relates to providing services. City Manager Malin indicated that it shouldn't.

Council Campbell spoke to changes that has caused noticeably more homeless and believes dealing with the homeless problem head on could have positive impact on the amount of law enforcement time spent handling homeless situations. Mayor Pro Tem Alexander spoke to this and the other items that should be taken up at strategic planning. He said it is a valid need, but the City has other priorities that the Council has agreed to and does want to redirect staff at the risk of losing momentum. The City Council requested that the documents previously presented be brought back so the Council can vet the mission and duties of each, prior to the strategic planning session. If approved, it would be brought back as a Municipal Code amendment.

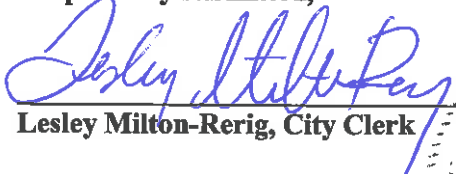
12. MAYOR, CITY COUNCIL, CITY MANAGER AND CITY ATTORNEY COMMENTS AND REPORTS ON COMMITTEE ASSIGNMENTS

Due to the hour, there were no comments made.

13. ADJOURNMENT

On motion the meeting was adjourned at 11:55 PM.

Respectfully submitted,


Lesley Milton-Rerig, City Clerk


Ralph Rubio, Mayor