

MINUTES
REGULAR MEETING OF THE CITY COUNCIL
CITY OF SAN LUIS OBISPO
TUESDAY, NOVEMBER 18, 2008 - 7:00 P.M.
COUNCIL CHAMBER, 990 PALM STREET
SAN LUIS OBISPO, CALIFORNIA

ROLL CALL:

Council Members

Present: Council Members Andrew Carter, Christine Mulholland, Allen Settle, Vice Mayor Paul Brown and Mayor Dave Romero

City Staff

Present: Ken Hampian, City Manager, Jonathan Lowell, City Attorney, Shelly Stanwyck, Assistant City Manager, and Audrey Hooper, City Clerk, were present at Roll Call. Other staff members presented reports or responded to questions as indicated in the minutes.

INTRODUCTIONS

Director of Finance and Information Technology Statler introduced Steve Schmidt, who was recently promoted to the position of Information Technology Manager, and newly hired Network Administrator Tim Cool.

ANNOUNCEMENT

Mayor Romero announced the current vacancies on the City's advisory bodies.

PRESENTATIONS

Mayor Romero presented Dr. Steve Hansen, representing the County Medical Association and the County Tobacco Control Coalition, with a proclamation recognizing the efforts of local hospitals on behalf of and proclaiming the City's support for a tobacco free environment.

APPOINTMENTS

A1. APPOINTMENTS TO THE MASS TRANSPORTATION COMMITTEE.

Council Member Mulholland reported on the interview process and the recommendations of the Subcommittee.

ACTION: Moved by Mulholland/Carter to, as recommended by Council Subcommittee Members Christine Mulholland and Andrew Carter, make the following appointments to the Mass Transportation Committee (MTC): 1. Appoint Kathy Howard as the Alternate

Member with a term expiring March 31, 2010. 2. Appoint Robert Wolf to the position of Senior Representative with a term expiring March 31, 2009. 3. Appoint Elizabeth Thyne as the Alternate Member with a term expiring March 31, 2010; motion carried 5:0.

PUBLIC COMMENT

Council Member Elect John Ashbaugh thanked Fire and Police personnel for the tremendous job they did in containing the El Cerrito fire last week.

Gary Fowler, San Luis Obispo, expressed disappointment in the relocation of the precinct at the Ludwick Center to the back of the facility.

John Altman, San Luis Obispo, discussed his disappointment that the Bill Roalman Bicycle Boulevard has not yet been completed.

Steve Barasch, San Luis Obispo, discussed an incident when a construction cone hit the vehicle in which he and his wife were traveling on Johnson Avenue. He cited another incident when his wife was endangered as a pedestrian because of construction work. He provided suggestions for better supervision of contracts and ensuring contractors are responsive when these incidents occur.

City Attorney Lowell said staff will consider Mr. Barasch's suggestions, noted Mr. Barasch has filed a lawsuit against the City stemming from the incident, and explained the City will tender defense of the litigation to the contractor doing the pavement work on Johnson Avenue.

The following speakers discussed their continuing concerns related to the public access channel, particularly its lack of diversity, and distributed copies of related advertisements, photographs, and an article about Mr. Germany that appeared in a recent issue of the "Central Coast Home & Outdoor" publication (on file in the City Clerk's office):

Ron Bearce, San Luis Obispo
Leslie Bearce, San Luis Obispo
Patrick Germany, Paso Robles

Council Member Elect Jan Howell Marx, San Luis Obispo, referred to upcoming Planning Commission vacancies and said she hoped the current Council would defer selection of the new Commissioners until December 2nd or slow down the interview process.

Arnold Ruiz, San Luis Obispo, discussed his ongoing concerns regarding the condition of Laguna Lake and asked for City authority to assist with a project to restore the lake. (A letter detailing Mr. Ruiz's concerns is on file in the City Clerk's office.)

Public Works Director Walter discussed the status of the Laguna Lake project and said that staff will be bringing a project request forward with the 2009-2011 Capital Improvement Program.

Adam Fukushima, San Luis Obispo Bicycle Coalition, noted that the portion of the Bill Roalman Bicycle Boulevard referenced by Mr. Altman earlier will be completed within the next few months. He clarified that Mr. Altman's position did not reflect that of the Bicycle Coalition.

Sean McNabb, San Luis Obispo, discussed his continuing concerns regarding the 300 Lawrence Drive project. He referred to a letter he received from the City dated September 10th indicating that no construction was taking place on the site. He also referred to a complaint he filed with the City on October 7th alleging that if this was not a construction site, a sign violation had occurred when a construction sign was installed. (A copy of the complaint is on file in the City Clerk's office.)

City Manager Hampian said that staff will investigate and respond to Mr. McNabb's concerns.

Marcia Nelson, San Luis Obispo, suggested that information regarding campaign donations and expenditures should be more readily available on the City's website.

Charles Oldham, San Luis Obispo, referred to Mr. Fowler's comments regarding the relocation of the precinct in the Ludwick Center and explained that the main room was being used by the seniors on Election Day.

CONSENT AGENDA

At Council Member Mulholland's request, Council concurred to pull items C2, C3 and C10 from the Consent Agenda.

ACTION: Moved by Brown/Settle to approve the Consent Agenda excluding items C2, C3, and C10, as indicated below.

C1. MINUTES OF SEPTEMBER 30, OCTOBER 7 AND 21, 2008.

ACTION: Moved by Brown/Settle to waive oral reading and approve the minutes as amended; motion carried 5:0. (See memo on file in the City Clerk's office.)

C2. SANTA ROSA PARK ROLLER HOCKEY RINK EXPANSION, SPECIFICATION NO. 90751.

Council Member Mulholland expressed concern regarding the cost for pursuing two design options as contained in recommendation #1 ("Extended Slab" and "Remove and Replace") and suggested that it would be more feasible to only pursue the "Remove and Replace" option. Council concurred. The motion included revised costs.

ACTION: Moved by Mulholland/Brown to: 1. Direct staff to move forward with design for the Santa Rosa Park Roller Hockey Rink Expansion Project based on the "Remove

and Replace" option. 2. Award a Purchase Order to Wallace Group in the amount of \$35,895 to provide construction documents for the design of both options and authorize the Finance Manager to execute the Purchase Order. 3. Authorize the transfer of \$25,000 from the Completed Projects account to the project design account to cover estimated design costs. 4. Authorize the City Manager to approve the construction plans and specifications, advertise for bids, and award the contract; motion carried 5:0.

C3. AGRICULTURAL LEASE WITH WILLIAM OSTRANDER AT CITY-OWNED PROPERTY AT 0 CALLE JOAQUIN (FORMER MCBRIDE/GEARHART PROPERTY).

Council Member Mulholland raised concern regarding the length of the proposed lease and the lack of specific information in the lease pertaining to the infrastructure Mr. Ostrander offered to install. She asked Council to consider tabling this item so that other possibilities for the property could be investigated.

Brett Cross, San Luis Obispo, expressed disappointment in the recommendation and offered to enter into a lease agreement with the City for the use of this property for an amount just higher than \$1 rent offered to Mr. Ostrander.

Council Member Elect Marx, San Luis Obispo, concurred with the recommendation that this matter be tabled and suggested a community garden should be explored for this site.

Natural Resources Manager Havlik discussed the geography and historical context of the subject property, components of the lease, and Mr. Ostrander's offer to provide infrastructure on the site that would connect to the existing well. He responded to Council's questions.

Eric Meyer, San Luis Obispo, suggested that a community garden might work on the site, but spoke in support of Mr. Ostrander.

Discussion ensued during which Council Member Carter and Mayor Romero favored tabling this matter to allow for further investigation of alternatives or for, if an agricultural lease with Mr. Ostrander is presented to Council at a future date, modification of the agreement to clearly describe the infrastructure that would be installed.

Council Member Brown acknowledged the points raised, but expressed concern regarding the length of time it would take to develop alternatives.

Council Member Settle supported tabling this matter for a short period of time to allow refinement of the suggestion that language be added to the contract related to the installation of infrastructure.

ACTION: Moved by Mulholland/Carter to table this item for several months for further investigation of alternatives and if an agricultural lease with Mr. Ostrander is presented

to Council for consideration, the agreement should clearly describe the infrastructure to be installed; motion carried 4:1 (Brown opposed).

C4. STREET SWEEPER PURCHASE, SPECIFICATION 90847.

ACTION: Moved by Brown/Settle to: 1. Approve a cooperative purchase in the amount of \$173,575.71 to GCS Western Power and Equipment for one 2009 TYMCO Model 600 Regenerative Air Street Sweeper (Street Sweeper) and authorize Finance Manager to execute the purchase order. 2. Approve the use and transfer of \$7,776 from the Capital Improvement Project (CIP) Reserve account to this project account to fully fund this purchase; motion carried 5:0.

C5. STATEMENT OF AUDITING STANDARDS NO. 114: AUDITOR COMMUNICATIONS WITH THE COUNCIL.

ACTION: Moved by Brown/Settle to designate the Mayor as the Council's representative in communicating with the City's independent auditors in implementing Statement of Auditing Standards No. 114; motion carried 5:0.

C6. AMENDMENT TO 2007-2012 MEMORANDUM OF AGREEMENT WITH THE SAN LUIS OBISPO POLICE STAFF OFFICERS' ASSOCIATION.

ACTION: Moved by Brown/Settle to adopt Resolution No. 10035 (2008 Series) amending the 2007-2012 Memorandum of Agreement with the San Luis Obispo Police Staff Officers' Association; motion carried 5:0.

C7. MANAGEMENT EMPLOYEES' COMPENSATION.

ACTION: Moved by Brown/Settle to adopt Resolution No. 10036 (2008 Series) approving management compensation through December 31, 2009; motion carried 5:0.

C8. BANNER AND FLAG POLICY REVISIONS.

ACTION: Moved by Brown/Settle to approve minor changes regarding banner size and composition to the City's Banner and Flag Policy; motion carried 5:0.

C9. APPROVAL OF THE FINAL MAP FOR TRACT 2787, 562 SANDERCOCK (TR/ER 202-05).

ACTION: Moved by Brown/Settle to adopt Resolution No. 10037 (2008 Series) approving the Final Map for Tract 2787 (562 Sandercock) and authorizing the Mayor to execute the subdivision agreement on behalf of the City; motion carried 5:0.

C10. SENIOR CENTER PARKING LOT SPECIFICATION NO. 90803.

Discussion ensued regarding whether Council should take public testimony and proceed with this item at this time or continue this matter until the new Council Members are seated on December 2nd, since it was not known whether a majority of the Council would continue to support proceeding with the Senior Center parking lot.

Council Members Settle and Mulholland supported continuing this matter to December 2nd.

Council Member Brown discussed his disappointment that it has taken two years to award the bid for this project, but indicated that he will support the majority of the Council in this matter to avoid potential litigation should the contract be entered into and the new Council then overturn this action.

Mayor Romero reviewed the history of this project and spoke in support of proceeding with the parking lot. He was in favor of receiving public testimony and acting on this item at this time.

Council Member Carter said that while his support of the parking lot project has not changed, he does not want to expose the City to litigation, knowing that the next Council could vote to bring this matter back and potentially rescind this action. He said he also believed the new Council has a right to act on this matter.

Dan MacKirdy, San Luis Obispo, said he supported tabling this matter.

ACTION: Moved by Mulholland/Settle to continue action on this item to the meeting of December 2, 2008; motion carried 4:1 (Romero opposed).

C11. PROPOSITION 1B 2008-09 APPROPRIATION.

ACTION: Moved by Brown/Settle to approve a plan for the use of the City's share of the State's 2008-09 Proposition 1B appropriation by increasing funding for street reconstruction and resurfacing by \$657,700; motion carried 5:0.

Council recessed at 8:50 p.m. and the meeting reconvened at 9:05 p.m. with all members present.

PUBLIC HEARINGS

1. 2008-09 PROGRAM OF PROJECTS FOR FEDERAL TRANSIT ADMINISTRATION SECTION 5307 GRANTS.

Director of Public Works Walter introduced this item, following which Transit Manager Webster presented the agenda report and responded to questions.

Mayor Romero opened the public hearing.

No comments were forthcoming.

Mayor Romero closed the public hearing.

ACTION: Moved by Mulholland/Carter to: 1. As recommended by the Mass Transportation Committee, approve the 2008-09 Federal Transit Administration Program of Projects. 2. Adopt Resolution No. 10038 (2008 Series) authorizing the Public Works Director to file a grant application and execute a grant agreement with the Federal Transit Administration in the amount of \$1,315,500; motion carried 5:0.

2. **SAN LUIS GARBAGE COMPANY INTERIM YEAR SOLID WASTE RATE ADJUSTMENT APPLICATION.**

Utilities Director Mattingly introduced this item, following which Conservation Manager Munds presented the agenda report and responded to questions.

Mayor Romero opened the public hearing.

Eric Meyer, San Luis Obispo, expressed concern that the miniature garbage cans have not been in stock for sometime and so he has been forced to purchase the larger can.

Conservation Manager Munds indicated that he would follow up on this matter.

Mayor Romero closed the public hearing.

ACTION: Moved by Carter/Mulholland to adopt Resolution No. 10039 (2008 Series) increasing solid waste rates by 4.08% for interim year 2009 to become effective on January 1, 2009; motion carried 5:0.

3. **REVIEW OF THE HISTORIC STRUCTURES REPORT REGARDING REMAINING CHARACTER-DEFINING FEATURES OF THE SAUER BAKERY (848 MONTEREY) AND THE BLACKSTONE HOTEL (984 AND 986 CHORRO AND 840, 842 AND 844 MONTEREY) AS DIRECTED BY THE CITY COUNCIL IN CONJUNCTION WITH THE CHINATOWN PROJECT; C-D-H ZONE; SLO CHINATOWN, LLC, APPLICANT (ARC 69-05).**

Community Development Director Mandeville introduced this item, following which Senior Planner Pam Ricci presented the agenda report and responded to questions.

Mayor Romero opened the public hearing.

The following speakers expressed concerns regarding the adequacy of the Historic Structures Report. Their comments and/or concerns included, in part, that the report should have included a cost-benefit analysis and a structural feasibility analysis of the

buildings, that the Cultural Heritage Committee (CHC) was not given adequate time to review the report, that the Streamline Moderne style should be retained, that the ovens should not be relocated, and that it is important that the goals of the National Trust for Historic Preservation and the Main Street Program be achieved.

Linda Groover, San Luis Obispo

Allen Cooper, San Luis Obispo

Paula Carr, San Luis Obispo

Joseph Abrahams, San Luis Obispo

Elisabeth Abrahams, San Luis Obispo

Louise Schiler, San Luis Obispo

Bob Vessely, San Luis Obispo (Mr. Vessely stated that he did not oppose the project, but had concerns regarding the report.)

Susan Devine, San Luis Obispo

Diane Duenow, San Luis Obispo

Alex Gough, San Luis Obispo (Mr. Gough stated that he did not oppose the project, but also had concerns regarding the report.)

Thomas Wheeler, San Luis Obispo

Russell Brown, San Luis Obispo

Deborah Cash, Executive Director of the Downtown Association, explained why the Association supported the staff recommendation.

Council Member Carter said it should be noted that Mr. Copeland is on the Board of the Downtown Association.

Dean Moore, San Luis Obispo, owner of the Forden's building at 854 Monterey Street, discussed the importance to the downtown of moving forward with this project.

Vangeli Evangelopoulos, San Luis Obispo, expressed concern regarding the loss of historic buildings in the downtown.

John Fowler, San Luis Obispo, Chair of the CHC, explained that although staff felt the CHC had exceeded its scope in making its recommendation regarding the retention of the Blackstone Hotel's Art Moderne facade, its members felt that the second phase of the Historic Structures Report should be conducted to look at a structural feasibility analysis of retaining the facade. He expressed concern on behalf of the City's historic past.

Council Member Elect Ashbaugh, San Luis Obispo, discussed what the Historic Structures Report addressed and proposed that the applicant should, if structurally feasible to do so, either retain the Swiss-Italian facade to tie in with Sauer-Adams adobe, and treat the facade as it was before 1913 with either a neo-classical, Italianate or similar type of character.

Eric Meyer, San Luis Obispo, suggested that there is a way to save the historic fabric of the downtown and that it is in the best interest of the City to try to incorporate the historic structures.

Mark Rawson, representing the applicant, discussed the history of the project and asked for direction that would enable the project to move forward. He acknowledged the significant feature of the ovens and said they are in agreement with preserving them in their existing location.

Mayor Romero closed the public hearing.

Staff addressed comments raised by the prior speakers. Of particular concern was the adequacy of the Historic Structures Report. Staff discussed the direction Council gave at its meeting of December 18, 2007 with the review of the Final EIR for the project, and pointed out that the report addressed all of the issues Council asked be included in it.

Council Member Settle, Vice Mayor Brown, Council Member Carter and Mayor Romero spoke in favor of the recommendation. Council Member Carter clarified that the report was phased and expressed satisfaction with it. However, he expressed concern with the applicant's design capabilities.

Council Member Mulholland suggested that the report did not contain adequate evidence. She said that she has not supported tearing down historic buildings and couldn't make the overriding considerations for this project. She said that she had not been presented with anything that would change her mind.

ACTION: Moved by Settle/Brown to, as recommended by the Cultural Heritage Committee (CHC), adopt Resolution No. 10040 (2008 Series) accepting the Historic Structures Report as complete with all conditions set forth by the CHC, except the requirement to incorporate the Blackstone Hotel's circa 1926 Streamline Moderne façade architecture into the new construction because this condition goes beyond what was referred for further study and reintroduces an issue already decided by Council in its certification of the EIR; motion carried 4:1 (Mulholland opposed).

BUSINESS ITEMS

4. **CITY COUNCIL POLICIES AND PROCEDURES, ADVISORY BODY HANDBOOK, BYLAWS FOR THE TOURISM IMPROVEMENT DISTRICT BOARD, PROMOTIONAL COORDINATING COMMITTEE BYLAWS, AND MASS TRANSPORTATION.**

City Clerk Hooper presented the agenda report.

Public Comments

Council Member Elect Marx, San Luis Obispo, said she opposed Ballot Measure E-08, but was satisfied with the revised documents. She suggested that Council should consider starting its meetings at 6:00 p.m. and consider adjourning at 10:00 p.m. instead of 11:00 p.m.

There was no consensus to pursue Ms. Marx's recommendation.

Council Members spoke in support of the recommendation.

City Clerk Hooper indicated that a recommendation had been made to add the word "hub" after "regional" in the section of the Advisory Body Handbook which discusses the purpose of the Promotional Coordinating Committee (page 4-100 of the Staff Report).

Council concurred with the recommendation.

---end of public comments---

ACTION: Moved by Carter/Settle to: 1. Adopt Resolution No. 10041 (2008 Series) amending the City Council Policies and Procedures Manual and Advisory Body Handbook, including clarification and strengthening of residency requirements with the correction noted above. 2. Adopt Resolution No. 10042 (2008 Series) approving the initial Tourism Business Improvement District Board Bylaws. 3. Adopt Resolution No. 10043 (2008 Series) amending the Promotional Coordinating Committee Bylaws to reflect the addition of a Tourism Business Improvement District Board representative. 4. Direct staff to return to the Mass Transportation Committee to amend its Bylaws to conform to amendments related to the Cal Poly employee and student representatives; motion carried 5:0.

COUNCIL LIAISON REPORTS

Council Member Mulholland reported on her attendance at the October 23rd conference of the California Council of Promotional History at the Dallidet Adobe, the October 15th South Central Coast Basinwide Air Pollution Control Council meeting, the October 30th Student community Liaison Committee meeting, the November 5th County Water Resources Advisory Committee meeting, the November 12th Integrated Waste Management Authority Board meeting, the November 12th Mass Transportation Committee meeting.

Vice Mayor Brown explained that although he will no longer serve as the City's appointed representative to the committee developing the 10-year plan to end homelessness in the County, because of the stage of that project, he has volunteered his services in the months of January and February to assist the municipalities and the County to adopt the outline for this plan.

Council Member Settle referenced his attendance at the meetings with CAL LAFCO in Sacramento related to the State budget.

Mayor Romero reported on his attendance at the November 7th UC Santa Barbara economic forecast meeting and the Mayors' luncheon that was held on the same day and at which Assemblyman Sam Blakeslee spoke on the topic of the State budget.

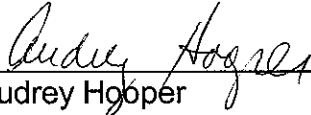
COMMUNICATIONS

Council Member Carter complimented staff and others participating in the emergency services drill held on October 29th. He commented on the resignation of Dan Carpenter from the Planning Commission. Because of a comment made by Council Member Elect Marx earlier, he expressed his hope that the Council will concur to permit the current Council Liaison Subcommittee to proceed with the interview process and make recommendations for the current Planning Commission vacancies.

Council Member Settle concurred, pointing out that the Subcommittee hopes to interview next Tuesday and make appointments on December 2nd.

Council agreed that there was no reason to delay this Planning Commission interview and appointment process.

There being no further business to come before the City Council, Mayor Romero adjourned the meeting at 11:33 p.m.



Audrey Hooper
City Clerk

APPROVED BY COUNCIL: 01/06/09