

**MINUTES**  
**SPECIAL AND REGULAR MEETINGS OF THE CITY COUNCIL**  
**CITY OF SAN LUIS OBISPO**  
**TUESDAY, NOVEMBER 17, 2009**  
**COUNCIL CHAMBER, 990 PALM STREET**  
**SAN LUIS OBISPO, CALIFORNIA**

**4:00 P.M. – SPECIAL MEETING**

**ROLL CALL:**

**Council Members**

**Present:** Council Members John Ashbaugh, Andrew Carter, Jan Howell Marx, Vice Mayor Allen K. Settle and Mayor Dave Romero

**City Staff**

**Present:** Ken Hampian, City Manager, Jonathan Lowell, City Attorney, and Elaina Cano, Interim City Clerk, were present at Roll Call. Other staff members presented reports or responded to questions as indicated in the minutes.

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**PUBLIC HEARING**

**1. CONDUIT FINANCING REQUEST FROM THE UNIVERSITY MINISTRY BOARD OF THE SANTA BARBARA PRESBYTERY FOR AN EIGHT-UNIT HOUSING PROJECT AT 1468 EAST FOOTHILL BOULEVARD.**

Finance & Information Technology Director Statler presented the agenda report and responded to questions.

Mayor Romero opened the public hearing.

Jim Stuek, Chairman of the Property Finance Committee - Santa Barbara Presbytery, spoke in support of the project and responded to Council questions.

Mayor Romero closed the public hearing.

City Attorney Lowell confirmed that it would be appropriate for Council to adopt staff's recommendation without concerns of government sponsorship of religion.

**ACTION:** Moved by Ashbaugh/Carter to adopt Resolution No. 10127 (2009 Series) allowing the University Ministry Board of the Santa Barbara Presbytery to issue tax-exempt bonds to assist in financing its eight-unit housing project at 1468 East Foothill Boulevard and authorizing the Mayor to execute the Joint Exercise of Powers Agreement for the City to become a member of the California Municipal Finance Authority; motion carried 5:0.

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**BUSINESS ITEMS**

**2. LAGUNA LAKE DREDGING ENVIRONMENTAL DOCUMENT.**

Vice Mayor Settle recused himself due to a conflict of interest. Mr. Settle then left the Council Chamber.

Public Works Director Walter introduced this item, following which City Engineer Lynch presented the agenda report.

Public Works Director Walter, City Engineer Lynch and Natural Resources Manager Havlik responded to Council questions regarding the process of dredging the lake. City Manager Hampian discussed the pursuit of a citizen outreach and engagement program.

#### Public Comments

Michael Hesser, San Luis Obispo, spoke about alternatives to financing the project.

Donald Cross, San Luis Obispo, spoke about his concerns regarding the outflow on the south side of the bridge.

Susan Helenis, San Luis Obispo, spoke in support of dredging Laguna Lake.

Dan DeVaul, San Luis Obispo, spoke about the advantages of using his property for this project. Mr. DeVaul is willing to work towards a solution with the City.

Arnold Ruiz, San Luis Obispo, spoke in support of using Laguna Lake as a water source.

Don Green, San Luis Obispo, spoke in support of the citizen engagement component of staff's recommendation and suggested that more information regarding the lake be put on the City's website.

Andrew Chrisite, Director of the Santa Lucia Chapter of the Sierra Club San Luis Obispo, spoke about the benefits of allowing Laguna Lake to convert to a wetland.

Brett Cross, San Luis Obispo, spoke in support of dredging the lake including citizen engagement program.

Donald Hedrick, San Luis Obispo, suggested using the lake as more of a recreational lake and spoke in support of citizen engagement program.

John Belsher, San Luis Obispo, spoke in support of restoring the lake and citizen engagement program.

Rob Davidson, San Luis Obispo, spoke in support of dredging the lake and expressed what a great asset the lake is to the City.

---end of public comments---

**ACTION:** Council agreed to continue this item for discussion to the December 1<sup>st</sup> Council meeting and gave staff direction to return with additional information.

Vice Mayor Settle returned to the dais at 5:50 P.M.

3. **REMOVAL OF MEMBER OF TOURISM BUSINESS IMPROVEMENT DISTRICT (TBID) BOARD; MODIFICATION OF TBID ORDINANCE TO REQUIRE MEMBER BE IN GOOD STANDING.**

Council Member Carter and Vice Mayor Settle presented the agenda report.

Public Comments

Robert Mueller, TBID Member, read a statement regarding his concerns regarding the conditions in which he is being removed from the TBID Board.

Pragna Patel Mueller, spoke about her concerns regarding information that was printed in the paper pertaining to the removal of Mr. Mueller from the TBID.

---end of public comments---

**ACTION:** Moved by Carter/Settle to: 1. Remove Robert Mueller from the TBID Board and direct the City Clerk to initiate the process to fill the vacancy. 2. Introduce Ordinance No. 1536 (2009 Series) modifying Chapter 12.42 of the San Luis Obispo Municipal Code to specify members of the TBID Board shall serve in good standing. Failure to pay assessments levied under this Chapter or failure to pay Transient Occupancy Taxes to the City shall constitute loss of good standing and shall result in removal from the TBID Board; motion carried 5:0.

**ADJOURN TO CLOSED SESSION AT 6:12 P.M.**

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**6:00 P.M. – CLOSED SESSION – COUNCIL HEARING ROOM**

**ANNOUNCEMENT OF CLOSED SESSION TOPIC**

City Attorney Lowell announced the following Closed Session topic:

**PUBLIC EMPLOYMENT**

Pursuant to Government Code § 54957  
Title: City Manager

Pursuant to Government Code § 54957  
Title: City Attorney

**PUBLIC COMMENT ON CLOSED SESSION ITEM**

There was no public comment.

**CLOSED SESSION REPORT**

City Attorney Lowell reported on the Closed Session at the commencement of the 7:00 Regular Meeting.

The Closed Session adjourned at 7:00 p.m.

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**7:00 P.M. – REGULAR MEETING – COUNCIL CHAMBER**

Mayor Romero called the regular meeting to order at 7:06 p.m. All Council Members were present.

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**CLOSED SESSION REPORT**

City Attorney Lowell reported that Council met in Closed Session at 6:15 p.m. to discuss Labor Negotiations and Public Employment as indicated above.

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**INTRODUCTION**

Fire Chief Callahan introduced new fire fighters: Armando Gutierrez, Gene Hicks, Shayne Skove, Nathan Williams, and Jimmy Witt.

Mayor Romero announced Elaina Cano as the new City Clerk.

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**PUBLIC COMMENT**

Jenny Ferguson, San Luis Obispo, spoke about Rainwater Harvesting and the benefits of recycling water.

Albert Gonzales, San Luis Obispo, spoke about the benefits of Rainwater Harvesting.

Mike Hicks, San Luis Obispo, spoke about Rainwater Harvesting.

Council directed staff to return within the first quarter of 2010 with a report regarding rainwater harvesting which should include issues addressed by the speakers.

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**CONSENT AGENDA**

Council Member Marx commented on the importance of planning staff to observe the new Archaeological Resource Preservation Guidelines when considering changes to projects located near designated creeks.

Mayor Romero discussed Item C2, which should be modified to include the deferral of compensation increases to the Architecture Review Commission and the Planning Commission. In addition, Mayor Romero commented on Item C3.

**ACTION:** Moved by Marx/Ashbaugh to approve the Consent Agenda as indicated below; motion carried 5:0.

**C1. MINUTES OF OCTOBER 13, 20 AND 29, 2009.**

**ACTION:** Moved by Marx/Ashbaugh to waive oral reading and approve as amended; motion carried 5:0.

**C2. DEFERRAL OF THE 2010 COUNCIL COMPENSATION INCREASES.**

**ACTION:** Moved by Marx/Ashbaugh to defer the 2010 Council compensation increases for 2010; motion carried 5:0.

**C3. WASTEWATER COLLECTION SYSTEM FLOW MONITORING SERVICES – REQUEST FOR PROPOSALS.**

**ACTION:** Moved by Marx/Ashbaugh to: 1. Approve the request for proposals (RFP) for Wastewater Collection System Flow Monitoring Services and authorize its issuance. 2. Authorize the City Manager to award a two-year contract, if the selected proposal is within the approved budget of \$150,000; \$75,000 each fiscal year in 2009-11; motion carried 5:0.

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**PUBLIC HEARING**

**4. FINAL DESIGN REVIEW OF THE REVISED CHINATOWN MIXED-USE DEVELOPMENT PROJECT IN THE C-D-H ZONE (ARC 30-09; 861 PALM STREET AND ADJACENT PARCELS).**

Council Member Ashbaugh recused himself due to a conflict of interest and left the Council Chamber.

Community Development Director Mandeville introduced this item, following which Senior Planner Ricci presented the agenda report and responded to questions. Mayor Romero opened the public hearing.

Mark Rawson, Applicant, spoke in support of the project. Mr. Rawson requested a modification to Condition 2, eliminating the requirement of public access to the Sauer Bakery Ovens.

David Brodie, San Luis Obispo, questioned if there was an opportunity for members of the public to respond during the process of construction.

Dan Carpenter, Cultural Heritage Committee Member, spoke in support of the project.

John Dunn, Avila Beach, spoke in support of the project.

Craig Smith, on behalf of the Feliciano family, spoke in support of the project.

Deborah Cash, Executive Director of the Downtown Association, spoke in support of the project.

Joseph Abrahams, San Luis Obispo, spoke in support of the project. Mr. Abrahams suggested that a historical display should be prominently visual in this project.

Allen Root, Architectural Review Commissioner, spoke in support of the project.

Mayor Romero closed the public hearing.

Vice Mayor Settle spoke in support of the staff's recommendation and Mr. Rawson's request for flexibility for public access to the Sauer Bakery ovens.

Council Member Carter spoke in support of the staff's recommendation and Mr. Rawson's request for flexibility for public access to the Sauer Bakery ovens. Mr. Carter commended the staff, applicant, citizens and advisory bodies.

Council Member Marx concurred with Council Member Carter's comments. Ms. Marx suggested the history of the of the Chinese and the Sauer Bakery be prominently displayed within the project.

Mayor Romero commended the applicant for preserving the Sauer Bakery and Blackstone Hotel. Mr. Romero concurred with Council Member Marx's comments regarding the lack of Chinese motifs and expressed his concerns with midblock crosswalks.

Vice Mayor Settle concurred with Mayor Romero and spoke in support of the project.

**ACTION:** Moved by Settle/Marx to, as recommended by the Cultural Heritage Committee (CHC) and Architectural Review Commission (ARC), to adopt Resolution No. 10128 (2009 Series) granting final approval of the revised project design, based on findings, including a finding acknowledging the review and acceptance of the addendum to the Final EIR, and subject to conditions and mitigation measures, including a modification to Condition #2 – removal of the words "Public access to;" motion carried 4:0 (Ashbaugh recused).

City Manager Hampian commended staff and Council on a job well done.

Council recessed at 9:07 p.m. and reconvened at 9:15 with Mayor Romero, Vice Mayor Settle, and Council Members Carter and Marx present.

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### COUNCIL LIAISON REPORTS

Council Member Marx reported on her attendance of the November 4<sup>th</sup> Integrated Waste Management meeting.

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**COMMUNICATIONS**

Mayor Romero referred to a memo he submitted in regards to the proposed California Space Center located at Vandenberg Air Force Base and directed staff to place this item on the December 1<sup>st</sup> Council agenda. Council concurred.

Council Member Carter referred to a memo he submitted to Council in regards to the details in the minutes. Staff agreed to add more content to the minutes.


Council Member Carter expressed his concerns regarding the process for tree removal request where the City is the applicant. City Manager Hampian stated that revisions to the tree ordinance including processes will be brought to Council in the first quarter of 2010. This report will address Council Member Carter's concerns.

Council Member Marx suggested updating the Downtown Specific Plan to reflect the changes in the Downtown. City Manager Hampian suggested this project should become a part of the Council's future goal setting process and long range planning.

Mayor Romero complimented the City's Utilities staff for their work on the Water Supply Regulations, and Master Plan and Acquisition of Nacimiento supply.

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There being no further business to come before the City Council, Mayor Romero adjourned the meeting at 9:33 p.m.



Elaina Cano  
City Clerk

APPROVED BY COUNCIL: 12/15/09