

**CITY COUNCIL
REGULAR MEETING MINUTES**

October 3, 2023

TOUR OF INSPECTION - 3:00 PM

The Councilmembers conducted an on-site tour of inspection of the properties listed below:

A. MA 23-116 (Esperanza Carmel, LLC) - 26336 Scenic Road in the Single-Family Residential (R-1) District. APN 009-423-001.

B. MA 23-146 (Lopez 5 NW, LLC) - Lopez Avenue 5 northwest of 4th Avenue in the Single-Family Residential (R-1) District. APN 010-232-028.

C. MA 23-117 (Griffin) - 3rd Avenue 2 northwest of Junipero Street in the Single-Family Residential (R-1) District. APN 010-108-007.

D. MA 23-103 (Cypress Inn) - northeast corner of Lincoln Street and 7th Avenue in the Residential-Commercial (R-C) District. APN 010-147-008.

OPEN SESSION - 4:30 PM

CALL TO ORDER AND ROLL CALL

Mayor Potter called the meeting to order at 4:30 pm.

Roll Call: Councilmembers Jeff Baron, Alissandra Dramov, Karen Ferlito (via Zoom teleconference), Mayor Pro Tem Bobby Richards, and Mayor Potter were present.

PLEDGE OF ALLEGIANCE

Councilmember Baron led the pledge of allegiance.

Mayor Potter announced that he received a request from Councilmember Ferlito to attend the meeting today remotely for Just Cause under Government Code Section 54953(f).

Motion by Mayor Pro Tem Richards to approve Councilmember Ferlito's request for remote participation for Just Cause under GC 54953(f), seconded by Councilmember Dramov, and approved 5-0-0 by the following roll call vote:

AYES: Councilmembers Baron, Dramov, Ferlito, Richards, and Mayor Potter

NOES: None

ABSENT: None

ABSTAIN: None

Councilmember Ferlito attended the meeting via Zoom teleconferencing.

EXTRAORDINARY BUSINESS

A. Carmel High School Report Out - None.

B. Recognition of the Volunteers in Police Service (VIPS) - Chief Watkins recognized VIPS members Lee Whitney, Jim Dallas, Bob Gotch, Joanne Noto, Deanna Dickman, Diana Wahler, Carolyn Profeta, Paul Falworth, and David O'Neil. Lee Whitney received a Volunteer of the Year plaque for her 17 years of service, with an award from Assembly Member Dawn Addis.

C. City Administrator Rerig thanked Catherine, Nicola, and Blitzen Sebastiani for their \$7,500 donation to the Carmel Police Department in honor of Acting Police Chief Watkins. He added that the funds will go towards purchasing a new police vehicle which was approved during yesterday's Special Council meeting.

PUBLIC APPEARANCES

Nancy Twomey

Ken White

Tom

Daisy Rose

Allie Minor

Patricia Harrington

Logan Miles Allison

ANNOUNCEMENTS

A. **City Administrator** - No announcements

B. **City Attorney** – Announced that there was no reportable action from the Closed Session meetings on October 2nd or on September 29th.

C. **Councilmember Dramov** - Gave an update on the Flock Cameras ad hoc committee, and encouraged the public to reach out if they have any questions.

Councilmember Ferlito – Encouraged everyone to get their flu shot and COVID vaccines, and to stay healthy and safe. She said that the Mission Trail Nature Preserve (MTNP) tank removal project is in progress and thanked the Friends of the MTNP volunteers and Public Works.

Mayor Pro Tem Richards – Congratulated the Carmel High School football team and cross-country team on their recent wins.

ORDERS OF BUSINESS

Item 1 - Receive a Presentation by Wave Astound Broadband to introduce a new Fiber Optic Project and authorize the issuance of an Encroachment Permit with Special Conditions of Approval

Public Works Director Harary gave a brief background regarding the history of the item and summarized the main conditions of approval outlined in the Encroachment Permit and Special Conditions and asked for Council direction. He introduced John Mosher, Senior Construction Manager for Wave Broadband, who gave a presentation on the proposed fiber optic project and answered questions from Council.

Public Comment:
Tasha Witt
Melanie Billig

Council discussed concerns about adding more wires to utility poles and inquired about undergrounding and micro trench options for fiber optic cables. Mr. Mosher stated that Wave isn't proposing these options now but is open to cost-sharing discussions with other utilities. City Administrator Rerig mentioned that the City would be responsible for engineering and trenching costs, which is a significant undertaking. Council discussed deferring a decision on the item requesting staff to come back at a future date to provide more information on undergrounding costs.

Motion by Mayor Potter to continue this item to December with more questions answered, seconded by Councilmember Baron, approved 5-0-0-0 by the following roll call vote:

AYES: Councilmembers Baron, Dramov, Ferlito, Richards, and Mayor Potter

NOES: None

ABSENT: None

ABSTAIN: None

Item 2 - Receive an after-action report for Car Week 2023 and provide staff with direction

Library and Community Activities Director Ashlee Wright presented a summary of the four permitted Car Week events in Carmel to the Council. She discussed their impacts, mitigation measures, and public feedback, along with safety recommendations for 2024 and proposed changes to the parking stall rental program administration. Ms. Wright also talked about updating the special events policy to include specific guidelines for car week parking stall rentals.

Acting Police Chief Watkins reported that during Car Week, the Police had 40 hours of dispatch overtime, 270 hours of patrol overtime, 45 volunteer hours, and received over 212 calls for service daily, including 20 calls for reckless driving. He mentioned 141 traffic stops, 74 citations, 67 warnings, 2 arrests, and 2 DUIs. There were over 350,000 visitors and around 18,000 cars in Carmel during Car Week. Chief Watkins noted that daytime events ran smoothly, but nighttime and non-permitted "events" were more challenging for the staff. He pointed out that updates to the municipal code would be needed to address noise issues such as idle cars and car revving.

Public Comment:
David O'Neil
Cindy Lloyd
Beth Bowman
Mike Brown

Ian Martin

The Council provided the following consensus direction for next year's Car Week:

- Proceed with staff's planning recommendations.
- Task the police department staff to collaborate with the City Attorney on amending the municipal code to enhance penalties for noise disturbances.
- Inquire about the cost of acquiring a decibel reader.
- Arrange temporary fencing to safeguard the WWI Memorial and medians.
- Revise the guidelines for the parking stall program during Car Week, including green zones and limitations on parking spot rentals per business or block.

RECESS – Council took a recess at 6:20 p.m. and returned to the dais at 6:35 p.m.

Item 3 - Receive a report on the outcome of the August 30, 2023, City Council Priorities Workshop and provide direction to staff regarding the projects on the list. Direction to staff may include adjusting the priority level, scheduling discussion for a future meeting, or whether to add, remove, or change items on the list.

Administrative Analyst Emily Garay gave a brief summary of the direction received from Council during the August 30th Priority Workshop and asked for Council direction on each of the 22 active priorities. Council gave consensus direction as follows:

- **Keep fourteen (14) projects as "Top Priority" status:**
 - Update Zoning Code & Design Guidelines AND Explore Reinstatement of the Design Review Board (DRB)
 - Develop Accessory Dwelling Unit (ADU) Ordinance
 - Review Barriers to Construction of Affordable Housing
 - Police/Public Works Building Renovation Project
 - Review Opportunities for Enhanced Fire/Ambulance Services – *created ad hoc committee (Mayor Pro Tem Richards and Councilmember Baron)*
 - Develop a plan to ensure that the City's natural areas, as well as private property, are properly maintained to reduce fire risk
 - Develop Urban Forest Master Plan (UFMP) & Update Tree Ordinance
 - Stormwater Ordinances Update
 - Develop a Facilities Maintenance Plan (Facility Renovation Projects)
 - Underground Utilities Rule 20A
 - Explore Opportunities for Scout House
 - Explore Opportunities for Flanders Mansion – *created ad hoc committee (Mayor Potter and Councilmember Dramov)*
 - Explore Street Addresses
 - Explore Parking and Traffic Management Program
- **Keep four (4) projects as a "low" priority level:**
 - Explore Opportunities for Permanent Outdoor Dining/Downtown Master Plan
 - Explore Redevelopment of the North Lot at Sunset Center

- Review/Reformulate Approach to Reserves/Update Financial Policies
- Develop and Implement Social Media Plan
- **Elevate two (2) projects to “Top Priority” status:**
 - Volunteer Group Oversight, Facilitation, and Appreciation
 - Coastal Engineering Study and Climate Committee
- **Move one (1) project to the “Completed” list:**
 - Develop Telecommunications Ordinance Consistent with Federal Law
- **ADD the following six (6) priorities to the list:**
 - Outdoor Wine Tasting Ordinance – *created ad hoc committee (Mayor Potter and Councilmember Baron)*
 - Carmel Area Wastewater District (CAWD) - Carmel River “Bridge to Everywhere” Project – *Mayor Potter is representing the city on this project*
 - Transient Occupancy Tax (TOT) increase – Explore adding to the 2024 ballot
 - Board and Commissioner training – *City Attorney and City Clerk to work on updating the commissioner handbook*
 - Undergrounding Power Lines - bigger project, separate from Rule 20A Priority – *created ad hoc committee (Councilmembers Baron and Dramov)*
 - Car Week Impacts and Safety

Public Comments:

Nancy Twomey

Louise Leder

David O’Neil

Melanie Billig

PUBLIC HEARINGS

Item 4 - DR 23-140 (Esperanza Carmel Commercial - JB Pastor Building): Consideration of a resolution overturning the July 2023 decision of the Historic Resources Board (Reso. 2023-009-HRB) and issuing a Determination of Consistency with the Secretary of the Interior’s Standards, with new findings and conditions, for the construction of a mixed-use building with subterranean garage on a portion of the Northern California Savings & Loan Complex site located at Dolores Street 2 Southeast of 7th Avenue in the Service Commercial (SC) Zoning District. APNs 010-145-012, 010-145-023, 010-145-024

Mayor Pro Tem Richards recused himself from the item and left the dais at 7:06 pm.

Associate Planner Evan Kort gave a summary and brief presentation of the item. He briefly described the direction from Council that was received at the last meeting, which includes a Resolution for adoption which will overturn the HRB’s decision, with new findings of consistency and revised conditions of approval for the project.

Jun Sillano addressed the Council on behalf of the applicant, stating that they agree with the city's historian, staff, and the Historic Resources Board's recommendations to allow the applicant to relocate the wall and awaits Council's decision.

Public Comment:

Kent Seavey
David O'Neil
Cindy Lloyd
Mike Brown
Alec Shebet
Craig Rose
Logan Miles Allison
Holly Pease
No name
Dale Byrne

Council discussion resumed.

Motion by Councilmember Dramov to adopt Resolution 2023-099 as presented, seconded by Councilmember Ferlito. Councilmember Baron made a friendly amendment to requesting to change the Resolution verbiage from "changes to be considered include....." to "changes to be considered SHOULD include"....Councilmembers Dramov and Ferlito accepted the amendment.

Motion by Councilmember Dramov to approve the Resolution with the amendment to language to say, "changes to be considered should include" instead of "consider", seconded by Councilmember Ferlito approved by the following roll call vote:

AYES: Councilmembers Baron, Dramov, Ferlito, and Mayor Potter

NOES: None

ABSENT: None

ABSTAIN: Mayor Pro Tem Richards (recused)

Mayor Pro Tem Richards returned to the dais at 7:35 pm.

Item 5 - MA 23-116 (Esperanza Carmel, LLC): Consideration of a Mills Act Contract application MA 23-116 (Esperanza Carmel LLC) for the historic "Mrs. Clinton Walker House" located at 26336 Scenic Road in the Single-Family Residential (R-1) District. APN 009-423-001.

Associate Planner Katherine Wallace, Planner, gave a brief presentation and summary of the item, and answered questions from Council.

Public Comment:

Chris Mitchell spoke on behalf of the applicant, supporting approval of the Mills Act contract.
Chris Barlow
Katherine Smith
David O'Neil

Kent Seavey

Council discussion resumed. Councilmember Baron said he recognizes and appreciates the historical significance of the property and the value of historic preservation. He expressed concerns about the financial impacts on Carmel schools and the city if the Mills Act contract is approved. He questioned the financial equity of the agreement between the city and the applicant, considering the recent information provided to Council that the applicant stands to receive close to a 75% discount on their property tax assessment, which over 10 years that discount in taxes would amount to more than the amount spent on historic preservation.

Councilmember Dramov said she supports historic preservation but expressed similar concerns about tax revenue loss and whether the applicants applying for Mills Act contracts lately truly need financial assistance. Councilmember Ferlito echoed the concerns brought up by Councilmember Baron and Dramov and said she would like to revisit putting a cap on tax breaks in the Mills Act policy and is hesitant to approve any Mills Act contract without knowing what financial impacts to the city are.

Mayor Potter and Mayor Pro Tem Richards voiced support for approving the Mills Act contract based on the existing policy standards. Councilmember Baron questioned the finding that *"approval of the Mills Act contract will represent an equitable balance of public and private interests and will not result in substantial adverse financial impact on the City"* has been met in this instance, and for that reason does not support approval. Councilmember Baron said he has raised these objections before, including during the 2019 application for the same property.

Councilmember Dramov supported further discussion on the Mills Act Policy before taking action on the applications. Mayor Pro Tem Richards said that the Mills Act applications brought forward tonight should be held to the current policy standards.

Motion by Mayor Potter to approve MA 23-116 (Esperanza Carmel, LLC), seconded by Mayor Pro Tem Richards. Motion failed 2-3-0-0 by the following roll call vote:

AYES: Mayor Pro Tem Richards, and Mayor Potter

NOES: Councilmember Baron, Dramov, Felito

ABSENT: None

ABSTAIN: None

Mayor Potter suggested that the Council continue this application and the remaining 3 Mills Act applications on the agenda to a future meeting date. Council directed staff to come back next month with an agenda item for Council to review the Mills Act Policy.

Motion by Mayor Potter to continue MA 23-116 to a date uncertain, and come back at future meeting to discuss the Mills Act Policy, seconded by Mayor Pro Tem Richards and approved 5-0-0-0 by the following roll call vote:

AYES: Councilmembers Baron, Dramov, Ferlito, Richards, and Mayor Potter

NOES: None

ABSENT: None

ABSTAIN: None

Item 6 - MA 23-146 (Lopez 5 NW, LLC): Consideration of a Mills Act Contract application MA 23-146 (Lopez 5 NW, LLC) for the historic "Cosmas House" located on Lopez Avenue 5 northwest of 4th Avenue in the Single-Family Residential (R-1) District. APN 010-232-028.

Councilmember Baron recused himself from the item and left the dais at 8:19 p.m.

Motion by Mayor Potter to continue MA 23-146 (Lopez) to a date uncertain, seconded by Mayor Pro Tem Richards and approved 4-0-0-1 by the following roll call vote:

AYES: Councilmembers Dramov, Ferlito, Richards, and Mayor Potter

NOES: None

ABSENT: None

ABSTAIN: Councilmember Baron (recused)

Councilmember Baron returned to the dais at 8:21 p.m.

Item 7 - MA 23-117 (Griffin): Consideration of a Mills Act Contract application MA 23-117 (Griffin) for the historic "Agnes Shorting House" located on 3rd Avenue 2 northwest of Junipero Avenue in the Single-Family Residential (R-1) District. APN 010-108-007.

Motion by Mayor Pro Tem Richards to continue MA 23-117 (Griffin) to a date uncertain, seconded by Mayor Potter and approved 5-0-0-0 by the following roll call vote:

AYES: Councilmembers Baron, Dramov, Ferlito, Richards, and Mayor Potter

NOES: None

ABSENT: None

ABSTAIN: None

Item 8 - MA 23-103 (Cypress Inn): Consideration of a Mills Act Contract application MA 23-103 (Cypress Inn) for the historic "La Ribera Hotel" located on the northeast corner of Lincoln Street and 7th Avenue in the Residential-Commercial (R-C) District. APN 010-147-008.

Mayor Potter and Mayor Pro Tem Richards recused themselves from the item and left the dais at 8:22 p.m.

Motion by Councilmember Baron to continue MA 23-103 (Cypress Inn) to a date uncertain, seconded by Dramov and approved 3-0-0-2 by the following roll call vote:

AYES: Councilmembers Baron, Dramov, Ferlito

NOES: None

ABSENT: None

ABSTAIN: Mayor Pro Tem Richards and Mayor Potter (recused)

FUTURE AGENDA ITEMS

None

ADJOURNMENT

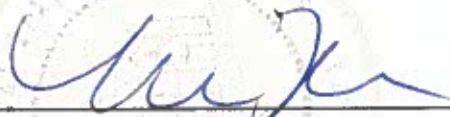
Council adjourned the meeting at 8:25 p.m.

APPROVED:



Dave Potter, Mayor

ATTEST:



Nova Romero, MMC, City Clerk

