

**CITY COUNCIL
REGULAR MEETING**

June 11, 2023

CLOSED SESSION - 4:00 PM

CALL TO ORDER AND ROLL CALL

Mayor Dave Potter called the special closed session meeting to order at 4:00 p.m.

Roll Call: Councilmembers Jeff Baron, Alissandra Dramov, Karen Ferlito, Mayor Pro Tem Bobby Richards, and Mayor Potter were all present.

CLOSED SESSION

City Attorney Pierik read the closed session agenda title.

- A. Public Employee Performance Evaluation (Government Code Section 54957)
City Attorney

PUBLIC APPEARANCE (limited to items on closed session)

None

Council adjourned to closed session at 4:01 p.m. and returned to the dais at 4:30 p.m.

OPEN SESSION - 4:30 PM

CALL TO ORDER AND ROLL CALL

Mayor Dave Potter called the open session to order at 4:30 p.m.

Roll Call: Councilmembers Jeff Baron, Alissandra Dramov, Karen Ferlito, Mayor Pro Tem Bobby Richards, and Mayor Potter were all present.

PLEDGE OF ALLEGIANCE

Mayor Potter led the pledge of allegiance.

EXTRAORDINARY BUSINESS

Friends of the Library Proclamation - Library and Community Activities Director Ashlee Wright read the proclamation and presented it to the Friends of the Library.

Introduction of New City Employees - City Administrator Rerig introduced the new employees hired in the past year.

Presentation on the Carmel-by-the-Sea Website Update - Library and Community Activities Director Ashlee Wright and Administrative Analyst Emily Garay gave a presentation on the new website update.

PUBLIC APPEARANCES

The following members of the public spoke:

DL Johnson spoke about the wayfinding signs in the city and would like to be involved in the discussion on improving the wayfinding signs especially for tourists, and has heard lots of feedback about the lack of bicycle paths into Carmel. Ken White spoke on behalf of the Monterey Pops organization who presented an award to employee Leslie Fenton for her excellent problem solving and customer service she has provided the last 3 years for Monterey Pops. Nancy Twomey said she would like Council to have further discussion Flock Security Cameras being put up around town about the location of the cameras, visual clutter, as well as a more transparent discussion on privacy. Karyl Hall said that many topics being discussed by Council are driven by fear and would like to see long term solutions rather than hasty decisions based on fear. Christy Hollenbeck and Janice Bradner agreed with Twomey's comments and concerns over the Flock Camera System placement. Neal Kruse addressed the Council urging them to keep local control and fight against state mandates. Melanie Billick said she is glad to hear the new City Forester is starting next week.

ANNOUNCEMENTS

City Administrator - Thanked City Staff for covering while he was on vacation last week. He announced the community meeting this week on the Urban Forest Master Plan Update, and the Planning Commission will be discussing the Wireless draft ordinance on August 23, 2023, before Council reviews it in September. He announced that the Flock Camera installation has been put on hold until further discussion about the cameras, and a Council ad hoc committee may be formed to keep the community informed and mitigate impacts.

City Attorney - No reports from Closed Session

Councilmembers –

Councilmember Dramov - said she shares the concerns of the residents who spoke about the Flock cameras and looks forward to working with staff on solutions to address the concerns.

Councilmember Ferlito – said she had the pleasure of attending the 4th of July celebration in Devendorf Park introducing the Monterey Pops and Lions Club. She thanked Carmel Cares for helping decorate for the event.

CONSENT AGENDA

Councilmember Dramov requested to pull item #11 from consent to discuss.

Motion by Councilmember Baron to approve consent items 1-10, 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 1 - June 5, 2023, Special Meeting Minutes, and June 6, 2023, Regular Meeting Minutes

Item 2 - May 2023 Monthly Reports

Item 3 - May 2023 Check Register Summary

Item 4 - Letter authorizing the County of Monterey to execute all documents necessary to continue to implement the annual Used Oil Payment Program on behalf of the City during FY 2023/24

Item 5 - Resolution 2023-068 designating Mayor Dave Potter as the voting delegate and Mayor Pro Tem Bobby Richards as the alternative voting delegate at the 2023 annual League of California Cities Conference

Item 6 - Resolution 2023-069 authorizing the City Administrator to execute a Professional Services Agreement with Denise Duffy & Associates, Inc. for the North Dunes Habitat Restoration Project and On-Call Environmental Services for a not-to-exceed fee of \$111,560

Item 7 - Resolution 2023-070, authorizing the City Administrator to execute Amendment No. 1 to the Professional Services Agreement with Davey Resource Group for additional services to complete the Urban Forest Master Plan, for a not-to-exceed fee of \$45,000

Item 8 - Resolution 2023-071, authorizing the City Administrator to execute a Professional Services Agreement with Advance Design Consultants, Inc. for electrical engineering services for electric panel upgrades and related projects, for a not-to-exceed fee of \$79,560

Item 9 - Resolution 2023-072, authorizing the City Administrator to execute Amendment No. 1 to the Professional Services Agreement with Neill Engineers Corp. for civil engineering services associated with city-wide Drainage Improvement Projects, for a not-to-exceed fee of \$159,100

Item 10 - Resolution 2023-073, authorizing the City Administrator to execute Amendment No. 1 to the Professional Services Agreement with Ausonio, Inc. for Project Management Services for facility renovation projects for a not-to-exceed fee of \$125,000 for Fiscal Year 2023/24

ITEMS PULLED FROM CONSENT

Item 11 - Resolution 2023-074 authorizing the City Administrator to execute an Amendment to Professional Services Agreement No. PBD-EMC-037-22-23 with EMC Planning Group, Inc. to prepare an Initial Study in accordance with the California Environmental Quality Act (CEQA) for a not-to-exceed amount of \$40,455 increasing the total contract cost to \$279,600

Councilmember Dramov asked about why CEQA study was not included in the original agreement with EMC Planning. Community Building and Planning Director Brandon Swanson explained that that generally you don't know what CEQA approach you need to take until you've gone a bit further down the road to determine what the programs will look like and if you're going to do any major zoning changes. He added that at this point in the housing element update they anticipate

a mitigated negative declaration, which would cost around \$40,000, and added that the Housing Element is being paid for by Grants, such as the SB2 and LEAP grants.

Public Comment: None

Motion by Councilmember Ferlito to adopt Resolution 2023-074, seconded by Councilmember Baron, 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

ORDERS OF BUSINESS

Item 12 - Update on the Housing Element Public Review Draft

Principal Planner Marnie Waffle gave a brief presentation on the 6th Cycle Housing Element Public Review Draft and answered questions from Council. Principal Planner Waffle explained that if the City does not submit enough options in the 6th Cycle Housing Element and the state rejects the City's plan it would open up the City to total loss of control over affordable housing construction standards. She went over the 7 Policy Questions that require Council direction.

Public Comment:

Sam Farr commented that Carmel has had a Housing Element for a long time but it hasn't been enforced, and the state is asking that Cities start enforcing their local housing elements and said he supports vacancy taxes. David O'Neil spoke on behalf of the Carmel Residents Association Board and said the board opposes the pre-approved ADU plan recommendation. Jose Torres, representing Land Watch Monterey, supports multi-family housing programs and increased density in downtown. Neal Kruse said he is not happy with the policies being considered, he said that the Huntington Beach City Attorney is attempting to fight the states mandates and wants Carmel to fight back as well. Vivian Price voiced appreciation for the city exploring ways to meet housing needs and updating the housing element. Nancy Twomey asked for clarification on Policy Question #5. Richard Kreitman said he is supportive of the housing element update recommendations presented. Joe Denucci said that after discussing the housing issues with Councilmember Ferlito he has opened his mind to solutions to housing, and appreciates the City's approach to involving the community in the problem solving. He also added that having 80% vacant homes in Carmel is a concern. Melanie Billick suggested multiple possible housing sites that that she did not see listed in the proposed Housing Element such as above the two garages next to Vista Lobos, the tiny hotel on Junipero and the truck route, Mission School and the Mission Gym that are not being used.

Council discussion resumed. Council discussed the 7 Policy Questions and provided direction to staff on each via consensus:

Policy Q1- Transfer of development rights for Motel/Hotel conversions - Council agreement that Program 1.3.B: R-1 Motel (Conversion) Transfer Rights be allowed in all districts.

Policy Q2- Objective design standards – Council agreement to keep Program 1.4.B and develop objective design standards (yes/no checklist) for projects with at least 20% affordable housing.

Policy Q3 - Vacancy tax - Council agreement to keep the vacancy tax (Program 2.1.D) as a potential funding source to consider in the future for an Affordable Housing Trust Fund.

Policy Q4 – Third story vs. third floor mezzanines - Council agreement with modify Program 1.3.A, to allow for a third floor (not story) mezzanine with the current height limits to encourage the development of affordable housing.

Policy Q5 – SB10 Sites – Council agreement to remove the Pine Inn Parking Lot and Carmel Presbyterian Church from the site's inventory and replace with alternative sites: American Legion, Red Cross, and First Church of Christ Scientist.

Policy Q6 - Pre-approved ADU plans - Council agreement to retain program 1.3.C to explore the creation of standardized pre-approved ADU plans.

Policy Q7 – Sites with parking Lots - Council consensus to retain sites with parking lots on the site's inventory on the condition that existing parking spaces are incorporated into the design of any future housing project.

Site Inventory revisions – Council agreement to remove the following 5th cycle sites: Wells Fargo Bank, Cafe Carmel, NWC Monte Verde/7th, and Court of the Fountains.

Council consensus overall was to provide a variety of options in the proposed Housing Element that will protect Carmel's unique style to be submitted to state so that it is more likely to be approved.

PUBLIC HEARINGS

Item 13 - Resolution 2023-075 Declaring the Results of the Majority Protest Proceedings and Renewing the Carmel Restaurant Improvement District (CRID), and Second Reading/Adoption of Ordinance 2023-005 to Renew the CRID Recommendation: Hold a final hearing, declare results of majority protest proceeding, adopt Resolution 2023-075, conduct the second reading of Ordinance 2023-005 by title only, and adopt Ordinance 2023-005 to renew the CRID.

City Administrator Rerig gave a brief summary of the item and announced that no protests were received. Councilmember Dramov said she would be voting no because the 10 year renewal is too long and the CRID tax is passed on to the customers making Carmel an even more expensive restaurant destination due to the additional RID tax to cover marketing costs.

Public Comment: None

Motion by Councilmember Ferlito to adopt resolution 2023-075 declaring the Results of the Majority Protest Proceedings and Renewing the Carmel Restaurant Improvement District (CRID), and waive full reading and adopt Ordinance 2023-005 to renew the CRID, seconded by Mayor Pro Tem Richards, and adopted 4-1-0-0 by the following roll call vote:

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

NOES: Councilmember Dramov

ABSENT: None

ABSTAIN: None

Item 14 - Resolution 2023-076 adopting the Fiscal Year 2023- 2024 Fee Schedule for Administrative Services, Community Planning and Building, Public Safety and Public Works Services

Acting Finance Director Jane Hogan gave a brief presentation on the item and answered questions from Council. She added that the last time the fee schedule was approved, the Norton Garage fees were inadvertently left off and recommended the Council adopt the fee schedule including the Norton Garage fees. Public Works Director Bob Harary answered questions about the proposed tree related fees which have historically been subsidized by the city.

Public comment:

Tim Twomey, representing Carmel Residents Association, urged council to scrutinize the tree evaluation, pruning, removal, and landscape plan fee increases. He said that the permit fees are higher than the separate cost of the service and may prevent people from doing preventive maintenance on tree or presenting quality landscape plans which has a community and safety benefit. Neal Kruse is concerned over the cost of the appeals, and asked council to consider lowering the appeal fees so that lower income residents have the ability to appeal decisions. Richard Kreitman asked low income residents could apply for lowered or waived fees for services. Michael McWalters said that the majority of those who can afford to live in Carmel can afford the proposed fees, but supports waiving fees for low-income families for tree removal. Christy Hollenbeck said the tree maintenance fees should be lowered to keep the city safe even if it means continuing to subsidize the fees.

Council discussion resumed. Council voiced support of continuing to subsidize some of the tree related permits such as removal and pruning because it's a safety concern. Council expressed that they would like staff to explore options for lowered fees or waivers for low-income residents. Public Works Director Harary said that during a storm emergency tree removal permits are issued at no cost due to public safety.

Motion by Council Baron to adopt Resolution 2023-077 and approve the fee schedule with the following amendments:

- 1) Include the proposed Norton Garage fee of \$2,400 per year to the fee schedule**
- 2) Lower tree evaluation permit fee to \$195 (from \$390)**
- 3) Lower tree removal permit fee to \$665 (from \$1,330)**
- 4) Lower tree pruning permit fee to \$400 (from \$795)**

Mayor Pro Tem Richards, and made a friendly amendment to lower the tree pruning fee to \$255 which is the current subsidized fee, and Councilmember Baron accepted the amendment.

Council discussion resumed. Councilmember Ferlito requested that when trees are removed that the city follows up to make sure new trees are replanted. City Administrator Rerig said that the new City Forester will be implementing a process to follow through on replanting requirements. Councilmember Baron asked how many appeals of the Forest and Beach Commission are received per year, and Director Harary said that the Forest and Beach Commission receives 3-4 tree removal appeals per month. Councilmember Ferlito said that some of the public hearing items heard by the Forest and Beach Commission each month are not from appeals, but decisions that are required to be made by the Forest Beach Commission per the Municipal Code.

Councilmember Baron said he would amend his motion to lower the appeal fees to \$2,000. Mayor Potter asked for a friendly amendment to the motion to lower the appeal fees to \$1,800, and Councilmember Baron accepted the amendment. He restated his motion to adopt Resolution 2023-077 and approve the fee schedule with the following amendments:

- 1) Include the proposed Norton Garage fee of \$2,400 per year to the fee schedule**
- 2) Lower tree evaluation permit fee to \$195**
- 3) Lower tree removal permit fee to \$665**
- 4) Lower tree pruning permit fee to \$255**
- 5) Lower two Forest and Beach Commission appeal fees to \$1,800**

Motion 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

FUTURE AGENDA ITEMS

None

ADJOURNMENT

Council adjourned at 7:59 p.m.

APPROVED:



Dave Potter, Mayor

SIGNED:



Nova Romero, MMC, City Clerk

