

**CARMEL-BY-THE-SEA
CITY COUNCIL**

REGULAR MEETING MINUTES

Tuesday, March 5, 2024

CALL TO ORDER AND ROLL CALL

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

Roll call: Councilmembers Jeff Baron, Alissandra Dramov, Karen Ferlito, Mayor Pro Tem Bobby Richards, and Mayor Dave Potter.

PLEDGE OF ALLEGIANCE

Mayor Potter led the pledge of allegiance.

EXTRAORDINARY BUSINESS

A. Carmel High School Report Out - No report out.

B. "Keep America Beautiful" Proclamation - Mayor Pro Tem Richards read the proclamation and presented it to Dale Byrne, Carmel Cares President.

C. American Red Cross Month Proclamation - Councilmember Ferlito read the proclamation and presented it to John Cromwell and Dan Ripke of the Central Coast American Red Cross Chapter Board of Directors.

D. Presentation from the Carmel Youth Center (CYC) - Sherilyn Napoli, CYC Director, and John Ruskell, CYC President gave a presentation on the history of the Carmel Youth Center and an overview of the milestones they have met over the past year, as well as their mission to continue to serve the youth in the community. They reported that as of February they are now a licensed childcare facility.

PUBLIC APPEARANCES

The following members of the public spoke:

Drew Lewis

James Ewing

Mallie

Tristan Mayberry

John Plastini

Richard Arnold

John Krisher

Linda Calafiore

Tim Twomey
Tasha Witt
Andi Carr
Sara Hinds
No Name
Michael McWalters
Cheryl
Catherine
Gail
Sylvia
Craig Rose

ANNOUNCEMENTS

City Administrator - Announced that the Mayor will be hosting a Community Listening Session tomorrow evening at 5 pm to receive public input on the Police Building Project, and announced that there are still spots open to sign up for the Police Station Tour.

City Attorney - No reportable action from yesterday's closed session.

Mayor Pro Tem Richards - Attended a great concert Van Morrison at the Sunset Center, good job Carmel High Basketball.

Councilmember Ferlito - Announced she will be attending a half day workshop at ReGen and reminded the public to make sure batteries are not placed in the trash and to place them in a bag on top of the trash can for pick up.

Councilmember Dramov - Announced that there will be a City Council Priorities Workshop meeting on March 28, 2024, at the Sunset Center and invited the public to attend and give their input on Council priorities.

ORDERS OF BUSINESS

Item 1 - Receive an update on Car Week 2024

Ashlee Wright, Library and Community Activities Director, gave a presentation on events planned for Car Week in August 2024, provided an overview of parking stall permit changes, and summarized plans for traffic calming measures. Ms. Wright answered questions from Council. Police Chief Paul Tomasi said that two decibel measuring devices have been ordered to enforce car exhaust noise complaints.

Public Comment: None

Council received the update on Car Week; no action was taken.

Item 2 - Fiscal Year 2023-2024 Mid-Year Budget Report and Resolution 2024-022 Approving FY 2023-2024 Adopted Budget Amendments

Acting Assistant City Administrator Brandon Swanson introduced the City's new Finance Manager, Subbhada Winer, and expressed gratitude to Senior Accountant Jane Hogan for her interim role as acting Finance Manager. Finance Manager Winer presented the mid-year budget report for July to December 2023, along with proposed budget amendments for Fiscal Year 23-24 and their corresponding revenue sources.

Public Comment:

Melanie Billig

Tasha Witt

Councilmember Baron requested inclusion of tree replacement costs in the FY 24-25 budget and a comparison of projected TOT and property tax revenue with actual amounts received. Councilmember Ferlito raised concerns about utility lines on trees, advocating for action against companies responsible and replanting upper canopy trees on streets without power lines. Mayor Pro Tem Richards suggested inviting the City Forester to a future meeting for an update on tree replacement procedures in the urban forest.

Motion by Councilmember Baron to adopt Resolution 224-022, seconded by Councilmember Ferlito, 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

Council took a recess at 6:24 p.m. and returned to the dais at 6:34 pm.

Item 3 - Receive a presentation on the proposed Fiscal Year 2024/25 Capital Improvement Program and Five-Year Capital Improvement Plan, and provide direction to staff

Public Works Director Bob Harary gave a presentation on the 15 completed CIP projects in Fiscal Year (FY) 23-24, 4 projects to consider modifying or cancelling, review of 14 carry-over projects, and initial review of 12 potential new CIP projects for FY 24-25, and introduction of an updated 5-year CIP plan.

Councilmember Dramov asked if Public Works could come back in April with a list of all of the City's owned buildings and what the deferred maintenance is for each.

Public Comment:

Tim Twomey

Christy Hollenbeck
Tasha Witt
Jo Todd
Cindy Lloyd
Dale Byrne
Ian Martin
Richard Kreitman
Michael McWalters

City Administrator Rerig addressed questions from the public and discussed the long-term costs of hiring staff versus using consultants for specialty projects.

Councilmember Dramov voiced concern for staff capacity for handling multiple projects simultaneously. Councilmember Baron proposed hiring a consultant or staff member or a consultant to manage CIP projects, as well as reallocating funds from Sunset Center Portico project to more critical projects like beach stairway repairs. He also raised concerns about increasing drainage repair costs and requested updates on the Library Master Plan. Additionally, he suggested replacing the use of concrete with asphalt at Ocean and Junipero intersection for a more sustainable approach and to repair more streets.

The Council paused the CIP discussion to consider continuing it at a future special meeting due to time constraints and to ensure adequate time for public hearings on remaining agenda items.

Motion Mayor Potter to continue CIP item to a special meeting on March 26th at 4:30 pm, 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

Item #3 was continued to a Special Meeting date of March 26, 2024.

Item 4 - Receive an Update on the 6th Cycle Housing Element (2023-2031), Second Draft Mid-Review Comments from the State Department of Housing and Community Development (HCD)

Principal Planner Marnie Waffle gave a presentation on the 6th Cycle Housing Element Revised Second Draft. She summarized the timeline to adoption, provided an overview of comments received from HCD, summarized the new programs included, and highlighted other amendments.

Public comment:
Nancy Twomey
Victoria Beach
Andi Carr
Christy Hollenbeck

Kristi Reimers
Vince Kohler
Michael McWalters
Ian Martin
Richard Kreitman
Karyl Hall

City Administrator Rerig addressed several questions brought up by the public, clarifying that that the city doesn't have any current "surplus" land, there is land owned by the city suitable for housing without eliminating its current uses. Ms. Waffle clarified the RHNA were able to be met by including city owned sites as potential housing locations. Acting Assistant City Administrator Swanson answered additional questions from Council.

Mayor Pro Tem Richards, a housing element ad hoc member, emphasized the intention to distribute affordable housing units across the city. He also cited repercussions faced by other California cities for non-compliance with state mandates. Councilmember Ferlito stated that the Housing Element is a living document that can be amended as needed and emphasized the need for adoption by April 15th to retain local control and avoid legal challenges. She responded to parking concerns, emphasizing that inclusion of structured parking will be required for potential housing developments.

Councilmember Dramov voiced agreement with public concerns regarding housing developments in Sunset Center parking lot and Vista Lobos, as well as the preservation of open spaces. Councilmember Baron noted public resistance to rezoning R-1 districts or permitting 3rd story buildings to disperse RNHA allocations, prompting inclusion of city-owned sites to meet requirements.

Council provided the following consensus direction to staff to make the following changes to the housing element:

- Program 1.1.B: City owned Sites – *Push date to release RFP farther back than Fall 2024.*
- Program 1.1.E: City Partnership with Carmel Foundation to Develop Affordable Housing - *Change language so that by 2027 the city isn't absorbing lower income units from a specific site it should apply to all sites.*
- Program 3.1.F: Expedited Processing Procedures – *keep in the requirement of using story poles but will consider "alternative" methods that achieve the same outcome of story poles.*
- Language about the Surplus Lands Act - *take out the word "available", and if it is made available, we confirm adherence to the law.*

PUBLIC HEARINGS

Item 5 - 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 due to proximity of his home to the Cosmas House and left the dais at 9:46 p.m.

Principal Planner Waffle gave a presentation on the background of the item, outlined the 5 findings that the applicant has met for consideration of a Mills Act Contract, and summarized the HRB's recommendation to approve the application.

Public Comment:

Pierre LaComte, applicant, addressed the Council

Katherine Gualtieri

Nancy Twomey

KC Cullen

Motion by Mayor Pro Tem Richards to approve Mills Act Application 23-146 ("Cosmas House"), seconded by Mayor Potter and approved 3-1-0-1 by the following roll call vote:

AYES: Councilmembers Dramov, Richards, and Mayor Potter

NOES: Councilmember Ferlito

ABSENT: None

ABSTAIN: Councilmember Baron (recused)

Councilmember Baron returned to the dais at 10:03 p.m.

Item 6 - 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 009-423-001-000

Principal Planner Waffle gave a presentation on the background of the item, outlined the 5 findings that the applicant has met for consideration of a Mills Act Contract, and summarized the Historic Resources Board's recommendation to approve the application.

Public Comment:

JB Pastor, applicant, addressed the Council

Chris Mitchell, on behalf of the applicant, addressed the Council

Katherine Gualtieri

Nancy Twomey

Kristi Reimers

Karyl Hall

Dale Byrne

Michael McWalters

Mayor Pro Tem Richards stated that staff confirmed the applicant meeting the 5 required findings for approval and reiterated adherence to the current Mills Act policy. Councilmember Baron disagreed, citing his consistent concerns about finding #5 and the \$60,000 loss to the local school

district, which is not insignificant and potentially inequitable. Councilmember Ferlito said that the purpose of the Mills Act is to incentivize property owners to take care of their historic properties and noted the current owner's commitment regardless of Mills Act approval. Councilmember Dramov expressed hesitance due to public inequity but intended to vote yes based on approval of the prior application. Mayor Potter acknowledged the applicant meeting the 5 findings and highlighted the significant cost of preserving the property's seawalls not yet factored in. Councilmember Ferlito emphasized that the Council retains discretion in determining the fulfillment and equity of finding #5, asserting no change in rules.

Motion by Mayor Potter to approve Mills Act, seconded by Mayor Pro Tem Richards, and approved 3-2-0-0 by the following roll call vote:

AYES: Councilmembers Dramov, Richards, and Mayor Potter

NOES: Councilmembers Baron, Ferlito

ABSENT: None

ABSTAIN: None

FUTURE AGENDA ITEMS

None

ADJOURNMENT

Council adjourned at 10:33 p.m.

APPROVED:



Dave Potter, Mayor

ATTEST:



Nova Romero, MMC, City Clerk

