CITY OF ATASCADERO
CITY COUNCIL

DRAFT MINUTES

Tuesday, March 24, 2009
City Hall, Council Chambers

CLOSED SESSION:  5:03 P.M.

Mayor Béraud called the meeting to order at 5:03 p.m.

1. PUBLIC COMMENT – CLOSED SESSION

None.

Mayor Béraud closed the Public Comment period.

Mayor Béraud announced the Council would be going into the Closed Session.

2. CALL TO ORDER

a. Conference with Labor Negotiators(Govt. Code Sec. 54957.6)
   Agency designated representatives: Wade McKinney, City Manager;
   Jim Lewis, Assistant City Manager
   Employee Organizations: Service Employees International Union, Local
   620; Atascadero Police Association; Mid-Management/Professional
   Employees; Atascadero Firefighters Bargaining Unit; Non-Represented
   Professional and Management Workers and Confidential Employees

3. ADJOURN

Mayor Béraud adjourned the Closed Session of the City Council at 5:50 p.m. to
the regular meeting of the City Council.
CLOSED SESSION REPORT

City Attorney Brian Pierik announced there were no reportable actions taken.

Mayor Béraud adjourned the meeting to the regularly-scheduled meeting of the Redevelopment Agency.

CITY COUNCIL REGULAR SESSION:  6:06 p.m.

Mayor Béraud called the meeting to order at 6:06 p.m. and Council Member O’Malley led the Pledge of Allegiance.

ROLL CALL:

Present: Mayor Béraud, Mayor Pro Tem Fonzi, Council Members Clay, Kelley, and O’Malley

Absent: None.

Others Present: City Clerk / Assistant to the City Manager Marcia McClure Torgerson, and Deputy City Clerk Susanne Anshen.

Staff Present: City Manager Wade McKinney, Assistant City Manager Jim Lewis, Community Development Director Warren Frace, Administrative Services Director Rachelle Rickard, Chief of Police Jim Mulhull, Fire Chief Kurt Stone, Senior Planner Kelly Gleason, and City Attorney Brian Pierik.

APPROVAL OF AGENDA:

MOTION: By Mayor Pro Tem Fonzi and seconded by Council Member Kelley to approve the agenda.  
Motion passed 5:0 by a roll-call vote.

A. CONSENT CALENDAR:

   ▪ Recommendation: Council approve the City Council Meeting Draft Minutes of January 27, 2009. [City Clerk]

   ▪ Recommendation: Council approve the City Council Special Meeting Draft Minutes of January 28-29, 2009. [City Clerk]
3. **Inclusionary Policy Equity Sharing Program - Release of Moderate Income Housing Developer Agreement**

- **Fiscal Impact:** None.
- **Recommendations:** Council:
  1. Approve the attached Release of Moderate Income Housing Agreement; and,
  2. Adopt the Draft Resolution authorizing the City Manager, or his designee, to execute the Release of Moderate Income Housing Agreement [Administrative Services]

**MOTION:** By Council Member O’Malley and seconded by Council Member Clay to approve the Consent Calendar.

*Motion passed 5:0 by a roll-call vote.* (Contract #2009-003, Resolution No. 2009-013)

**UPDATES FROM THE CITY MANAGER:**

City Manager Wade McKinney introduced City Staff members for department reports.

**Fire Chief Kurt Stone**

- Introduced Commander Casey Bryson and Captain Scott Hallett, who provided a report on the recent fire at the North County Christian School Thrift Shop in the Downtown and answered questions of the City Council.

**City Manager Wade McKinney**

- Thanked the entire Fire Department for their successful effort to contain this fire, as well as the excellent performance of the new fire truck. He also reported on the relocation efforts by City Staff for the property owners and tenants of this building and the surrounding stores.

**Assistant City Manager Jim Lewis**

- Colony Square: Two of the three banks have confirmed; and we are currently pursuing two more banks. Staff will return to the City Council April 14 for the guarantee agreement; and the theater owner is fully funded and ready to begin.
- Trip to Washington D.C. on March 15-19 was successful and Mr. Lewis believes our City will secure future dividends for Federal funding that may soon be available to our City as well as funding for City Hall from FEMA.

**COMMUNITY FORUM:**

Joan O'Keefe spoke against recent City Council decisions to purchase the Chamber building and the hotel conversion to senior living reducing City revenue and increased expenses.
George Schroff commended staff on successfully containing the recent fire downtown. He stated he favors the Council bringing projects up for bid, and complimented the Council’s unified efforts.

Jim Shannon spoke against New Times’ recent negative article on the Atascadero City Council, stating this is the same paper that published an article on how to make methamphetamines and printed the ingredients.

Lee Perkins spoke of volunteering for the recent San Luis Obispo Film Festival and her hope there will be some venues here in Atascadero next year.

Keith Reagan spoke about traffic signals in the downtown and the need for the signals to be properly timed to save on pollution.

David Broadwater spoke about tomorrow’s meeting at 12:30 p.m. on Strategic Planning and commended the decision to audio tape the meeting. He expressed concern there was insufficient notice for the public on this meeting, which also prevented the City Council from exercising their option to televise the meeting.

Steve Martin, Atascadero Main Street, thanked the City for acquiring the Chamber’s building and leasing it to Main Street at $1.00 per year. He also thanked the City for supporting downtown and told about future events planned for downtown.

Joanne Main, Atascadero Chamber of Commerce, thanked the City Council for purchasing the building and giving it a new life with Atascadero Main Street. She announced a luncheon meeting with Representative Sam Blakeslee on Friday, April 24, at the Carlton Hotel and that the Chamber is working with Cuesta College on determining the type of education businesses are looking for in potential employees and future business owners.

*Mayor Béraud closed the Public Comment period.*

**B. PUBLIC HEARINGS:**

1. **PLN 2008-1314 - Dove Creek Commercial Center Amendment - Santa Barbara Road & El Camino Real (PMB Development Company)**
   - Description: Approval would remove the restriction for indoor sales only for “farm equipment and supply uses” in the PD-12 overlay zone and would allow for the construction of a Tractor Supply Company store at the Dove Creek Commercial Center.
   - Ex Parte Communications
   - Fiscal Impact: The proposed amendments would permit the construction of a retail TSC store as an anchor for the Dove Creek Shopping Center. The City Council has identified economic development as the City's highest priority. Retail commercial stores are typically one of the City’s
best sources of revenue which is generated through sales tax. Due to economic conditions, the City's overall sales tax revenues have been in decline. The proposed project would have a positive fiscal impact on the City by increasing sales tax revenues. The store would also serve as an anchor for the Dove Creek Shopping Center and is expected to attract additional retail stores in the future.

- **Recommendations:** Planning Commission recommends Council:
  1. Introduce for first reading, by title only, Draft Ordinance A amending the zoning code text for Planned Development #12 (Zone Change 2008-0151) to allow outdoor sales for farm equipment and supply establishments based on findings; and,
  2. Adopt Draft Resolution A approving amendments to CUP 2003-0099 related to the Commercial Center Master Plan of Development, based on findings and subject to Conditions of Approval. [Community Development]

Community Development Director Warren Frace introduced Senior Planner Kelly Gleason, who gave the staff report. Mr. Frace and Ms. Gleason answered questions of the City Council.

**EX PARTE COMMUNICATIONS:**
- Mayor Béraud stated she spoke with a resident of Dove Creek.
- Council Member O'Malley stated he received emails and had discussions with a neighbor of his concerns.

**PUBLIC COMMENT:**

Tom Courtney, Courtney Architects, and Chris Diesta, the project designer, made the presentation. Bob Rowland, PMB Development, and Chris Diesta, Courtney Architects, answered questions of the City Council.

Sandy Jack, Chairperson for the Atascadero Planning Commission, asked about a deed restriction as he did not hear that in staff's overview. Mayor Béraud read from the staff report indicating the restriction was included.

Allen Inbictor, Dove Creek resident, expressed concern for the outdoor area which may impact the appearance of the commercial site and make it difficult to police the appearance.

Sandy Henson, Dove Creek resident, stated although they are in favor of a commercial element, she expressed concern that the change in what was originally approved will reduce the revenue from the developer.

Marlene Inbictor, Dove Creek resident, asked why the City would allow this type of business in a residential area as there would be other sites in the City more fitting. She
read from the master plan and expressed concern this type of sales was not originally considered for this space when they purchased their home.

Joan O'Keefe stated the zoning change will affect the entire character of the commercial center, and this business would only be appropriate for industrial zoned areas.

Don Messer spoke in favor of the project and stated Atascadero is lucky to have drawn this business. He commended staff's work.

Gary Henson, President of the Villas of Dove Creek, spoke against the zone change stating 91 percent of the residents were in opposition. He asked the Council to keep the original plan with all sales indoors, and expressed concern over the size of vehicles attempting to turn into the parking lot.

Bill White, Atascadero Firefighters, spoke in favor of the project which will provide needed sales tax for our City and will show other retail we are open for business in Atascadero.

Jennifer Jelinek spoke of her concerns about large trucks making the turn across from mailboxes where people need to stand in the street to get their mail.

Morgan Terrill spoke of noise and traffic especially with the drive-through area and asked the hours be restricted.

George Schroff, spoke in favor of this business choosing to come to Atascadero, especially because other businesses will follow.

Keith Reagan, President of the Dove Creek Homeowners Association, stated by changing this zoning, they will remove 36 parking spaces and he is concerned customers will be parking on the streets.

Tom Comar stated this Council needs to look at what the residents were promised and that the residents do not approve of changing the plan that was in place when they purchased their homes.

Jeff Phillips, Vice President of the Dove Creek Homeowners Association, said 91 percent of resident oppose the zone change and suggested indoor sales with rollup doors. He expressed concern if Tractor Supply should leave in two or three years, that any other store could also have outdoor sales.

Dave Carey retired in Dove Creek, and spoke about the line of sight from his property, which is higher than Cashon and suggested the City look for another site.

David Broadwater stated he was moved by the Dove Creek residents who where led to believe what their neighborhood would look like when they purchased, and urged denial of the zone change.
Karyn Sturtevant spoke in favor of the project because Tractor Supply has worked to make the project appealing and the contractors in the City need this employment. She stated there is more at stake than the view of the outdoor area.

Wendy Rogers favors development, but because 91 percent of the residents are opposed, she encouraged the Council to reevaluate this project.

Beth Johnson, resident of Dove Creek, expressed concern about the bus stop on Bliss and Santa Rosa Road, and with the added truck deliveries will increase potential accidents and safety for school children.

Gary Henson stated a business purchased by Tractor Supply Company only lasted two years in Atascadero. He agreed with the firefighters, but changing the zoning removes $40,000 a year on a bet that Tractor Supply will generate the difference and then leave.

Allen Inbictor stated 850 residents will be impacted and the decrease in property values will be more than the income from the business. He urged the Council to protect residents.

*Mayor Béraud closed the Public Comment period.*

Senior Planner Kelly Gleason addressed the issues presented by the public. Ms. Gleason, Deputy Public Works Director David Athey, and Community Development Director Warren Frace answered questions of the City Council.

There was Council discussion on the bus stop location and possible red curb for this area, the turning radius into the development, and the landscape buffering.

**MOTION:** By Council Member O'Malley and seconded by Council Member Clay to:

1. Introduce for first reading, by title only, Draft Ordinance A amending the zoning code text for Planned Development #12 (Zone Change 2008-0151) to allow outdoor sales for farm equipment and supply establishments based on findings; and,

2. Adopt Draft Resolution A approving amendments to CUP 2003-0099 related to the Commercial Center Master Plan of Development, based on findings and subject to Conditions of Approval.

There was Council discussion regarding the safety concerns of the mailbox location along the street where trucks will be making wide turns, the location of the school bus stop, the possible need to restripe the side streets to prevent overflow parking in the residential area, and the hours large trucks will be making pick-ups.
Applicant, Bob Rowland, addressed hours of trucks picking up goods, stating his concern this would restrict the type of vehicles driven onto the property by customers and does not believe we can do this. City Attorney Brian Pierik stated the Council could not discriminate on customers picking up goods at certain hours. The City Council discussed adding the conditions of moving the mail boxes and restriping the curbs as necessary; and the applicant agreed to work with staff to accomplish these changes.

MOTION: By Council Member O’Malley and seconded by Council Member Clay to:
1. Introduce for first reading, by title only, Draft Ordinance A amending the zoning code text for Planned Development #12 (Zone Change 2008-0151) to allow outdoor sales for farm equipment and supply establishments based on findings;
2. Adopt Draft Resolution A approving amendments to CUP 2003-0099 related to the Commercial Center Master Plan of Development, based on findings and subject to Conditions of Approval and that the applicant work with staff on accomplishing the added conditions as follows: (a) moving the mailboxes, if possible; and (b) restriping the curbs on side streets for safety as necessary; and
3. Direct staff to investigate the feasibility of relocating the school bus stop for safety reasons.

Motion passed 5:0 by a roll-call vote. (Item No. B.1.2: Resolution No. 2009-14)

Mayor Béraud adjourned the meeting at 8:41 p.m.

Mayor Béraud reconvened the meeting at 8:55 p.m.

2. PLN 2099-0997 Amendment to West Front Village - 9002 West Front Road & 9000-9092 Coromar Ct. (Shannon / West Front Village, LLC)
   ▪ Description: Amendment to Master Plan of Development for West Front Village: commercial lot 1, residential lots, and conditions of approval; PD-23 Zone Text Change; Tentative Tract Map to amend the lot lines on residential lots 1-18
   ▪ Ex Parte Communications
   ▪ Fiscal Impact: Based on findings from the Taussig Study, revenue from new residential development including property tax revenues; vehicle licensing fees, sales taxes, and other revenues are insufficient to cover the maintenance and emergency services costs of new development.
Based on the revenue projections from the Taussig Study, the City has developed standard conditions of approval for new development projects that require the cost of maintenance and emergency services to be funded by the project through a combination of road assessment districts, landscape and lighting districts, and community facilities districts (Conditions CUP 19 and 20/ TTM 12 and 13). Inclusion of these conditions of approval will mitigate any negative fiscal impact on the City.

- **Recommendations:** Planning Commission Recommends Council:
  1. Introduce for first reading, by title only, Draft Ordinance A approving Zone Code Text Change 2009-0152 (PLN 2099-0997) amending the PD-23 Overlay District Text consistent with the revised project design based on findings; and,
  2. Adopt Draft Resolution A approving Master Plan of Development Amendment (CUP 2003-0108 Amendment / PLN 2099-0997) based on findings and subject to Conditions of Approval and Mitigation Monitoring; and,
  3. Adopt Draft Resolution B approving Tentative Tract Map for Tract 2970 (PLN 2099-0997) based on findings and subject to Conditions of Approval and Mitigation Monitoring; and,
  4. Give consideration to the three items that were presented to the Planning Commission by the applicant (Richard Shannon), including (1) the highway frontage landscape maintenance requirement, (2) clustering of affordable units and the option of paying in-lieu fees, and (3) a deferral agreement for the formation of a Community Facilities District. [Community Development]

Community Development Director Warren Frace gave the staff report. Mr. Frace and Senior Planner Kelly Gleason answered questions of the City Council.

**PUBLIC COMMENT:**

Richard Shannon, applicant, West Front Development, made some clarifications and explained the requested changes while answering questions of the City Council.

*Mayor Béraud closed the Public Comment period.*

There was Council discussion regarding the landscaping agreement, the affordable housing in-lieu fee element, and the deferral agreement for the formation of the Community Services District due to the current economic downturn.

The applicant asked for the CFD deferral until construction starts. Mr. Frace, City Manager Wade McKinney, City Attorney Brian Pirek, and Administrative Services Director Rachelle Rickard answered questions on legality and cost recovery.

The Council Members held lengthy discussion on the location of the low- and very low-income units, their opposition to clustering and phasing, as well as the landscape
maintenance and the Community Services District deferral request. The Council Members spoke in opposition to the deferral of the CSD, and Mayor Béraud opposed the in-lieu fee option.

**MOTION:** By Council Member O’Malley and seconded by Council Member Kelley to:

1. Introduce for first reading, by title only, Draft Ordinance A approving Zone Code Text Change 2009-0152 (PLN 2099-0997) amending the PD-23 Overlay District Text consistent with the revised project design based on findings; and,
2. Adopt Draft Resolution A approving Master Plan of Development Amendment (CUP 2003-0108 Amendment / PLN 2099-0997) based on findings and subject to Conditions of Approval and Mitigation Monitoring; and,
3. Adopt Draft Resolution B approving Tentative Tract Map for Tract 2970 (PLN 2099-0997) based on findings and subject to Conditions of Approval and Mitigation Monitoring; and,
4. Include the following requirements:
   (a) the off-site, frontage landscape maintenance be a requirement for two years;
   (b) allow affordable housing in lieu fees to be paid for the three (3) moderate-income units, and the low- and very-low income units to be distributed with two (2) units in the duplex area and one (1) in the single-family residential area;
   (c) drop the commercial phasing requirement of Condition Nos. 7.1 and 7.2; and
   (d) No CFD deferral agreement will be permitted for the new map.

Motion passed 4:1 by a roll-call vote. (Béraud opposed)

(Item No. B.2.2: Resolution No. 2009-015; and Item No. B.2.3: Resolution No. 2009-016)

C. MANAGEMENT REPORTS:

1. **CEQA and Climate Change - Overview of New State Legislature and Requirements - Greenhouse Gas Inventory and ICLEI**
   - Fiscal Impact: The costs included in producing a GHG inventory would include the ICLEI membership ($600 annual fee) and staff time to compile and analyze the data for the inventory. Grant funding through the SLO APCD will provide a major contribution to completion of the inventory. PMC will act as the consultant in preparing and compiling the data. The
SLO APCD also offered funds for Cal Poly interns to aid in the data collection. Some staff time will be required to validate the approach, and develop and manage the inventory. It is staff’s expectation that GHG requirements from the State and Federal Government will continue to increase over the next few years. There will be an increased demand on resources to respond to these new requirements. At this time, the amount of staff time and cost of these future requirements is unknown.

- Recommendations: Council adopt Resolution A, authorizing the City to join ICLEI (Local Governments for Sustainability) and directing staff to work with PMC consulting firm and the San Luis Obispo Air Pollution Control District (SLO APCD) to conduct a greenhouse gas (GHG) emissions inventory for the City of Atascadero, consistent with Assembly Bill 32. [Community Development]

Community Development Director Warren Frace gave the staff report and answered questions of the City Council Members.

PUBLIC COMMENT:

Ray Weymann spoke of the strong economic reasons for reducing our greenhouse gases and joining ICLEI.

Marty Brown urged the Council to approve joining ICLEI as it will create jobs, improve the air quality, and the livability of our City.

Ken Smokosca spoke about Cal Poly interns who could help work on this project, and presented, a Design Plan outline by the Design Team at Atascadero High School. (Exhibit A)

David Broadwater spoke in favor of staff’s recommendation to join ICLEI citing benefits to our local economy through jobs and savings.

Len Colamarino spoke in favor of joining ICLEI and how the $600 membership fee would get us a $15,000 grant for something we will be required to do in the future.

Mayor Béraud closed the Public Comment period.

Council Member Clay stated he was in favor if this if it saves money, but objected to the State forcing this on cities.

MOTION: By Council Member O’Malley and seconded by Mayor Pro Tem Fonzi to adopt Resolution A, authorizing the City to join ICLEI (Local Governments for Sustainability) and directing staff to work with PMC consulting firm and the San Luis Obispo Air Pollution Control District (SLO
APCD) to conduct a greenhouse gas (GHG) emissions inventory for the City of Atascadero, consistent with Assembly Bill 32. 

*Motion passed 4:1 by a roll-call vote. (Clay opposed) (Resolution No. 2009-017)*

2. **Budget Plan 2009-2011**
   - **Fiscal Impact:** The draft Budget will include reduced expenditures, increased revenues and use of reserves to bridge the $3.5 million gap.
   - **Recommendation:** Council receive and file the Budget Plan 2009-2011.

   [City Manager]

City Manager Wade McKinney gave the staff report. Mr. McKinney and Administrative Services Director Rachelle Rickard and answered questions of the City Members.

**MOTION:** By Council Member O’Malley and seconded by Mayor Béraud to proceed past 11 p.m. with the City Council meeting. 

*Motion passed 5:0 by a consensus of the Council Members.*

**PUBLIC COMMENT:**

David Broadwater spoke of staff being asked to take furloughs, reduced hours and part time work, and spoke of a company he read about in the Wall Street Journal that cut ten percent from all top salaries rather than making staff cuts.

*Mayor Béraud closed the Public Comment period.*

Council Member Clay and City Manager Wade McKinney clarified that no employees have been asked to cut hours or retire as a mandatory issue, however, some have requested early retirement options and part time hours voluntarily.

*There was consensus of the City Council Members to receive and file the Budget Plan 2009-2011.*

F. **ADJOURNMENT:** 11:05 p.m. by a consensus of the City Council Members.

**MINUTES PREPARED BY:**

Susanne Anshen, Deputy City Clerk

The following exhibits are available for review in the City Clerk’s office

Exhibit A – Design Plan outline by the Design Team at Atascadero High School.