



MINUTES

Tuesday, April 17, 2018

5:30 P.M. Closed Session

6:30 P.M. Open Session

**REGULAR MEETING
CITY COUNCIL, AIRPORT COMMISSION,
MARINA ABRAMS B NON-PROFIT CORPORATION, PRESTON PARK SUSTAINABLE
COMMUNITY NON-PROFIT CORPORATION AND SUCCESSOR AGENCY OF THE
FORMER MARINA REDEVELOPMENT AGENCY**

Council Chambers
211 Hillcrest Avenue
Marina, California

1. CALL TO ORDER
2. ROLL CALL & ESTABLISHMENT OF QUORUM: (City Council, Airport Commissioners, Marina Abrams B Non-Profit Corporation, and Successor Agency of the Former Redevelopment Agency Members)

MEMBERS PRESENT: Nancy Amadeo, Gail Morton, Frank O'Connell, Mayor Pro-Tem/Vice Chair, David W. Brown, Mayor/Chair Bruce C. Delgado
3. CLOSED SESSION: *As permitted by Government Code Section 54956 et seq., the (City Council, Airport Commissioners, Marina Abrams B Non-Profit Corporation, and Redevelopment Agency Members) may adjourn to a Closed or Executive Session to consider specific matters dealing with litigation, certain personnel matters, property negotiations or to confer with the City's Meyers-Milias-Brown Act representative.*
 - a. Conference with legal Counsel, initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9 – one potential case
 - b. Real Property Negotiations
 - i. Property: 3271 Imjin Road, Marina, Marina Municipal Airport Bldg. 554
Negotiating Party: Frank T. Lewis
Property Negotiator: City Manager
Terms: All terms and conditions
 - ii. Property: Marina Municipal Airport Business Park
Negotiating Party: Joby Aviation, LLC
Property Negotiator: City Manager
Terms: Price and Terms

6:30 PM - RECONVENE OPEN SESSION AND REPORT ON ANY ACTIONS TAKEN IN CLOSED SESSION

4. MOMENT OF SILENCE & PLEDGE OF ALLEGIANCE (Please stand)

5. SPECIAL PRESENTATIONS:

a MPUSD Update Presentation

b FORA - UASIPP Presentation on Drones

c Recreation Announcements

6. SPECIAL ANNOUNCEMENTS AND COMMUNICATIONS FROM THE FLOOR: *Any member of the Public or the City Council may make an announcement of special events or meetings of interest as information to Council and Public. Any member of the public may comment on any matter within the City Council's jurisdiction which is not on the agenda. Please state your name for the record. Action will not be taken on an item that is not on the agenda. If it requires action, it will be referred to staff and/or placed on a future agenda. City Council members or City staff may briefly respond to statements made or questions posed as permitted by Government Code Section 54954.2. In order that all interested parties have an opportunity to speak, please limit comments to a maximum of four (4) minutes. Any member of the public may comment on any matter listed on this agenda at the time the matter is being considered by the City Council.*

- Paula Pelot – On March 22, 2018, on Wahl Court in Preston Park a dog dug up a metal container in the back yard which contained smoke grenades and grenades are considered pyrotechnics, they're active and it also had flares in it and those are classified as unexploded ordinance. Came as a surprise to everyone because when all those places were built, way before FORA came along they were supposedly surveyed and there was nothing on the surface, however people often times bury things. Contacted BRAC and Melissa Broadston and asked here to bring flyers to the leasing office so they can be distributed to the residents. There is a program that the City should have received a letter about where they will come out and resurvey the property and hoping the City Manager will talk with BRAC and have them come out and resurvey Preston and Abrams Parks.
- Margaret-Ann Coppernoll – submitted for councils' information her response to the CPUC and the Monterey Bay National Sanctuary's final EIR and EIR Statement. Strongly support the City of Marina and MCWD and hopes that all our citizens will get behind efforts to counter-act the Cal-Am Test Slant Well Project that is and has been operating in our sacred sole water supply source, the fresh water aquifers of the Salinas Valley Groundwater Basin. Their Monterey Peninsula Water Supply Project is depleting our aquifers at an alarming rate. Our goal is to persevere and protecting, to serving and defending our water rights.
- Scott Clegg – Commented on the Marina Police Officers Association contract negotiations and the impacts associated with them. Officers are leaving our city for better incentives from neighboring cities. We're not asking to be the highest paid department in the county. We do expect to be compensated fairly and competitively with other agencies. We have a good group of officers that work really hard to keep our city safe. We think the community supports us in this matter and should be compensated fairly.
- Chuck Lande – 18-months ago brought two great builders to Marina and for the last 12-months they have building and selling homes to families. Announced that 3½ weeks ago the builders approached us and asked if we would have any interest in selling the balance of the lots, on Friday we did conclude that transaction. Thanked Council and staff for a great relationship we've had over many years and thinks you will find the principals of Wathens and Grandville to be as good as stewards as we've tried to be for the city.
- Jeff Roberts, Grandville Homes – Very excited about this opportunity and looking forward to working with the staff and working towards achieving great things here in the City of Marina. We have some details to work through in the next few weeks with the continuance of the item on your

agenda. if you have any questions about our company or some of the things we're done we're certainly happy to share. We appreciate the opportunity, appreciate the background that Chuck has done and the help that the City Manager has offered us.

- Mayor Delgado – provided update on the April 7th Earth Day Event at Locke Paddon Park; announced September 1st Labor Day Parade; provided updates on Lapis Road Litter clean-up and Safe Parking Program; announced the public/community water meeting taking place at the Marina Library when citizens can learn about the Monterey Peninsula Water Supply Project and how to submit your comments before the April 19th deadline.
- Council Member Morton – Noted comments on the Monterey Peninsula Water Supply Project can be emailed vs. mailed. Information on this is one the City's website. Make your comments knows that you object to this project. They are taking the water from us; the City of Marina and we need to protect our water. We're trying to protect it from not only a decrease in availability but increase salinity or harm. Please take the time.

7. CONSENT AGENDA FOR THE SUCCESSOR AGENCY TO THE FORMER MARINA REDEVELOPMENT AGENCY: *Background information has been provided to the Successor Agency of the former Redevelopment Agency on all matters listed under the Consent Agenda, and these items are considered to be routine. All items under the Consent Agenda are normally approved by one motion. Prior to such a motion being made, any member of the public or the City Council may ask a question or make a comment about an agenda item and staff will provide a response. If discussion or a lengthy explanation is required, that item will be removed from the Consent Agenda for Successor Agency to the former Marina Redevelopment Agency and placed at the end of Other Action Items Successor Agency to the former Marina Redevelopment Agency.*

8. CONSENT AGENDA: *Background information has been provided to the City Council, Airport Commission, Marina Abrams B Non-Profit Corporation, and Redevelopment Agency on all matters listed under the Consent Agenda, and these items are considered to be routine. All items under the Consent Agenda are normally approved by one motion. Prior to such a motion being made, any member of the public or the City Council may ask a question or make a comment about an agenda item and staff will provide a response. If discussion or a lengthy explanation is required, that item will be removed from the Consent Agenda and placed at the end of Other Action Items.*

a. ACCOUNTS PAYABLE:

- (1) Accounts Payable Check Numbers 84520-84641, totaling \$507,038.95
Wire transfers from Checking and Payroll for February 2018 totaling:
\$540,775.52

b. MINUTES:

- (1) April 3, 2018, Regular City Council Meeting

c. CLAIMS AGAINST THE CITY: None

d. AWARD OF BID: None

e. CALL FOR BIDS: None

f. ADOPTION OF RESOLUTIONS:

- (1) City council consider adopting **Resolution No. 2018-29**, preliminarily approving the fiscal year 2018-19 engineer's report for the Cypress Cove II Landscape Maintenance Assessment District; declaring its intention to levy an assessment in fiscal year 2018-19 in that district; and calling a public hearing for May 1, 2018.

- (2) City council consider adopting **Resolution No. 2018-30**, preliminarily approving the fiscal year 2018-19 engineer's report for the Monterey Bay Estates Lighting & Landscape Maintenance Assessment District; declaring its intention to levy an assessment in fiscal year 2018-19 in that district; and calling a public hearing for May 1, 2018.
- (3) City council consider adopting **Resolution No. 2018-31**, preliminarily approving the fiscal year 2018-19 engineer's report for the Seabreeze Landscape Maintenance Assessment District; declaring its intention to levy an assessment in fiscal year 2018-19 in that district; and calling a public hearing for May 1, 2018.
- (4) ~~City council consider adopting Resolution No. 2018, adopting a list of projects for fiscal year 2018-19 funded by SB 1: The Road Repair and Accountability Act of 2017. **Pulled by Council Member Morton, becomes agenda item 11b**~~
- (5) City council consider adopting **Resolution No. 2018-32**, the Irrevocable Offer of Dedication for the Relinquishment of Abutter's Rights of Access and; authorizing the City Manager to execute the dedication on behalf of City subject to final review and approval by the City Attorney.
- (6) City Council consider adopting **Resolution No. 2018-33**, fixing and levying a special tax for principal and interest payments and administrative costs on the 2015 General Obligation Refunding Bonds for fiscal year 2018-19; and; consider adopting **Resolution No. 2018-34**, certifying compliance with State Law (Proposition 218) with respect to special taxes for the 2015 General Obligation Refunding Bonds Levy for Fiscal Year 2018-19.

g. APPROVAL OF AGREEMENTS:

- (1) City Council consider adopting **Resolution No. 2018-35**, approving a consulting services contract between the City of Marina and Veronica Tam and Associates Inc. of Pasadena CA for the completion of the 2015-2013 Housing Element update and authorize the City Manager to execute the contract on behalf of the city, subject to final review and approval by the City Attorney; and authorize the Finance Director to make the necessary budgetary and accounting entries.

h. ACCEPTANCE OF PUBLIC IMPROVEMENTS: None

i. MAPS: None

j. REPORTS: (RECEIVE AND FILE):

- (1) City Council receive MST Resolution 2018-13 supporting Proposition 69 and opposing "The Road Repair and Accountability Act" (SB1-Beal) Repeal, and Approval to Join the Coalition to Protect Local Transportation Improvements Resolution No. 18-26
- (2) City consider receiving Investment Reports for the City of Marina and City of Marina as Successor Agency to the Marina Redevelopment Agency for months ended January 31, February 28, and March 31, 2018.
- (3) City Council consider adopting **Resolution No. 2018-36, and Resolution No. 2018-01 (NPC)**, receiving and filing the audited special-purpose statements of financial position of Abrams Park for fiscal year ended June 30, 2017 and June 30, 2016.

k. FUNDING & BUDGET MATTERS: None

l. APPROVE ORDINANCES (WAIVE SECOND READING): None

m. APPROVE APPOINTMENTS: None

Paula Pelot – 8g(1) asked if this will include the items we discussed last week relative to the affordable housing requirements at Preston and Abrams?

Nancy Amadeo speaking as a resident of Cypress Cove II – 8f(1), noted in the staff report it talks about rescinding award of the landscape maintenance services contract to Valenti and awarding the landscape maintenance contract to Davis Landscape Service and then talks about delays in getting service contract signed and work started on a regular schedule account for the reduction estimate of expenditures. The problem I have with this it that it implies that some work has been done. Zero work has been done on our landscape maintenance district since June 2017. Feels this is a misstatement of facts. Commented that a resident took it upon himself to cut up a fallen tree blocking the sidewalk. Believes something should be said in regard to this issue by staff.

Council Member Morton – Corrections to 8b(1), page 37 of the staff report, item 3 “what would be necessary to consider a ballot measure” and item 4 change “initiative” to “ballot measure”– and requested to pull agenda item 8f(4) for questions.

Mayor Delgado pulled agenda items 8f(1) and 8f(2) to be voted on separately as council members Amadeo and Morton must recues themselves as they live in the assessment districts.

DELGADO/BROWN: TO APPROVE THE CONSENT AGENDA WITH CORRECTION TO 8b(1) AND MINUS 8f(1), 8f(2) AND 8f(4). 5-0-0-0 Motion Passes

BROWN/DELGADO: TO APPROVE AGENDA ITEM 8f(1). 4-0-0-0 Motion Passes

DELGADO/BROWN: TO APPROVE AGENDA ITEM 8f(2). 4-0-0-0 Motion Passes

9. PUBLIC HEARINGS:

- a. City Council consider approving the first reading of an ordinance approving the First Amendment to the Development Agreement between the City and Cypress Marina Heights LLC.; adopting Resolution No. 2018-, approving the Third Amendment to the Option Agreement by and among the City, the Successor Agency to the Marina Redevelopment Agency and Cypress Marina Heights LLC; adopting Resolution No. 2018-, approving the Termination of the Memorandum of Agreement by and among the City, the Successor Agency and Cypress Marina Heights LLC related to the Funding of Phase 1 of the Strategic Development Center; AND Marina City Council, acting as the Governing Board of the Successor Agency to the Marina Redevelopment Agency adopting Resolution No. 2018- (SA-MRA), approving the Third Amendment to the Option Agreement by and among the City, the Successor Agency to the Marina Redevelopment Agency and Cypress Marina Heights, LLC; and adopting Resolution No. 2018- (SA-MRA), approving the Termination of the Memorandum of Agreement by and among the City, the Successor Agency and Cypress Marina Heights, LLC related to the Funding of Phase 1 of the Strategic Development Center. *Continued from February 21, and March 6, and March 20, 2018. – Continued to May 15, 2018*

10. OTHER ACTIONS ITEMS OF THE SUCCESSOR AGENCY TO THE FORMER MARINA REDEVELOPMENT AGENCY: *Action listed for each Agenda item is that which is requested by staff. The Successor Agency may, at its discretion, take action on any items. The public is invited to approach the podium to provide up to four (4) minutes of public comment.*

11. OTHER ACTION ITEMS: *Action listed for each Agenda item is that which is requested by staff. The City Council may, at its discretion, take action on any items. The public is invited to approach the podium to provide up to four (4) minutes of public comment.*

Note: No additional major projects or programs should be undertaken without review of the impacts on existing priorities (Resolution No. 2006-79 – April 4, 2006).

- a. City council consider adopting **Resolution No. 2018-37**, adopting a list of projects for fiscal year 2018-19 funded by SB 1: The Road Repair and Accountability Act of 2017. ***Pulled by Council Member Morton, was agenda item 8f(4)***

Council Member Morton asked staff understands that some of these funds are from grant source, correct? It says that RMRA Funds are to supplement the financing of project administration and construction. The word “supplement” and use of other sources of funds or are there any other funds coming from Marina CIP budget, it’s general fund or some other source? Is that funds we’re transferring in to the CIP and how much is your budgeted amount? Even if we approve this measure tonight and then we don’t have adequate funding to put into the projects that’s on this list we can always say no later?

MORTON/AMADEO: TO APPROVE RESOLUTION NO. 2018-37, ADOPTING A LIST OF PROJECTS FOR FISCAL YEAR 2018-19 FUNDED BY SB 1: THE ROAD REPAIR AND ACCOUNTABILITY ACT OF 2017. 5-0-0-0 Motion Passes

Public Comments: None

- b. City Council give direction on a request from the owner of the Springhill Suites Hotel for reconsideration of the Amendments to the Operating Covenant, Requirement to Repay Impact Fee Incentive and to pay Extension Fee; and a request from owner of Springhill Suites Hotel for consideration of an Operating Covenant Agreement and Impact Fee Incentive for new hotel development.

City Manager Long – this is not a recommendation on staff to move forward one way or another. Mr. Dadwal and I spoke a couple of weeks ago and he updated me on where the project is and a concern on his part was trying to secure his final last piece of his financing, which is an SBA loan. He expressed he had some complications in getting that last part and so that’s why this item is before the City Council. Mr. Dadwal is here and can answer any additional or more detailed questions of the council. I don’t have any specific information from SBA or his lender or anything regarding that.

Mr. Dadwal is requesting that the council consider looking at doing the same kind of incentive arrangement with a future hotel. He owns land adjacent to his hotel that is planned for a future hotel, I believe there is little under 100 units that are still available that has been allocated to this part of The Dunes entitlement process for that parcel.

When this project first came forward Mr. Dadwal had asked for the city to partner with him on an incentive type arrangement and originally it was to defer his impact fees, which were at the time estimated to be about \$730,000 but ended up being more like \$635,000. And also, the difference between that and \$1million that that would come back to him as a rebate kind of from the TOT new revenue that the project would generate and that 50% of that would remain in the general fund and the other 50% of the new revenue that it generates instead of going into the general fund would go to pay his impact fee obligation that was deferred. And that was the original agreement.

Part of the reason that the council approved that one, he had some timelines that he had to make. The first timeline was to be under construction very soon. Not positive of the deadlines but the council initially talked at the end of 2013, that’s when the original agreement went in place and had to be under

construction around summer of 2014. The agreement also called that he had to have a really expedited construction process and had to be constructed by the summer of 2016. So, when the summer of 2016 came along he realized his schedule was way too aggressive and had a lot of complications in the project and so he came back to the council and he requested an extension of that original agreement for 6-months and the council agreed to that extension through March 2017. Part of that extension to the agreement was the differential between the impact fees and the \$1million loan that went away, also he had to pay \$100,000 for the ability to get that 6-month extension. When March 2017 rolled along he still was not open, he was closed but had a lot of complications. He didn't open until June 2017 and so at that point the incentive agreement went away and then there was a lot of closed session discussions regarding litigation/potential litigation.

Eventually an agreement was worked out that he would begin repayment of that \$100,000 owed and the \$635,000 impact fee over time. That's where we are at this current point in time and Mr. Dadwal has come forward with an additional request to see if council would reconsider that decision be willing to entertain discussing this also for a future hotel.

Council Questions: has there been any fiscal analysis comparing the financial impact on the city between option one and option two, one of those options being yes to this request and one of the options being no to this request; what is the request, to forgive \$735,000 that is owed to the city by the hotel; if we were to approve this would we have to move \$735,000 from our general fund into our developer's impact fund; if we should go forward with this that it would in essence revert to the way we were going to get the permits fees where 50% would come from the TOT, correct; reference was made that that was a deferral in the original agreement and in fact it was a waiver of impact fees because the impact fees were going to be paid out of the TOT, which was coming to the city. So, if we were to get \$600,000 in a given year to go to TOT we required in the original agreement to take a portion of that up to 50% and pay for impact fees that otherwise was the obligation of the developer, is that correct; so, it's not deferred it's just waiving his obligation to pay the impact fees to the city with us keeping 100% of the TOT; currently in place is that these fees are due and secured by Deeds of Trust, correct; we incurred attorney fees and negotiated a new agreement in November 2017, correct; how much did we occur in our attorney fees cost as we negotiated new agreement; everyone was represented by counsel correct; terms were negotiated to favor all, correct; are we now in a subordination position with our Deeds of Trust; what documentation do you have today that you put forth this staff report that indicates there is no SBA loan; did Mr. Dadwal provide any documentation, any financial information, any communications from any lenders, any profit & loss that reported this loss; what is the source of the foreclosure timeline in the staff report; are any of the obligation late in payment on the hotel; did you secure any information with regard to what happens if there's a foreclosure; do you think that would be advisable to do before we advertise that it's an all or nothing result if a foreclosure results; has Mr. Dadwal gone and asked for any forgiveness of debt from the first CTBC Bank Corporation or from Bay Area Economic Development Company?

BROWN/AMADEO: THAT THE COUNCIL TAKE NO ACTION TONIGHT AND THAT WE REFER THE MATTER TO STAFF TO SOLICIT DOCUMENTATION FROM MR. DADWAL AND FROM HIS PARTNERSHIP OR OTHER ENTITIES AND FROM THE SMALL BUSINESS ADMINISTRATION, IF POSSIBLE, REGARDING THE POSSIBILITY OR LIKELIHOOD OF FORECLOSURE SHOULD THE CITY NOT RENEGOTIATE THIS MATTER; AND THAT THE INFORMATION ONLY BE GIVE TO THE CITY MANAGER AND TO BE REVIEWED BY LEGAL COUNSEL AND FINANCIAL EXPERTS IF NECESSARY; AND REPORT BACK TO THE COUNCIL 3-2(Morton/O'Connell)-0-0 Motion Passes

Public Comments:

- Paula Pelot – This is a Developer reconsideration request to set aside the two recorded notes amounting to \$734,608 and further requests consideration of a new deal for a second property after repeatedly failing to comply with the terms of the first deal. Developer impact fees pay for our Capital Improvements needs, something we are constantly told is underfunded. Offsetting those developer impact fees would be the 50% of the collected TOT revenues, revenues that would otherwise be funding administrative, police and fire salaries, and our Recreation Department’s Youth & Sports Services, the Teen and Senior centers. Currently, the Mayor is gathering signatures for Citizens Initiatives that would increase taxes to pay for City services. There will be no reason for citizens to support these measures to pay more taxes if it’s just unnecessarily given away to subsidize private business enterprises. This staff report lacks documentation that substantiates the developer’s claim that he may be facing foreclosure. A Chapter 11 filing would ensure that the hotel would remain open, collecting and remitting TOT to the City while a reorganization of debt plan is devised. “Foreclosure” is a big, bad scary word wielded to leverage yet another sweetheart deal from the Council. If the Dadwal Management Group Corporation wants to request an incentive deal, then this should be a separate request and not a “part two” of what appears to be an “end around” to a finalized, recorded settlement that funds a myriad of City needs.
- Greg Fury – Provided a metaphor about helping a homeless person who indicated they needed money to help her infant child and then used that money to purchase alcohol from the nearby store. This project was highly personalized. In the very beginning I spoke against some of the incentives when it was first proposed and I feel no differently now. This city is in critical financial straits. Some of you were approached by an individual to convince some of you that his dream was to build an upscale hotel in Marina. Remembers that one of the baits that was dangled was he could always build a hotel somewhere else, horrors in Seaside. He managed to cleverly negotiate financial concessions from certain members of this council and staff, concessions which were supported by a cluster of arguments. He in effect succeeded in transferring the burden of his issues, challenges and a large part of his risk to the citizenry and financial core of this town. Now the same individual is attempting to negotiate a new deal which would forgive some financial obligations attached to his first project on the promise that the sun will come up tomorrow. It seems to fit the classic Einstein definition of insanity.
- Ron Lebda, Marina Chamber of Commerce and EDC – The logical part of this situation is if we take Harvey at his word, that is this is carried forward it would cause a foreclosure. If that happens the facility will be closed a year or year and half. But based on the fact that it’s a closed hotel it’s going to give an image to other developers that want to come into town. After the end of the foreclosure you’re not guaranteed another developer is going to buy it, it could sit vacant for 5-years or longer losing more revenue to the city. Part of the Chamber of Commerce is to make sure businesses exceed and then go forward and generate revenue for the city. The worst thing you could do is to take something away that is generating revenue for the city today and will generate money for the city tomorrow. If you make a decision that prohibits that from happening not only are you jeopardizing the revenue but you’re jeopardizing the reputation of the City of Marina.
- Tess Alcantara, EDC Chair – not here to argue the merits of the issue at hand but to invited everyone to see the bigger picture and to consider the long-term impacts of a possible hotel foreclosure in the City of Marina. The EDC conducts periodic business meetings with existing business owners and business owners outside the City of Marina and it is not untrue when I say the City has image issues. Doing business with the City of Marina can be difficult, bureaucratic and can be punitive. Understands the fiscal impact of what was discussed earlier of \$734,000 however, we need to consider that having something like that negatively impacts the business retention and business attraction of future business owners in Marina. Applauds council’s sense of fiscal

responsibility and understands that we need to enforce rules and regulations and thinks that's how we should run a city. A bankruptcy is a reorganization however, the stigma of having a hotel which we are proud of going through foreclosure is a negative impact on the city. Eventually in the end not taking the steps to lay the foundation of having a vibrant business cultural in the City of Marina is really a disservice to the city and to the citizens.

- Sal Harri, Indo-Fiji Community – Mr. Dadwal is a well-respected and an honorable citizen and businessman on the Monterey Peninsula and an honorable member of our community. This is a well branded hotel by Springhill Marriot and we are very proud to have that in our city. Having a hotel with such a caliber has greatly benefited the economy of this city, the community and other surrounding businesses. He is an employer who hires local people to work in the hotels which generated their household incomes. If we are to encourage other members of our community to invest in new businesses and new endeavors we believe the city should honor and reconsider its commitment and not let a mere delay discourage others who are planning to be great contributors to this economy, to the city.
- Agha Bilal, Islamic Society of Monterey County – Have never felt humiliated and insulted as I did here tonight. For a person to compare a businessman to a begging alcoholic is insulting. Commented on 80% occupancy at the hotel and that those persons staying at the hotel are not only contributing to the hotel tax but are also shopping and eating in Marina.
- Renda Rana – This incentive was given to him when he started building the hotel and a timeline was given and he could not follow the timeline and instead of opening the hotel in March he opened it in June and now he owes money to the City of Marina. So, there is an argument that this money is City money and he owes it to the city, so he's kind of a defaulter. That is not the case, because starts the hotel in March and he doesn't own that money because the city doesn't have that money. So, this kind of penalty that is being imposed on the person because he opened the hotel late, it was beyond his control because is such a large project a lot of things happen and these things are not in his control. If he has invested \$29 million he can definitely go ahead and pay the part that the city is asking. The point is he has leveraged this money towards repayment of his loans. In our community bankruptcy is a bad word from the culture perspective. Requests that Council reconsider his request and give him that extension of the benefit that given to him in the beginning of this project.
- Margarita Wynn – Loves Marina and does a lot of volunteering in this community and love to see it growing. Agrees with all the previous speakers and hopes council consider in the decision to keep the hotel going.
- Lajiba – Supports Mr. Harvey in this situation.
- Dian Carlson, GM Springhill Suites – it is a pleasure working for Mr. Dadwal and he manages from his heart. He has extended his culture into our hotel and employees. We tend to forget about the value and not just what's owed to the City but what he brings into the employee's side of it. So, I'm here representing the employees'. He employs 32 people at our hotel as well as myself and an assistant general manager. He's been nothing but fair and asking what we can do to better improve the area, what project we can get involved with in the community. What is the contribution to the various mall areas and will working with our partners will generate more revenue because it's a big win for the hotel as well. He has always asked us what we can do to better our environment in terms of the workplace. Again, I do take it very personal that there is so much bashing of his name out there, it's someone I'm very proud to be working with. He is an outstanding owner and fights for his employees.

12. COUNCIL & STAFF INFORMATIONAL REPORTS:

- a. Monterey County Mayor's Association [Mayor Bruce Delgado]

Mayor Delgado – Highlight of that meeting was the Safe Parking Program and the pitch to have other cities join us, landed with a loud thud. We did have support from county staff, County Administrator Lew Bauman who is working with Health and Human Services Department Director Elliot Robinson. They are agreeing with us that all the cities need to chip in but without the cities wanting to it's probably not going to go anywhere. There are some safe parking locations in the on the Peninsula up to 5 vehicles in church parking lots, nothing like what we have going in Marina.

- b. Council and staff opportunity to ask a question for clarification or make a brief report on his or her own activities as permitted by Government Code Section 54954.2.

13. ADJOURNMENT: the meeting adjourned at 9:40 PM

Anita Sharp, Deputy City Clerk

ATTEST:

Bruce C. Delgado, Mayor