



MINUTES

Tuesday, June 5, 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, anticipated litigation – Council will be deciding, based on existing facts and circumstances, whether to initiate litigation
 - b. Labor Negotiations
 - i. Marina Public Safety Officers Association
 - ii. Marina Management Employees Association
 - iii. Marina Public Safety Management Association
 - iv. Department Directors
 - a. Community Development Director
 - b. Finance Director
 - c. Fire Chief
 - d. Police Chief
 - e. Public Works Director
 - f. Recreation & Cultural Services Director

City Negotiators: Layne P. Long, City Manager and Employee Relations Officer

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. Introduction of New Police Officer Daniel Lowell
 - b. Marina Police Department Volunteers In Police Service (V.I.P.S.)
 - c. Marina Pre-Rookie Softball
 - d. 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 – Gave a short presentation of a walk-through of the Preston Park, sports park area which shows the need for sever maintenance and clean up. Park need weeding, signs need painting, retaining walls need repairs as they are deteriorating with pipes sticking out of them; soil/sand on sidewalks, boarded up building in need of repairs and lighting, trash everywhere, critters, utility box with rotted out boards and rusted, rusted storage lockers; and a stopped-up water fountain with an open door at the bottom. This does not look good for the city. We need to keep our parks maintained.
 - Marilyn Lidyoff – provide council with an update on the Banner series. Council directed to take a broader look at the languages that we would represent on the banner program. Surveyed the different countries in the 7 continents. Reached out to the MCCVB for a visitor profile and they reported that the visitors who come to Monterey Region are UK, Germany, China, Canada, France, Australia and Brazil. Surveyed the Marina hoteliers and their list was close to the MCCVB and reported that there were the Chinese, French, German, Hindi and Portuguese. These five represent all the continents except Africa, which speak Swahili. So, out of all this I selected: French, Portuguese, Swahili, German, Mandarin and Hindi, English. Marina's profile is different from what I've just shown you and the reason it's different is because if we're going to use banners the visitor's language is really the goal not resident's languages. It's to encourage another night's stay. Will be meeting with the banner committee to start on the artwork. Language banners will be installed next year due to the lateness of mid-year.
 - Council Member Amadeo – Announced that she attended a California Complete Count Regional Convening meeting for Census 2020 meeting on May 31st. Trying to ensure that we get a complete count. Without a complete count the State stands to lose about \$2 billion. We're looking for ways to ensure we count every person. Part of the problem is there that there is some fear associated with it because of the federal government, so people are afraid of answering questions. Noted that the information on a census form can only be used to gather statistics.

- Council Member Morton – Announced that there is a FORA Transition Task Force Plan Study Session on June 8, 2018 from 10:00-1:30 PM and the FORA Board meeting starting at 2:00pm. This is a very important meeting. The legislation that extended FORA from 2014 to 2020 requires by state law that we are to have a transition plan in place submitted to our local agency, LAFCO by December 2018. That plan is to say what is to happen to all of the responsibilities that exist in the redevelopment of Fort Ord. How do those transition to underlying jurisdictions or other agencies for FORA then to retire? That plan has not been drafted and they’re having a study session to look at what staff has put out on today’s website. It important for all of us to understand the ramifications to our city if FORA continues beyond 2020 or sunsets.
- Council Member O’Connell – Noted that there will be a second FOR transition workshop tentatively planned for July 13, 2018 but the time have not been set.
- Mayor Delgado – Three graduation ceremonies last Friday, Central Coast High School, Marina High School and Seaside High School; noted there are three citizen initiatives that over the last couple of months required a lot of work on the part of about 25 volunteers, each of those initiative garnered about 1850-1975 signatures from Marina residents. So, the next step is for the Elections Department to verify those 1800-1975 signatures are actually from registered voters in Marina so that those initiatives could make their way to the November 2018 ballot after they go through our city council process. Lastly, a weekend volunteer project at Los Arboles Sports Complex where 42 volunteers donated 190 hours to paint the buildings and walls all done in Marina High School colors all done by the community and Eagle Scout volunteers because three different Eagle Scout Projects combined to the success of this park. Thank you to the Marina Rotary, American Legion Post 694-Ladies Auxiliary, the Marina Kiwanis Club and the MPUSD who donated money for those three projects to help purchase supplies and refreshments.

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 84881-85061, totaling \$682,783.91

b. MINUTES:

- (1) May 8, 2018, Special City Council Meeting
- (2) May 15, 2018, Regular City Council Meeting

(3) May 22, 2018, Special 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. 2018-54**, establishing appropriations limit for FY 2018-19.

(2) City Council consider adopting **Resolution No. 2018-55**, approving estimated cost for service for calendar year 2018, Fourth of July activities and; setting cost recovery surcharge at seven (7%) percent for calendar year 2018 pursuant to Marina Municipal Code Section 15.32.091.

g. APPROVAL OF AGREEMENTS:

(1) City Council consider adopting **Resolution No. 2018-56**, amending the rate adjustment calculation of the franchise agreement with Green Waste Recovery utilizing a sector specific uniform percentage adjustment and approving maximum rates to be charged by Green Waste Recovery effective July 1, 2018 for collection of franchised solid waste, recycling, and organics.

(2) City Council consider adopting **Resolution No. 2018-57**, approving work plan and budget for Access Monterey Peninsula (AMP) for public, education and government (PEG) broadcasting services for FY 2018-19, and; authorizing the Finance Director to make the necessary budgetary and accounting entries and appropriate payments to Access Monterey Peninsula.

(3) City Council consider adopting **Resolution No. 2018-58**, terminating the Landscape Maintenance Services Contract with Mike Davis Landscape Services of Morgan Hill, California; and awarding the Landscape Maintenance Services Contract to New Image Landscape Company of Fremont, California; and authorizing the Finance Director to make necessary accounting and budgetary entries; and authorizing the City Manager to execute contract documents on behalf of the City subject to final review and approval by the City Attorney.

(4) City Council consider adopting **Resolution No. 2018-59**, authorizing the City Manager to execute a Memorandum of Understanding between the City of Marina and the Marina Management Employees Association, and; authorizing adjustments to the City's Salary Schedule and Compensation Plan, and; authorizing Finance Director to make appropriate accounting and budgetary entries.

(5) City Council consider adopting **Resolution No. 2018-60**, authorizing the City Manager to execute a Memorandum of Understanding between the City of Marina and the Department Directors Informal Employees Association, and; authorizing adjustments to the City's Salary Schedule and Compensation Plan, and; authorizing Finance Director to make appropriate accounting and budgetary entries.

- (6) City Council consider adopting **Resolution No. 2018-61**, authorizing the City Manager to execute a Memorandum of Understanding between the City of Marina and the Marina Public Safety Management Association, and; authorizing adjustments to the City’s Salary Schedule and Compensation Plan, and; authorizing Finance Director to make appropriate accounting and budgetary entries

- h. ACCEPTANCE OF PUBLIC IMPROVEMENTS: None
- i. MAPS: None
- j. REPORTS: (RECEIVE AND FILE):
- k. FUNDING & BUDGET MATTERS: None
- l. APPROVE ORDINANCES (WAIVE SECOND READING): None
- m. APPROVE APPOINTMENTS: None

Council Member O’Connell requested to pull agenda items 8g(4), 8g(5) and 8g(6) so he could vote no on them.

Council Member Morton requested to pull agenda item 8g(1) for questions

DELGADO/BROWN: TO APPROVE THE CONSENT AGENDA MINUS 8g(1), 8g(4), 8g(5) and 8g(6). 5-0-0-0 Motion passes

8g(1) – Council Member Morton – commented on the two ways to adjust the rates, one being an expensive study and the other a more simplified method, which the staff report used. Read that the contract was expecting a review within 3-5 years. Seems it would be more appropriate to do a more extensive review now in year 4.

O’CONNELL/ AMADEO: THAT WE ACCEPT AND APPROVE AGENDA ITEM 8g(1) AND DIRECT STAFF TO BRING BACK SOME ADDITIONAL INFORMATION ON WHAT IS THE ALTERNATIVE STUDY SO THAT WE CAN MAKE A DECISION WITHIN 60-DAYS.

5-0-0-0 Motion Passes

8g(4), 8g(5) and 8g(6)

DELGADO/AMADEO: THAT WE APPROVE AGENDA ITEMS 8g(4), 8g(5) and 8g(6). 4-0 (O’Connell)-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.

Karen Tiedemann, Goldfarb & Lipman – Here tonight with changes to the agreement and answers to the Council questions in March. Since March there has been a significant change to the project in that Cypress Marina Heights LLC, which was the primary owner of Sea Haven Property has transferred most of the property to Wathens Constano Peterson Homes, Inc. One of the things you will see in the agreements are that we have a new developer entity because Cypress Marina Heights assigned most of their interest in the Development Agreement and the Option Agreement to the new developer.

When we were last before you in March the Council had three (3) primary issues that they wanted us to address and so we have worked with the developer quite extensively to work through those issues. The three (3) issues were related to 1.) phasing of the Below Market Rate (BMR) units to ensure the BMR units were built at the same time as the market rate units; 2.) addressing some issues regarding continuation of a fee comparable to the FORA Fees should FORA dissolve and 3.) issues regarding the park fees.

BMR Units – the issue that was raised in March was a concern that the BMR units be developed in proportion or in some reasonable proportion to the market rate units. Language has been added to the agreement that the developers must have commenced all the BMR units in a particular phase before the city will issue any certificates of occupancy for the subsequent phase or alternatively for every 200 market rate units that are developed the developer must have commenced construction on 30 BMR units. The goal was to have some direct proportionality between market rate and BMR units. There is a caveat on the phasing in that if for any reason the developer is holding 8 or more BMR units that are completed in their inventory and they're not selling because there isn't a demand then we will not withhold certificates of occupancy until we have resolved the issue that is causing the units not to sell. So, that may be a change to the BMR program, it may mean the city needs to refresh its list of qualified buyers or the homes may sell it may just take more time. So, that was at the developers' request to ensure that they're not sitting with a significant inventory of BMR units that aren't selling.

Park Fees – there are a couple of issues that are new to the agreement related to the Park Fees. When the agreement came before you in March we were having a discussion about when the \$1.5 million Park Fee would be paid, the timing on that payment because that timing is not included in the Conditions of Approval that required the payment. At that time the council asked Chuck Lande if he would increase that fee for the increase inflations since 2004 when that fee was originally set. Mr. Lande was not willing to do that, the new developers are willing to do that and in fact they are willing to go beyond that in that they would like to see the park developed quickly. So, we've put into this agreement a provision that allows the new developers to develop that park. Their financial obligation with regard to that park is a maximum of \$3 million. The \$1.5 million Park Fee was inflated to today's dollars which works out to be about \$2.1 million would be credited towards that development and then the additional \$900,000 would be credited towards their park fees. So, each building permit that is issued for a single-family home their park fee would be proportionally reduced and that would be the credit that they would get for actually developing the park. I think that works out to be a \$1200 credit on their Park Fees for each home. The idea is to get the park built so that it benefits the community and moves this forward. The other item that is included in this agreement is maintenance of the park. The developer is proposing that the Sea Haven Home Owners Association will actually pay for the cost of the maintenance of the park, that this would be factored into the budget for each of the owners for their monthly assessments. They would pay for the maintenance of up to \$12,000/month so it would relieve the city of that maintenance obligation.

FORA Fees – As a reminder, under the existing Development Agreement all of your impact fees are frozen until that agreement expires, which is in November of this year. What the extension provides is the fees are no longer frozen for any fees the city assesses and the developer will pay all new development impact fees. So, if you adopt a new development impact fee after November 2018 one set is adopted for every permit they pull they will pay whatever fee that is. But the issue we really

wanted to make sure we addressed was “what happens if FORA goes away” and the City of Marina is obligated to take on some of FORA’s current obligations and how do you pay for that? So, we wanted to make sure that you had a way to do that. The language we have put into the agreement gives you several options for achieving that purpose. One is what I just discussed, adopt a new development impact fee that would apply to these developers so the development agreement does not get them out from under that; secondly, we put in language in Sub Section C provides language “the developer will voluntarily vote their properties that they own into an assessment district. So, if the city wants to replicate what FORA currently has which is a Community Facilities District (CFD), the formation process for a CFD is that there has to be a vote and if the property is vacant it’s a land-owner vote, if the property is occupied and there are more than 12 registered voters within the territory of the district then it’s a registered voter vote. So, pretty much when people do a CFD they do not do them on occupied property because we do not want to registered voter vote, we have to have a 2/3rd vote and the land-owner vote is that every land-owner with an acre or smaller parcel, basically its 1 vote per acre and if your parcel is less than an acre you get 1 vote. So, what we wanted to make sure of is that property that is now transferred from the public agencies to the private entities would be voted into an assessment district. So, the developer has agreed to that in Sub-Paragraph C. And then finally in Sub-Paragraph D the developer has agreed to a new fee that would be comparable to the FORA fee, roughly \$24,000. You’ll see that we originally had some conditions on imposing that fee on this developer, those conditions included that the fee would assessed on all like kind zoned property at the former Fort Ord, so all residential property. Also, the same fee would be assessed on all residentially zoned property within all of the land-use jurisdictions at FORA. Those were high hurdles, we understood that those were very high hurdles for getting the fee passed. The developer has agreed to remove those hurdles, so they’re essentially agreeing to a \$24,000 fee inflated by inflation as long as you meet the four (4) conditions here which are: 1.) basically a one-time fee through a building permit. 2.) you collected it, 3.) you distribute it to whoever your regional partners are; 4.) the total of the fee doesn’t exceed what the FORA fee was when FORA went away inflated by the CPI.

So, we hope we simplified this section. I know it’s still complicated but it was trying to cover all the bases so that you all have the maximum flexibility as you try to resolve your issues with FORA.

Highlighted a couple of other changes that have been made in the agreement. The agreement that you have before you, removes certain changes that were requested by Cypress Marina Heights expanding Force Majeure provisions and allowing the term of the development agreement to be extended by Force Majeure. Your current agreement says the term is 14-years and it can’t be extended for force majeure because the 14-years included force majeure events, so we’ve restored that language so they are requesting an additional 12-years. That is a firm 12-years without your consent. So, there is no force majeure provision on this.

Just a couple of other things I want to highlight, you also have in your packet the termination of the Memorandum of Understanding with regard to development fees and I do want to note that we need to make a correct to that agreement. The agreement that you have is between the City and Cypress Marina Heights and this evening when I got here I was informed by Wathens Castanos that they assumed the obligations under that agreement from Cypress Marina Heights and so we just need to change the name. What that agreement does is, Cypress Marina Heights advanced to the city a little over \$800,000 to pay for the Strategic Development Center on the basis that they would get fee credits in exchange for that. The Memorandum of Termination is terminating that agreement and those fee credits go away. So, that agreement becomes effective when the amendment to the development agreement and the amendment to the option agreement are effective and from that point forward there is no more fee credit, so you will collect an additional \$800,000 in fees from the developer.

I think those are the highlights. I do think it would be good for the council to hear from the new developer. They have been very cooperative with us in working through some of these last-minute issues and they have their story to tell about how they want to proceed with the project. So, we might want to let them talk and then we can take questions if that's ok with the council.

Council Questions: does that extend this 26-years then; HOA Park Fees-will outside public be allowed to use park; Park provisions-Wathens Castanos will pay up to \$3 million, does this limit developers contribution; what is the contribution formula; will city's cost be reimbursed; is HOA Fee modifiable; can city challenge any changes to the HOA; will park contractor agreement be drafted and hired by city; Park Fee Credit of \$900,000-will park fee reimbursement agreement come back to council for approval; what is the time line for park construction; what is the process envisioned for design and construction of the park; Community Facilities District happen prior to or after FORA sunsetting in 2020; Private Park, who owns them and will access be restricted; force majeure consent by council for any contract extension; are we still required to do a nexus study; FORA language adjustment in new contract; FORA transportation obligations; BMR and Workforce Homes be built at the same time; will enforcement provisions be added to agreement; City Impact Fees locked in 2004-will the city impact fees be the current 2018 fees when this contract is signed; how many permits do you anticipate pulling prior to November 30th ; if unable to continue to build BMR units due to units not being sold, will the developer be able to start and continue Market Rate homes; if list of qualified buyers for the BMR units are provided does the developer have to continue to build the BMR units;

Josh Peterson, Wathen Castanos Peterson Homes; Mike Slater, Attorney; Jeff Roberts, Entitlement Consultant

We purchased on a rolling option a little under 200 lots over the last couple of years. We've sold approximately 100 homes as we move through the community we realize that we enjoy being over here in Marina and enjoy the community and it has a lot to offer. The majority of our buyers are over the age of 55 and the majority of that are females. Just so you know as we look for future parks we're going to look for some integration to the demographic that's being included in our community. I think the first two parks, the first one is already constructed is mainly turf and a Tot-Lot and the second one is more of the same and those are the private parks. The future parks beyond that we're going to look for some additional integration for the demographics of our home buyers.

The previous developer did a great job at installing the infrastructure, which was Phase I and the lots in Phase II have sat for quite some time, they weren't a homebuilder, we are and we're looking to finish this community. We're met with staff both with Layne and Karen but also engineering and planning to start the future maps and we're in the process of finalizing all three (3) maps, Phases III, Phase IV and Phase V. We'd like to get started on Phase IV and Phase V or a section of Phase V immediately and hopefully we will be back in front of you later this year with those maps to be final.

Our vision of the community is a partnership with the city and I wanted to talk about one more item that we're going to work on. This is not a political item for us, this is a benefit and I think there are some issue we're working through with Layne. In Clovis we created a Community Benefit Fee and I would like to talk to you a little bit how that works. The Community Benefit Fee is one-tenth of one percent fee that gets charged to the seller of the home. This fee is recorded on title and is indefinite and perpetual. The first sale of the home is obviously us so we're paying one-tenth of one percent and it goes to a foundation, a foundation that is for the benefit the city. This is not a requirement of you or staff, this is something we want to do on our own. We want to work with the City Manager and the Council to establish a Community Foundation, not one that is already in existence and we would like on all of the future Phases, because we have lots that are recorded in the current Phase, we can't go back and do it, but of the 750 future units we would like to establish a foundation that centers around arts, culture, recreation and education for the benefit of the city. We worked with a couple of consultants in the Fresno area and Fresno has a foundation and so does Clovis and we would like you

to look at those Charters and decide how you would like to proceed on your own. We would like to do this as soon as possible. The foundation benefits in Clovis, anything from parks and trails to Boys & Girls Club, the botanical gardens, museums, senior center etc. It's raised over \$2 million the last 10-years that it's been in place for the City of Clovis. We feel it has a huge benefit that could really benefit the City of Marina. So, we're going to work with the City Manager on that and I hope to bring that back to you just as an update for your information but I think they'll be some big decisions on that Charter and where those funds get directed to.

As it relates to the park and I know there have already been questions to the park, from our perspective it was pretty short-sided not to install that park. I think it was cute that the \$1.5 million was agreed to on kind of this indefinite term. That's not our intent, we want to get the park installed and we want to do that fairly quickly.

We also understood, I was at previous meeting council meetings, the cost of the park in 2004 is not the cost of a park today. Yes, it's additional money for us but that's ok. When you look at it per unit I think it made sense in bringing it from \$1.5 to \$2.1 million, it felt appropriate to us.

Council Member O'Connell, the additional amount of the \$900,000 I want to clarify is not a gift to us, that's part of the park fee that would get paid to the city to construct that park. We're just accelerating it, we're paying it before you and we're building it. So, that part of our park fee we want credit back because it relieves you of your obligation but in no way, shape or form is it a gift.

Perpetual Maintenance, clarified that add to our current homeowners and well as our future homeowners we wanted to make sure that you understood we weren't going back and raising dues where we couldn't do so on current homeowners and somehow ruining their expectation of what they're going to pay.

The FORA language, we bought this property with the understanding that we would be paying the FORA fee. I understand that your intent and we're supportive of that intent and so we're also supportive of paying that FORA fee whether it's enacted today upon sunset or if it gets enacted later, whether it's through an impact fee or a CFD.

Thank you. We're really going to enjoy the opportunity to work with the city. We've enjoyed to opportunity to work with Layne and Lauren they've both been fantastic. Our staff had a couple of bumps with some of the city staff that we've been able to work through and it's always a pleasure to work with the city, come to terms and see eye to eye and be able to see obstacles and overcome those. We really appreciate our partnership with you and looking forward to a long successful partnership.

Mayor Delgado opened the public hearing for public comments: None received.

Mayor Delgado closed the public hearing.

Delgado/Amadeo: to approve the first reading of an ordinance approving the first amendment to the Development Agreement between the City and Wathens Castanos Peterson Inc.

Council Member Morton stated that it would be beneficial to come back with the corrections that have all been slated before we do a first reading and approval. There are many things only in a concept that both the developer has indicated that he doesn't like certain portions, that it's ambiguous and not protective of his interest and there are certainly things that we as a city have said are ambiguous and not protective of our interest. Is there a reason that we have to do this tonight?

Substitute Motion

MORTON/O'CONNELL: TO COME BACK FOR A FIRST READING AT THE NEXT CITY COUNCIL MEETING. 3-2(Amadeo, Delgado)-0 Motion Passes

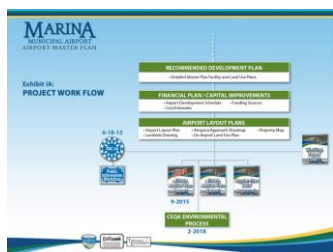
BROWN/AMADEO: TO CONTINUE THIS PUBLIC HEARING. 5-0-0-0 Motion Passes

- b. City Council open public hearing and consider Planning Commission Recommendation to adopt **Resolution No. 2018-62**, approving the Mitigated Negative Declaration for Environmental Impact for the Marina Municipal Airport Master Plan Update; **Resolution No. 2018-63**, approving the Marina Municipal Airport Master Plan Update; and, **Resolution No. 2018-64**, finding the Marina Municipal Airport Master Plan Update Consistent with the Fort Ord Base Reuse Plan.

Jeff Crechriou, Airport Services Manager – provided background information on the Airport Master Plan. Airport Master Plan sets forth a plan of facilities as well as land use concepts that will support the economic development of the airport and of the growing aviation demand in the region.

Patrick Taylor, Coffman & Associates

PURPOSE OF AIRPORT MASTER PLAN = To have a current and FAA approved Airport Layout Plan on record to remain eligible for FAA development grants; To provide a long-term (20-year) plan for airport development; To maximize the economic development benefit of the Airport to the city and the region; To address any local changes in aviation such as the increase in activity by business jets; To reserve adequate land for aviation and non-aviation revenue producing needs.



Recommended Concept

Capital Improvement Plan



Exhibit IA: CAPITAL IMPROVEMENT PROGRAM - TOTAL COST

PROJECT DESCRIPTION	PROJECT COST	FAA ELIGIBLE	TOTAL LOCAL
TOTAL SHORT TERM PROGRAM	\$4,776,000	\$4,228,000	\$548,000
TOTAL MEDIUM TERM PROGRAM	\$1,710,000	\$1,610,000	\$100,000
TOTAL LONG TERM PROGRAM	\$16,156,000	\$9,653,368	\$6,502,632
TOTAL PROGRAM COSTS (Rounded to nearest \$1,000)	\$22,642,000	\$17,491,368	\$5,150,632

- Each FAA grant must be approved by City Council.
- City Council can pursue projects on their own without FAA funds.
- Airport receives up to \$150,000 annually.
- FAA discretionary funds will be needed for many projects.
- Additional NEPA/CEQA environmental documentation will be needed on certain projects.

CEQA Environmental Process: Coordination with five Native American tribes – October 25, 2016. No responses were received; Meeting with Ford Ord Reuse Authority – December 7, 2016; Coordination with United States Fish and Wildlife and California Department of Fish and Wildlife – April 2017 – September 2017; Public Review of Draft Initial Study and Mitigated Negative Declaration – November 20, 2017 – December 22, 2017. Two comment letters received (*California Department of Transportation (December 20, 2017): Provided information regarding encroachment permits, development impact fees, and environmental review for future projects & Monterey Bay Air Resources District (December 22, 2017): Provided updates on information contained in the Air Quality section of the Initial Study.*)

Mitigation Measures

BIOLOGICAL RESOURCES - Impact: Future Impacts to Special-Status Species and Sensitive Natural Communities = *BIO/mm-1: Prior to the approval of future Master Plan-recommended projects, the City/Airport shall consult with all appropriate regulatory agencies to gain concurrence on necessary project-specific mitigation. This concurrence could take the form of compliance with an approved Fort Ord Habitat Conservation Plan (HCP) or an individual take permit for species or actions not covered by an HCP.*

Impact: Future Conflicts with an Adopted Habitat Conservation Plan = *BIO/mm-2: All Airport Master Plan exhibits shall be revised to show the revised Habitat Replacement Area (based on Exhibit 17) prior to adoption of the Final Airport Master Plan. At the time that approval of a westerly runway extension occurs, an official recording of the new area must occur between the City and the Fort Ord Reuse Agency (FORA), in whatever form is required by FORA.*

CULTURAL RESOURCES - Impact: Future Potential Impacts to Historic, Archaeological, Paleontological, or Human Remains = *CR/mm-1: The following recommendations to avoid and/or minimize impacts to historic, archaeological, paleontological, or other cultural resources shall be implemented for proposed Master Plan projects, as necessary, based on future project-specific analysis.*

See Mitigation Monitoring and Reporting Program for details regarding the following topics: Records Search; Cultural Resources Assessment; Cultural Resources Technical Report; Avoidance; Previously Undiscovered Resources; Previously Undiscovered Human Remains

GEOLOGY AND SOILS - Impact: Future Potential Impacts Related to Earthquakes, Seismic Ground shaking or Ground Failure and Unstable Soils = *GEO/mm-1: The following state and local regulations and policies shall be required as mitigation for future development at the Airport.*

See Mitigation Monitoring and Reporting Program for details regarding the following topics: Site-specific stormwater pollution prevention plans (SWPPPs); Erosion-control and landscape plans; Geotechnical report recommendations.

HAZARDS AND HAZARDOUS MATERIALS - Impact: Future Potential Impacts Related to Hazardous Materials Sites = *HAZ/mm-1: If additional hazardous materials are discovered within Airport construction areas, measures shall be taken to investigate and correct any problems as soon as possible after discovery, in accordance with all applicable regulations.*

Impact: Future Potential Impacts Related to Adopted Emergency Plans = *HAZ/mm-2: The City shall review its emergency response and evacuation plan, as it relates to the Airport, on an annual basis, and update as necessary to account for additional airport development or changes in operations.*

HYDROLOGY AND WATER QUALITY - Impact: Future Potential Hydrologic and/or Water Quality Impacts = *HYD/mm-1: When applicable, and prior to construction, the contractor shall be responsible for obtaining a General Construction permit from the Central Coast Regional Water Quality Control Board (RWQCB). As part of this process, a project-specific construction SWPPP shall be prepared and all approved best management practices (BMPs) shall be implemented throughout the construction process.*

HYD/mm-2: When applicable, and during project design, pre-construction and post-construction runoff rates shall be determined and drainage improvements shall be incorporated into project design, as necessary, to meet the Central Coast RWQCB requirements. If necessary, a storm water management plan shall be developed to retain the runoff for an 85th percentile storm, in compliance with Resolution R3-2013-0032, Post-Construction Requirements for Development in the Central Coast Region.

HYD/mm-3: The adequacy of onsite drainage facilities to convey runoff from a 10-year frequency storm at minimum shall be determined through the preparation of storm drainage reports and plans, approved by the City Public Works Director, per City General Plan Policy 3.57.

TRANSPORTATION/CIRCULATION - Impact: Future Cumulative Impacts Related to City Level of Service Thresholds = *TR/mm-1: Future development projects at the Airport shall comply with all City traffic policies, including the payment of traffic mitigation fees towards needed street or intersection improvements, when applicable.*

UTILITIES AND SERVICE SYSTEMS - Impact: Future Potential Impacts Related to New Storm Water Drainage Facilities = *U/mm-1: The City's NPDES/RWQCB permit and permit conditions shall be implemented whenever a project affecting drainage or the amount of impervious surface at the Airport is undertaken in keeping with the Clean Water Act and the Central Coast RWQCB regulations.*

Impact: Future Potential Impacts Related to Water Supply = *U/mm-2: All future airport development creating additional demand for potable water shall occur in keeping with the Airport's designated water allocation for that portion of former Fort Ord within the City.*

WHERE WE ARE - FAA approved the Aviation Forecasts; FAA approved the Airport Layout Plan (ALP); Airport representative and FAA have signed the ALP; Initial Study and Mitigated Negative Declaration are complete.

FINAL STEPS - City Council accepts/adopts the Mitigated Negative Declaration for the Airport Master Plan; City Council accepts/adopts the Airport Master Plan

Council Questions: Habitat Reserve area, is there a designated area to accommodate FORTAG specifically the bridge on Blanco Road and trail from the Salinas River back towards our city residential area; does approval of this preclude the fulfillment of FORTAG completion in this area; feasibility of moving airport boundary by 10 feet to the left; \$150,000 entitlement, where does this come from?

Mayor opened public hearing for public comments:

- Bob Wallis – Noted he was the first to bring jet airplanes to the Marina Airport as well as bring the large aircrafts. Congratulated everyone for spending the time and money over the years getting to this Airport Master Plan, which is a key element that having to agree to a relationship with the FAA about the development of the airport. Considering the potential of this airport for the advancement of this community it's truly a great moment. Saw that this airport has a potential to be a true gateway for this area four (4) years ago, it has more potential than the Monterey Airport because Monterey is land-locked and no longer has room for development. There are a lot of people in the corporate aviation community who are talking about this and all this airport needs to do is to extend the infrastructure. Operate his gulfstream in here and does it effectively but is weight-limited on how much fuel can put on board to take off on this length of runway. The process of getting a federal grant for this is a long process and cumbersome so tonight we would like to actually offer the city an opportunity to advance the process somewhat. Thinks a big factor towards development will be the development of a fixed-base operator to improve overall facilities to a true first-class level. This can be done here because the infrastructure left by the army, although needing some update, is better than most airports this size.
- Kevin Dare, Rutherford Investments – As a real estate and development company we look at opportunities and we are very excited about this Master Plan that you have been working on over the years. We see its clear amount of effort and time and we fully support this plan. Thinks it's a great opportunity for this community, very special, very unique. We see the airport as an absolute amenity to the community and something that when the Master Plan is fully built out it's going to be a huge job creator and a great income generator for the city as well as a regional drawl. We have worked with other cities and communities and helped develop master plans and funded these plans and helped build them out to bring its real equality and over the past few months, recently we met with the Layne and Jeff and we are actually partnering with Bob because we see this as a special opportunity. Our desire is, seeing the opportunity to be built out fully and I think that's a big deal and we welcome the opportunity to be part of this effort and to be part of collaborating with the community, staff, consultants to build this airport out to its full potential.

Mayor Delgado closed public hearing.

DELGADO/BROWN: RESOLUTION NO. 2018-62, APPROVING THE MITIGATED NEGATIVE DECLARATION FOR ENVIRONMENTAL IMPACT FOR THE MARINA MUNICIPAL AIRPORT MASTER PLAN UPDATE. 5-0-0-0 Motion Passes

DELGADO/BROWN: RESOLUTION NO. 2018-63, APPROVING THE MARINA MUNICIPAL AIRPORT MASTER PLAN UPDATE. 5-0-0-0 Motion Passes

DELGADO/BROWN: RESOLUTION NO. 2018-64, FINDING THE MARINA MUNICIPAL AIRPORT MASTER PLAN UPDATE CONSISTENT WITH THE FORT ORD BASE REUSE PLAN. 5-0-0-0 Motion Passes

9:50 PM

Amadeo/Delgado: to continue the meeting to completion of agenda item 11a. 2-3(Morton, O’Connell, Brown)-0 Motion Fails

Delgado/Brown: to continue meeting to 10:15 pm. 3-1(O’Connell)-0 Motion Passes

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, Successor Agency to Marina Redevelopment Agency Board, Abrams B NPC Board, Preston Park Sustainable Community NPC Board, and Airport Commission: consider adopting **Resolution No. 2018-65, 2018-04 (S/A MRA), 2018-04 (NPC), 2018-04 (PPSC-NPC) and 2018-02 (MAC)** adopting Fiscal Year 2018-19 Budget, establishing procedures for amending budget, and authorizing the Finance Director to make necessary accounting and budgetary entries; and consider adopting **Resolution No. 2018-66, 2018-05 (S/A MRA), 2018-05 (NPC), 2018-05 (PPSC-NPC) and 2018-03 (MAC)** authorizing Finance Director to make certain post year-end accounting adjustments to FY 2017-18 and FY 2018-19 Budgets; and consider adopting **Resolution No. 2018-67**, establishing position classifications and pay rates for Payroll Technician, Assistant/Associate Planner and GIS Coordinator.

Lauren Lai, Finance Director summarized staff report

May 8th – *FY18/19 Proposed Budget Overview, Citizen Initiatives, Council & Public Discussions*

May 22nd – *Additional information, Council & Public Discussion*

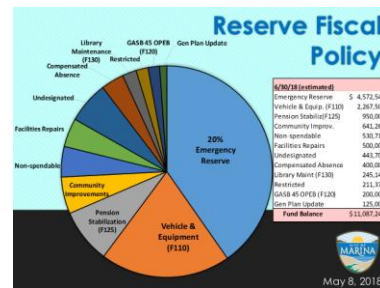
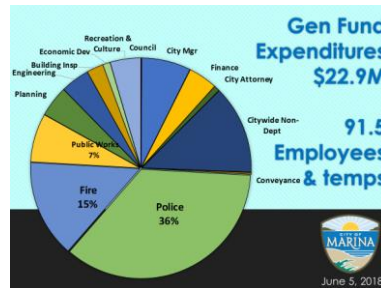
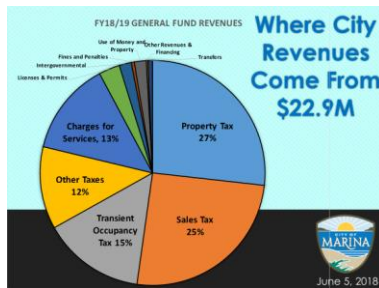
June 5th – *Consider adopting FY18/19 budget, Year-end Budget Procedures and Position Classifications & Pay Rates*

FY18-19 Priorities = City Service Level, Pavement maintenance, Public Safety (*vehicle, equipment, police officer (1/2 SRO)*), Economic development, City land use, planning and connectivity, Ground water protection, Council reserve policies

Combined General Fund -Fund Balance \$11.4M (6/30/19 est)

Funds	Estimated Beginning Fund Bal.	FY18/19 Revenues	FY18/19 Expenditures	Change in Fund Balance	Estimated Ending Fund Bal.
100 General Fund	9,309,825	22,937,714	22,937,714	-	9,309,825
110 Vehicle and Equipment	1,627,500	640,000	-	640,000	2,267,500
120 GASB 45 OPEB	200,000	-	-	-	200,000
125 Pension Stabilization Fund	300,000	650,000	-	650,000	950,000
130 Library Maintenance	295,143	-	50,000	(50,000)	245,143
140 Marina Technology Cluster	-	-	-	-	-
150 Development Activity	(1,585,228)	-	-	-	(1,585,228)
Combined General Fund	10,147,240	24,227,714	22,987,714	1,240,000	11,387,240

Revenue & Expense @ \$24.2M/yr; +\$640k to Vehicle Fund; +\$650k to Pension Stabilization



Other City Funds

Funds	Estimated Beginning Fund Bal.	FY18/19 Revenues	FY18/19 Expenditures	Change in Fund Balance	Adj (non-cash)	Estimated Ending Fund Bal.
Special Revenue Funds	10,447,449	5,848,421	2,509,913	3,338,508	-	13,785,957
Assessment District Funds	264,688	208,858	53,148	155,710	-	420,398
Debt Service Funds	855,953	1,204,517	1,198,524	5,993	-	861,946
Capital Projects Funds	5,516,380	3,862,809	4,427,809	(565,000)	-	4,951,380
Enterprise Funds (cash balances) *	1,536,004	11,083,600	12,328,724	(1,245,124)	1,363,960	1,654,840
Other City Funds	18,620,474	22,208,205	20,518,118	1,690,087	1,363,960	21,674,521
Successor Agency	1,238,044	1,495,200	2,154,124	(658,924)	-	579,120

* Enterprise Fund - \$1.4M non-cash adjustments such as depreciation expense.

25 other funds, Other Funds ~ \$22M revenues, Successor Agency Funds ~ \$1.5M revenues

Council Questions: Meeting some of our higher priority and more expensive unmet needs it will require millions that we don't have, you mentioned the citizens initiatives as one tool, for those to be successful and for our budget and unmet needs to be met I think it would be helpful to understand where Measures E&F and M&N where that money went. Where are we in understanding where that \$15-20 million has gone at this point in the process; do you have an estimate of where the major directions that that money has gone; brief conclusion of the definition of a Balanced Budget; is a fire vehicle purchase considered a reoccurring purchase; at the last budget meeting the motion included information relating to an assistant airport service manager and the expense of the same, have we been able to run the numbers as to how much that would be coming out of the enterprise fund; would there a be problem if we were to make part of the motion giving you authority to hire if it appears appropriate to do so; page 205, combined general fund, revenue coming in for \$22.9 million and below that it have revenue of \$640,000-\$650,000-where does this revenue come from; how can you have them as revenue on page 205, which tends to make you believe that we have \$24,227,714 million in revenue from all the general fund but on page 220 you're coming out with saying it an expenditure?

BROWN/AMADEO: TO APPROVE RESOLUTION NO. 2018-65, 2018-04 (S/A MRA), 2018-04 (NPC), 2018-04 (PPSC-NPC) AND 2018-02 (MAC) ADOPTING FISCAL YEAR 2018-19 BUDGET, ESTABLISHING PROCEDURES FOR AMENDING BUDGET, AND AUTHORIZING THE FINANCE DIRECTOR TO MAKE NECESSARY ACCOUNTING AND BUDGETARY ENTRIES. 4-1(O'Connell)-0-0 Motion Passes

BROWN/AMADEO: TO APPROVE RESOLUTION NO. 2018-66, 2018-05 (S/A MRA), 2018-05 (NPC), 2018-05 (PPSC-NPC) AND 2018-03 (MAC) AUTHORIZING FINANCE DIRECTOR TO MAKE CERTAIN POST YEAR-END ACCOUNTING ADJUSTMENTS TO FY 2017-18 AND FY 2018-19 BUDGETS. 5-0-0-0 Motion Passes

BROWN/AMADEO: TO APPROVE RESOLUTION NO. 2018-67, ESTABLISHING POSITION CLASSIFICATIONS AND PAY RATES FOR PAYROLL TECHNICIAN, ASSISTANT/ASSOCIATE PLANNER AND GIS COORDINATOR. 5-0-0-0 Motion Passes

12. COUNCIL & STAFF INFORMATIONAL REPORTS:
 - a. Monterey County Mayor's Association [Mayor Bruce Delgado]
 - 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 10:20 PM

Anita Sharp, Deputy City Clerk

ATTEST:

Bruce C. Delgado, Mayor