

**SANTA ROSA CITY COUNCIL MINUTES
REGULAR MEETING
CITY HALL, 100 SANTA ROSA AVENUE
AUGUST 2, 2016**

1. CALL TO ORDER AND ROLL CALL

Mayor Sawyer called the meeting to order at 4:00 p.m. Council Members present: Mayor Sawyer, Vice Mayor Schwedhelm, Council Members Combs, Coursey, Olivares, and Wysocky. Council Member Carlstrom was absent.

2. ANNOUNCEMENT OF CLOSED SESSION ITEMS – NONE.

3. STUDY SESSION – NONE.

4. ANNOUNCEMENT OF ROLL CALL

5. REPORT, IF ANY, ON STUDY AND CLOSED SESSIONS – NONE.

6. PROCLAMATIONS/PRESENTATIONS – NONE.

7. STAFF BRIEFINGS – NONE.

8. CITY MANAGER'S/CITY ATTORNEY'S REPORTS

City Manager McGlynn reported on Courthouse Square progression and street closures.

9. STATEMENTS OF ABSTENTION BY COUNCILMEMBERS

Mayor Sawyer announced he will be abstaining from Item 12.6.

10. MAYOR'S/COUNCILMEMBERS' REPORTS

The Mayor and Council Members made announcements and reports of interest to the Council.

10.1 MAYOR'S/COUNCILMEMBERS' SUBCOMMITTEE AND LIAISON REPORTS (AND POSSIBLE COUNCIL DIRECTION TO BOARD REPRESENTATIVE ON PENDING ISSUES, IF NEEDED)

10.1.1 Council Subcommittee Reports – Council Members Coursey and Wysocky provided a brief report on the Downtown Subcommittee.

10.1.2 Sonoma County Transportation Authority/Regional Climate Protection Authority (SCTA/RCPA) – None.

10.1.3 Sonoma County Water Agency (SCWA) – None.

10.1.4 Association of Bay Area Governments (ABAG) – None.

10.1.5 Sonoma County Agricultural Preservation and Open Space District Advisory Committee– None.

10.1.6 Sonoma Clean Power Authority (SCPA) – None.

10.1.7 Sonoma County Waste Management Agency (SCWMA) – None.

10.1.8 Other – None.

11. APPROVAL OF MINUTES

11.1 July 12, 2016, Regular Meeting

Approved as submitted with Council Member Combs abstaining and Council Member Carlstrom absent.

12. CONSENT ITEMS

Marlina Martarano spoke on Item 12.6.

Mayor Sawyer recused himself from the meeting at 4:18 p.m.

Mayor Sawyer returned to the meeting at 4:28 p.m.

MOVED by Vice Mayor Schwedhelm, seconded by Council Member Olivares, and **CARRIED** 6-0-1 (Mayor Sawyer, Vice Mayor Schwedhelm, Council Members Combs, Coursey, Olivares, Wysocky voting yes; Council Member Carlstrom absent) to waive reading of the text and adopt Consent Items 12.1 through 12.5 as follows:

12.1 MOTION - REQUEST AUTHORIZATION TO SUBMIT GRANT APPLICATION FOR HIGHWAY SAFETY IMPROVEMENT PROGRAM (HSIP) CYCLE 8 GRANT (This item was continued from the July 26, 2016, Regular Meeting)

MOTION TO AUTHORIZE THE DIRECTOR OF TRANSPORTATION AND PUBLIC WORKS TO SUBMIT A GRANT APPLICATION TO THE STATE OF CALIFORNIA FOR THE HIGHWAY SAFETY IMPROVEMENT PROGRAM CYCLE 8 IN THE AMOUNT OF \$994,400 TO INSTALL FLASHING YELLOW TURN ARROW SIGNALS THROUGHOUT THE CITY.

12.2 RESOLUTION - FIRST AMENDMENT TO PROFESSIONAL SERVICE AGREEMENT - TRINITY ADJUSTORS, INC. DBA RISK MANAGEMENT SERVICES, A CALIFORNIA CORPORATION

RESOLUTION NO. 28830 ENTITLED: RESOLUTION OF THE COUNCIL OF THE CITY OF SANTA ROSA APPROVING A FIRST AMENDMENT TO THE PROFESSIONAL SERVICE AGREEMENT – TRINITY ADJUSTORS, INC. DBA RISK MANAGEMENT SERVICES, A CALIFORNIA CORPORATION IN THE AMOUNT OF \$80,000 FOR THE PURPOSE OF CLAIMS ADMINISTRATION SERVICES

12.3 RESOLUTION - SUBORDINATION AGREEMENT, ADMINISTRATION AND OVERSIGHT AGREEMENT, AND AMENDMENT TO SUPPLEMENTAL REGULATORY AGREEMENT - LEISURE PARK, A MOBILEHOME PARK LOCATED AT 2185 OCCIDENTAL ROAD

RESOLUTION NO. 28831 ENTITLED: RESOLUTION OF THE COUNCIL OF THE CITY OF SANTA ROSA, APPROVING, AUTHORIZING, AND DIRECTING EXECUTION OF A SUBORDINATION AGREEMENT, AN UPDATED ADMINISTRATION AND OVERSIGHT AGREEMENT AND AN AMENDMENT TO THE SUPPLEMENTAL REGULATORY AGREEMENT RELATING TO THE LEISURE PARK, A MOBILEHOME PARK, LOCATED AT 2185 OCCIDENTAL ROAD

12.4 RESOLUTION - CITY OF SANTA ROSA AND OAKMONT VILLAGE ASSOCIATION AGREEMENT (This item was continued from the July 26, 2016, Regular Meeting)

RESOLUTION NO. 28832 ENTITLED: RESOLUTION OF THE COUNCIL OF THE CITY OF SANTA ROSA APPROVING AN AGREEMENT BETWEEN SANTA ROSA CITYBUS

TO PROVIDE DEVIATED FIXED ROUTE BUS SERVICES FOR THE OAKMONT COMMUNITY AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE AGREEMENT AND APPROVE EXTENSIONS AND AMENDMENTS THERETO

- 12.5 RESOLUTION - ACCEPTANCE OF THE 2016 EDWARD BYRNE MEMORIAL JUSTICE ASSISTANCE GRANT** (This item was continued from the July 26, 2016, Regular Meeting)

RESOLUTION NO. 28833 ENTITLED: RESOLUTION OF THE COUNCIL OF THE CITY OF SANTA ROSA AUTHORIZING THE CITY MANAGER TO EXECUTE THE 2016 EDWARD BYRNE MEMORIAL JUSTICE ASSISTANCE GRANT PROGRAM AWARD AGREEMENT IN AN AMOUNT NOT TO EXCEED \$48,367 AND AUTHORIZING THE CHIEF FINANCIAL OFFICER TO RECOGNIZE THE REVENUE AND INCREASE EXPENDITURE APPROPRIATIONS BY THE APPROVED GRANT AMOUNT

- 12.6 ORDINANCE ADOPTION - AN ORDINANCE OF THE COUNCIL OF THE CITY OF SANTA ROSA REQUIRING JUST CAUSE FOR TENANT EVICTIONS IN THE CITY OF SANTA ROSA** (This item was continued from the July 26, 2016, Regular Meeting)

MOVED by Council Member Coursey, seconded by Council Member Combs, and **FAILED** 3-2-1-1 (Council Members Combs, Coursey, Wysocky voting yes; Vice Mayor Schwedhelm and Council Member Olivares voting no; Mayor Sawyer abstained/recused and Council Member Carlstrom absent):

ORDINANCE ENTITLED: AN ORDINANCE OF THE COUNCIL OF THE CITY OF SANTA ROSA REQUIRING JUST CAUSE FOR TENANT EVICTIONS IN THE CITY OF SANTA ROSA

MOVED by Council Member Combs, seconded by Council Member Coursey, and **CARRIED** 5-0-1-1 (Vice Mayor Schwedhelm, Council Members Combs, Coursey, Olivares, Wysocky voting yes; Mayor Sawyer abstained/recused and Council Member Carlstrom absent) to reconsider this item to the August 16, 2016 Regular Meeting.

The time not yet being 5:00 p.m., Mayor Sawyer took Report Item 14.1 before Item 13 – Public Comment on Non-Agenda Matters.

Council Member Carlstrom arrived at 4:32 p.m.

14. REPORT ITEMS

- 14.1 REPORT - ORDINANCE INTRODUCTION - APPROVING ORDINANCE(S) TO (1) AMEND MEASURE O (ADOPTED BY CITY VOTERS AT THE NOVEMBER 2004 ELECTION) TO CHANGE THE LEVEL OF FUNDING REQUIRED TO BE DEDICATED FOR CERTAIN PUBLIC SAFETY PURPOSES, AND (2) AMEND MEASURE P (ADOPTED BY CITY VOTERS AT THE NOVEMBER 2010 ELECTION) TO EXTEND, FOR EIGHT YEARS, A ¼-CENT GENERAL TRANSACTION AND USE TAX**

BACKGROUND: On July 19, 2016, the City Council provided direction on the ballot measure(s) it wishes to present to the voters on November 8, 2016 that would amend Measures O and P. The City Attorney has drafted proposed amendments to Measures O and P. Before submitting those proposed amendments to the voters, the Council must approve those amendments by way or ordinance. In addition, on July 19, 2016, the Council directed staff to complete additional research and analysis of the community

sentiment based on changed ballot language and possibly combining the two tax measure amendments into one measure.

Under state law, the proposed amendment to Measure P to extend the expiration date of the ¼ cent sales tax requires approval by five Councilmembers. The proposed amendment to Measure O to adjust the annual public safety spending level requirements established in that measure requires approval by four Councilmembers. In the event the Council chooses to combine these amendments into a single ordinance, that ordinance would require the approval of five Councilmembers to meet the state law requirement for that portion of the combined ordinance approving an extension of the Measure P sales tax.

RECOMMENDATION: It is recommended by the City Manager and the Finance Department that the Council (1) receive the results from additional polling recently conducted by Fairbank, Maslin, Maullin, Metz & Associates (FM3), Inc., and (2) approve on first reading one or more ordinances to amend (a) Measure O, to modify the baseline spending level for certain public safety purposes, and (b) Measure P, to extend for eight years the ¼ cent sales tax to generate revenues for the City's General Fund. Council approval of these ordinances is the first step for submitting those ordinances for approval by the voters at the November 8, 2016 election.

Presented by Curtis Below, FM3, Vice President and Chief Operating Officer and Randy Riddle, Acting Interim City Attorney.

PUBLIC COMMENT

Anne Seeley spoke in support of combining Ballot Measures O and P.

Duane Dewitt spoke in support of Measure O and opposition of Measure P.

Mark Pedroia, Senior Fire Inspector, spoke in support of Ballot Measures O and P.

MOVED by Council Member Coursey, seconded by Council Member Wysocky, and **FAILED** 3-4 (Council Members Combs, Coursey, Wysocky voting yes; Mayor Sawyer, Vice Mayor Schwedhelm, Council Members Carlstrom, Olivares voting no) to waive reading of the text and introduce:

ORDINANCE ENTITLED: ORDINANCE OF THE COUNCIL OF THE CITY OF SANTA ROSA (1) AMENDING SECTION 3-26.120 OF THE SANTA ROSA CITY CODE (ADDED AS PART OF MEASURE O ADOPTED BY CITY VOTERS AT THE NOVEMBER 2004 ELECTION) TO CHANGE THE LEVEL OF FUNDING REQUIRED TO BE DEDICATED FOR CERTAIN PUBLIC SAFETY PURPOSES, AND (2) AMENDING SECTION 3-27.130 OF THE SANTA ROSA CITY CODE (ADDED AS PART OF MEASURE P ADOPTED BY CITY VOTERS AT THE NOVEMBER 2010 ELECTION) TO EXTEND, FOR EIGHT YEARS, A ¼-CENT GENERAL TRANSACTION AND USE TAX

MOVED by Council Member Carlstrom, seconded by Council Member Olivares, and **CARRIED** 7-0 unanimously to waive reading of the text and introduce:

ORDINANCE ENTITLED: ORDINANCE OF THE CITY OF SANTA ROSA AMENDING SECTION 3-26.120 OF THE SANTA ROSA CITY CODE (ADDED AS PART OF MEASURE O ADOPTED BY CITY VOTERS AT THE NOVEMBER 2004 ELECTION) TO CHANGE THE LEVEL OF FUNDING REQUIRED TO BE DEDICATED FOR CERTAIN PUBLIC SAFETY PURPOSES

MOVED by Council Member Carlstrom, seconded by Council Member Olivares, and **CARRIED** 5-2 (Mayor Sawyer, Vice Mayor Schwedhelm, Council Members Carlstrom, Coursey, Olivares voting yes; Council Members Combs and Wysocky voting no) to waive reading of the text and introduce:

ORDINANCE ENTITLED: ORDINANCE OF THE CITY OF SANTA ROSA AMENDING SECTION 3-27.130 OF THE SANTA ROSA CITY CODE (ADDED AS PART OF MEASURE P ADOPTED BY CITY VOTERS AT THE NOVEMBER 2010 ELECTION) TO EXTEND, FOR EIGHT YEARS, A ¼-CENT GENERAL TRANSACTION AND USE TAX

Council Member Carlstrom announced she would leave the meeting at 5:57 p.m.

Mayor Sawyer recessed the meeting at 5:57 p.m. and reconvened at 6:08 p.m. All Council Members were present with the exception of Council Member Carlstrom.

13. PUBLIC COMMENT ON NON-AGENDA MATTERS

Gregory Fraron spoke on City Hall parking.

Elizabeth Neylon spoke on various issues.

14.2 REPORT - 2016 CERTIFICATES OF PARTICIPATION (COURTHOUSE SQUARE PROJECT AND 2007 LEASE REFINANCING) (This item was continued from the July 26, 2016, Regular Meeting)

BACKGROUND: The Finance Department requires approval of the documents affiliated with the 2016 Certificates of Participation (Courthouse Square Project and 2007 Lease Refinancing), subject to the completion of each document once certain facts are known (e.g., the identity of leased asset; interest rates and principal amounts determined at the time of the bond sale). The resolution authorizes the Finance Department to execute and deliver the documents with such changes, insertions and omissions as it deems necessary. The proposed resolution would also rescind temporary appropriations of \$4,533,752 previously authorized with Resolution No. 27882.

RECOMMENDATION: It is recommended by the Finance Department that the Council, by resolution, approve the forms of the Preliminary Official Statement which includes as an exhibit the Continuing Disclosure Certificate, Site and Facilities Lease, Lease Agreement, Trust Agreement, Escrow Deposit and Trust Agreement and Certificate Purchase Agreement in connection with the execution and delivery of 2016 Certificates of Participation (Courthouse Square Project and 2007 Lease Refinancing) (the "2016 COPs") in order to (1) finance a portion of the costs of the Courthouse Square Reunification Project costs, (2) refinance the City's outstanding Certificates of Participation (Building Acquisition Project) (the "2007 COPs") for debt service savings, (3) approve the appointment of bond counsel/disclosure counsel and financial advisor for this financing, (4) rescind appropriation of \$4,533,752 from the General Fund unassigned fund balance as authorized in Resolution No. 27882, (5) appropriate \$4,200,000 from debt proceeds into the Courthouse Square Reunification Project, and (6) direct repayment of any funds already expended as authorized under Resolution No. 28790.

Presented by Alan Alton, Deputy Director of Finance.

PUBLIC COMMENT

Shelly Brownine spoke on the design of the Courthouse Square Project.

MOVED by Council Member Wysocky, seconded by Council Member Olivares, and **CARRIED** 6-0-1 (Mayor Sawyer, Vice Mayor Schwedhelm, Council Members Combs, Coursey, Olivares, Wysocky voting yes; Council Member Carlstrom absent) to waive reading of the text and adopt:

RESOLUTION NO. 28834 ENTITLED: RESOLUTION OF THE COUNCIL OF THE CITY OF SANTA ROSA AUTHORIZING THE EXECUTION, SALE AND DELIVERY OF CERTIFICATES OF PARTICIPATION, AUTHORIZING AND DIRECTING EXECUTION OF RELATED LEASE FINANCING DOCUMENTS, APPROVING A PURCHASE CONTRACT AND AN OFFICIAL STATEMENT, AND AUTHORIZING OFFICIAL ACTIONS

14.3 REPORT - ADOPTION OF A RESOLUTION OF INTENTION TO APPROVE AN AMENDMENT TO THE CITY OF SANTA ROSA'S CONTRACT WITH THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM AND INTRODUCE AN ORDINANCE TO AMEND THE CONTRACT

BACKGROUND: Beginning in 2013, the Council prioritized pension cost sharing by City employees in labor contracts. Through negotiations in 2013 and 2014 all City employees participating in CalPERS began cost sharing by paying additional percentages towards the overall retirement cost. Through Government Code Section 20516, employees elect to have their cost sharing become part of the City's contract with CalPERS through this amendment process. This is the third cost sharing amendment the City has undertaken.

RECOMMENDATION: It is recommended by the Human Resources Department that Council, by resolution and ordinance, adopt a resolution of intention to approve an amendment to the City of Santa Rosa's Contract with the California Public Employees' Retirement System (CalPERS) and introduce an ordinance to amend the contract.

Presented by Paul Carroll, Employee Relations Manager.

MOVED by Council Member Combs, seconded by Council Member Olivares, and **CARRIED** 6-0-1 (Mayor Sawyer, Vice Mayor Schwedhelm, Council Members Combs, Coursey, Olivares, Wysocky voting yes; Council Member Carlstrom absent) to waive reading of the text and adopt:

RESOLUTION NO. 28835 ENTITLED: RESOLUTION OF INTENTION TO APPROVE AN AMENDMENT TO CONTRACT BETWEEN THE BOARD OF ADMINISTRATION CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM AND THE CITY COUNCIL, CITY OF SANTA ROSA

MOVED by Council Member Combs, seconded by Council Member Olivares, and **CARRIED** 6-0-1 (Mayor Sawyer, Vice Mayor Schwedhelm, Council Members Combs, Coursey, Olivares, Wysocky voting yes; Council Member Carlstrom absent) to waive reading of the text and introduce:

ORDINANCE ENTITLED: ORDINANCE OF THE COUNCIL OF THE CITY OF SANTA ROSA AUTHORIZING AN AMENDMENT TO THE CONTRACT BETWEEN THE COUNCIL OF THE CITY OF SANTA ROSA AND THE BOARD OF ADMINISTRATION OF THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

14.4 REPORT - ZONING CODE INTERPRETATION TO ALLOW MEDICAL CANNABIS SUPPORT USES (NON-VOLATILE MANUFACTURING, TESTING, DISTRIBUTOR, AND TRANSPORTER)

BACKGROUND: The 2016 City Council Goal Setting Workshop established five priorities to better focus staff efforts towards achieving established City Council Goals. One of the “Tier 1” priorities is to “Pursue current opportunities for medical marijuana cannabis cultivation, lab testing, and employment development. Prepare for the impacts of prospective legalized recreational marijuana law in California.”

In response to the City Council's goals and the state's adoption of the Medical Marijuana Regulation and Safety Act (MMRSA), the Council has asserted its interest in retaining local authority over medical cannabis operations. On January 19, 2016, the Council initiated a comprehensive policy effort to support and provide direction on all aspects of the medical cannabis industry, including cultivation, sale, distribution, testing, transportation, manufacturing and taxation. In January 2016, the Council reconvened its Medical Cannabis Policy Subcommittee, which meets monthly. On February 23, 2016, the Council adopted an interim zoning ordinance allowing commercial cultivation of medical cannabis with a conditional use permit (City Code Chapter 20-46). The City is currently processing three use permit applications associated with commercial cultivation. In addition, the City continues to support medical cannabis dispensaries through previously approved regulations (City Code Chapter 10-40).

On May 26, 2016, the Subcommittee directed staff to seek Council support for a Draft Zoning Code Interpretation as an additional interim measure. The Interpretation addresses the manufacturing (non-volatile), testing, distribution, and transportation of medical cannabis.

In addition, staff is seeking direction to develop a permit compliance program to help existing medical cannabis related businesses currently in operation within the City of Santa Rosa achieve code compliance.

RECOMMENDATION: It is recommended by the City Council's Medical Cannabis Policy Subcommittee, the Medical Cannabis Technical Advisory Committee, and the Planning & Economic Development Department, that the Council, by motion, 1) direct the Zoning Administrator to issue a Zoning Code Interpretation to allow medical cannabis support uses, specifically non-volatile manufacturing, testing, distributor, and transporter; and 2) direct staff to bring back a proposal for a permit compliance program for existing medical cannabis related businesses.

Presented by Clare Harman, Deputy Director of Planning.

PUBLIC COMMENT

Debra Tsouprake spoke on zoning code regulations.

Shelly Brownine spoke on support to zoning code.

MOVED by Council Member Olivares, seconded by Council Member Combs, and **CARRIED** 6-0-1 (Mayor Sawyer, Vice Mayor Schwedhelm, Council Members Combs, Coursey, Olivares, Wysocky voting yes; Council Member Carlstrom absent) to: 1) direct the Zoning Administrator to issue a Zoning Code Interpretation to allow medical cannabis support uses, specifically non-volatile manufacturing, testing, distributor, and transporter; and 2) direct staff to bring back a proposal for a permit compliance program for existing medical cannabis related businesses.

15. PUBLIC HEARINGS – NONE.

16. WRITTEN COMMUNICATIONS – NONE.

17. **PUBLIC COMMENTS ON NON-AGENDA MATTERS – NONE.**
18. **ANNOUNCEMENT OF CONTINUED CLOSED SESSION ITEMS, RECESS TO CLOSED SESSION IN THE MAYOR’S CONFERENCE ROOM, RECONVENE TO OPEN SESSION, AND ANNOUNCEMENTS – NONE.**
19. **ADJOURNMENT OF MEETING**

Hearing no further business, Mayor Sawyer adjourned the meeting at 7:58 p.m. The next regularly scheduled meeting will take place on August 9, 2016, at a time to be set by the Mayor.

Approved on: September 20, 2016

/s/ Daisy Gomez, City Clerk