

MINUTES

CALISTOGA CITY COUNCIL REGULAR MEETING

Tuesday, June 16, 2020 - 6:00 PM
Calistoga Community Center
1307 Washington Street, Calistoga, CA 94515

A. CALL TO ORDER – ROLL CALL – SALUTE TO THE FLAG

Mayor Canning called the regular meeting to order at 6:02 p.m.

Present: Councilmembers Gary Kraus, Irais Lopez-Ortega, and Donald Williams; Vice Mayor Michael Dunsford and Mayor Chris Canning

Absent: None

B. ADOPTION OF MEETING AGENDA

It was **MOVED** by Councilmember Kraus and **SECONDED** by Vice Mayor Dunsford to adopt the meeting agenda.

The motion carried by the following vote:

AYES: Councilmembers Kraus, Lopez-Ortega, and Williams, Vice Mayor Dunsford and Mayor Canning

NOES: None

ABSTAIN: None

ABSENT: None

C. CITY MANAGER'S REPORT

City Manager Michael Kim provided updates on the COVID-19 response and public projects.

D. ORAL COMMUNICATION ON CONSENT ITEMS OR NON-AGENDA ITEMS

Charlotte Williams recited several food delivery options available in Calistoga.

William Utnehmer, Richard Hofmeister, and their team introduced themselves and stated they are interested in submitting an application for an affordable housing or workforce housing project for a property on the south end of town on Foothill Boulevard. A printed presentation was offered to Council, a copy of which is available in the City Clerk's Office.

Mayor Canning confirmed the City had not yet received an application from the speakers.

City Clerk Rose Granucci read a comment received electronically from Jim Wilson requesting the Council consider placing a "Health and Climate Resilience Initiative" on the November ballot to raise revenue and reduce carbon emissions by raising the utility tax on large commercial polluters.

E. CONSENT CALENDAR

1. Adopted **Resolution 2020-045** a resolution accepting the donation of a new Type 3 Brush Truck for the Calistoga Fire Department from the Calistoga Firefighters Association.
2. Adopted **Resolution 2020-046** declaring the 1998 WestMark Type 3 Brush Truck surplus and authorizing the City Manager to dispose of said property.
3. Adopted **Resolution 2020-047** authorizing submittal of a Local Early Action Planning (LEAP) grant application and the execution of necessary documents and agreements.
4. Adopted **Resolution 2020-048** authorizing the City Manager to execute a professional services agreement with AECOM for planning, environmental and preliminary engineering services for the Dunaweal Pump Station Replacement Project in an amount not to exceed \$670,000 and subject to approval of budget item 12-5586-4905-4915 within the proposed FY 2020 21 CIP Budget.
5. Adopted **Resolution 2020-049** authorizing the City Manager to execute a no-cost one-year service agreement, with the option to extend for two additional years at a cost not to exceed \$3,750 per fiscal year, with NetFile for electronic filing and administration of Fair Political Practice Campaign (FPPC) Statement of Economic Interest (Form 700) and Campaign Statements.
6. Adopted **Resolution 2020-050** authorizing the City Manager to execute a contract in the amount not to exceed \$15,000 to Calistoga Tribune for publication of legal notices for Fiscal Year 2020-21.
7. Adopted **Resolution 2020-051** adopting the Statement of Investment Policy for Fiscal Year 2020-21.
8. Adopted **Resolution 2020-052** approving Operating and Capital Improvement Budget adjustments for Fiscal Year 2019-20.

It was MOVED by Vice Mayor Dunsford and SECONDED by Councilmember Williams to approve the Consent Calendar.

With respect to Item 1 on the Consent Calendar, Councilmember Kraus acknowledged the momentous donation being made to the City, he invited Fire Chief Campbell to provide more information about the donation. Fire Chief Campbell stated one individual who was significantly impacted by the Tubbs Fire made a substantial donation of \$435,000 for the engine. Mayor Canning acknowledged the donation and the service the Association provides to the City and thanked the anonymous donor for the enormous contribution to the City.

Regarding Item 3 on the Consent Calendar, Councilmember Williams requested the "WHEREAS" on the proposed resolution speaking to RHNA needs be removed. Planning and Building Director Zach Tusinger explained the language is necessary for the grant application packet. Councilmember Kraus asked and confirmed with Director Tusinger that it

would not increase or decrease the RHNA numbers, that it is simply a resolution approving the submission of a grant application.

Regarding Item 5, Councilmember Williams asked and confirmed with City Clerk Kendall Rose Granucci, that sufficient training would be provided for current and future staff to use the NetFile program.

The motion carried by the following vote:

AYES: Councilmembers Kraus, Lopez-Ortega, and Williams, Vice Mayor Dunsford and Mayor Canning
NOES: None
ABSTAIN: None
ABSENT: None

F. PUBLIC HEARING

9. Consideration of the draft Fiscal Year 2020-21 Operating and Capital Improvement Budgets
Recommended Action: Provide direction to staff

Administrative Services Director Gloria Leon presented the staff report.

Mayor Canning acknowledged employee concessions and thanked staff for achieving a 17% reduction in labor costs. He asked and confirmed that Department Heads agreed to give up the same as other employee groups plus the car and technology allowance.

Councilmember Williams asked and confirmed the total employee package of 17% includes vacancies and the actual decrease to income for those working is 9.5%.

Mayor Canning asked and confirmed that if the quarterly review figures are exceeded the funds would be disbursed as 1/3 to employees and 2/3 to the General Fund, for example, \$500,000 would net about \$350,000 back to the General Fund and about \$165,000 in the COLA allocation.

Councilmember Williams asked and confirmed the review would only consider TOT tax and not sales tax. City Manager Mike Kirn explained TOT is the easiest to track because the numbers are updated monthly, he also confirmed any bailout money would be included in the restoration numbers.

Councilmember Kraus expressed gratitude to employees. He acknowledged employees have made concessions several times throughout their careers and yet they remain loyal to the organization.

Mayor Canning expressed satisfaction with the updates made to the proposed budget.

Mayor Canning opened the public comment period. Having no members of the public come forward, **Mayor Canning closed the public comment period.**

Mayor asked and confirmed staff was clear with direction to present the budget for approval as proposed.

10. Consideration of a resolution adopting the 2020 Napa County Multi-Jurisdictional Hazard Mitigation Plan (MJHMP), and the incorporation thereof into the Safety Element of the Calistoga General Plan
Recommended Action: Adopt resolution

Planning and Building Director Zach Tusinger presented the staff report with Torie Jarvis from Dynamic Planning & Science.

Mayor Canning opened the public comment period. Having no members of the public come forward, **Mayor Canning closed the public comment period.**

It was MOVED by Councilmember Kraus and SECONDED by Councilmember Williams to adopt Resolution 2020-053 adopting the 2020 Napa County Multi-Jurisdictional Hazard Mitigation Plan and incorporating it by reference into the General Plan Public Safety Element.

The motion carried by the following vote:

AYES: Councilmembers Kraus, Lopez-Ortega, and Williams, Vice Mayor Dunsford and Mayor Canning
NOES: None
ABSTAIN: None
ABSENT: None

G. GENERAL GOVERNMENT

11. Consideration of a resolution authorizing the City Manager to execute a professional services agreement with the Calistoga Chamber of Commerce in the amount of \$303,500 for destination marketing and promotional services for Fiscal Year 2020-21
Recommended Action: Adopt resolution

City Manager Michael Kirn introduced Bruce Kyse, Executive Director of the Calistoga Chamber of Commerce, who provided a presentation.

Councilmember Williams asked and confirmed the economic vitality budget includes a portion of City Manager Kim's salary, but that most of the budget is allocated to the Chamber. Councilmember referenced an article from Huffington Post regarding tourism and asked if the Chamber would be open to exploring alternative revenue sources and commerce options to tourism to supplement the local economy when tourism declines.

Mr. Kyse responded it is common for Chambers to look to economic development and the board would likely be comfortable with that, but it would be a community decision to bring in new businesses.

Councilmember Kraus acknowledged the Board of Directors is comprised of small business owners and their mission is probably in alignment with small business needs. He asked and confirmed no other staff salaries are included in the economic vitality budget.

In response to a question from Vice Mayor Dunsford, Mr. Kyse stated salaries for all Chamber staff were reduced and that 2.5 full time employees are focused on this proposal. Vice Mayor Dunsford asked and confirmed of the \$303k, \$216k is allocated to staff salaries. Mr. Kyse explained the staff operates the visitor center and manages the social media and marketing work.

Mayor Canning opened the public comment period.

Charlotte Williams argued reducing the COVID-19 infection rate should be a priority when it comes to marketing Calistoga She asked Council to consider the residents of Calistoga and to focus on building economic resilience so that disasters and events such as COVID don't cause such an impact to the community. Ms. Williams further suggested the need to decrease greenhouse gas which is only increased by travel.

Mayor Canning closed the public comment period.

It was MOVED by Kraus and SECONDED by Lopez-Ortega to adopt Resolution 2020-054 authorizing the City Manager to execute a one-year professional services agreement with the Calistoga Chamber of Commerce for marketing and professional services in the amount of \$303,500.

The motion carried by the following vote:

AYES: Councilmembers Kraus and Lopez-Ortega, Vice Mayor Dunsford and Mayor Canning
NOES: Councilmember Williams
ABSTAIN: None
ABSENT: None

12. **Continued from June 2, 2020** - Consideration of a resolution approving an application for a \$2,000,000 Subordinate Connection and Development Impact Fee loan and authorizing the City Manager to execute associated loan documents for financial assistance for a new 78-unit 100% affordable rental housing project proposed by For the Future Housing, Inc., a to be formed limited partnership (FTF), at 1855 Lincoln Avenue (APN 011-050-044)
Recommended Action: Adopt resolution

Councilmember Williams recused due to a proximity issue.

City Manager Michael Kirn and Director of Planning and Building Zach Tusinger introduced the item and invited Jim Rendler, Director of Development of For the Future Housing, Inc. (FTF), to provide a presentation.

Councilmember Kraus thanked FTF for answering Council's questions and requests from the previous meeting. He expressed desire for the project to be built green and he asked and confirmed that "Green Point Rated" is comparable to "LEED" green building standards.

In response to a question from Councilmember Kraus, Mr. Rendler stated the project could accommodate solar panels in the future but that due to cost they would not be installed as part of this development proposal.

In response to questions from Vice Mayor Dunsford, Mr. Rendler explained the relationship between Echelcon and FTF, stating they are affiliated entities, essentially the builder and property manager arms. He further explained that all contractors are subbed out so they may not necessarily be commuting from San Jose, where Echelcon is located.

Mr. Rendler spoke to the disaster tax credits and the need to break ground by Q1 2020. He explained the supply/demand relationship for labor and materials.

Vice Mayor Dunsford noted the Four Seasons project encountering similar issues and asked what would happen if FTF did not receive the disaster tax credits.

Mr. Rendler responded they would submit for the next cycle and look at other funding sources.

Vice Mayor Dunsford asked if a contingency is in place if it comes in over budget, to which Mr. Rendler confirmed there is a 5% contingency as required for tax credits as well as a 100% performance bond.

Councilmember Lopez-Ortega asked and confirmed legal status would not be part of the tenant selection process.

Mayor Canning echoed Councilmember Kraus' comment that Council's questions and requests were well answered by FTF.

Mayor Canning opened the public comment period.

Charlotte Williams asked if Measure D funds could be used for renovation of existing affordable housing units. She asked FTF and Council to consider sweat equity housing, homes that would be owned by the people that live in them, not rental housing, to stabilize the community. Ms. Williams further asked Council to consider giving Measure D funds to residents who are building their own homes.

Mr. Rendler stated FTF does not have financing that allows for a sweat equity option.

Mayor Canning closed the public comment period.

It was MOVED by Councilmember Kraus and SECONDED by Councilmember Lopez-Ortega to adopt Resolution 2020-055 approving an application for a \$2,000,000 subordinate connection and development impact fee loan and authorizing the City Manager to execute associated loan documents for financial assistance for a new 78-unit 100% affordable rental housing project proposed by For the Future Housing, Inc., a to be formed limited partnership (FTF), at 1855 Lincoln Avenue (APN 011-050-044).

The motion carried by the following vote:

AYES:	Councilmembers Kraus and Lopez-Ortega, Vice Mayor Dunsford and Mayor Canning
NOES:	None
ABSTAIN:	None
RECUSED:	Councilmember Williams
ABSENT:	None

Mayor Canning called for a 10 minutes recess, and called the meeting back to order at 8:57 p.m.

13. Council discussion regarding Council Goal No. 7
Recommended Action: Provide direction to staff

City Manager Michael Kirn presented the staff report and invited Councilmember Williams to share the attachments he provided to the report.

Councilmember Williams cited Objective No. 5 as the only one recognizing small-town character and noted the ambiguity of the General Plan. He asked the Council to consider the addition of an objective to specifically address small-town character and suggested one of the three options presented in the attachment to the staff report.

Mayor Canning expressed support for all three options.

Vice Mayor Dunsford stated he was surprised small-town character and safety were combined and suggested separating the two items. He expressed support for the small-town component and recognized it gets dwarfed by the safety components.

Vice Mayor Dunsford expressed concern with the first option presented by Councilmember Williams because the smallest project is not always the best project, for example he noted the significance of the Four Seasons project. Councilmember Williams concurred and said the intent is for a preference not a mandate, to which Vice Mayor Dunsford agreed.

Councilmember Lopez-Ortega acknowledged the Council Goals and Objectives are listed on staff reports and therefore support Council's decision-making process.

Councilmembers recognized the impacts of COVID-19 steered the budget discussion and dwarfed the conversation around goals and objectives. Council unanimously expressed support for splitting Goal No. 7 into two separate goals, one addressing small-town character and one addressing safety, and adding the three objectives provided by Councilmember Williams as the objectives under the small-town character goal.

Mayor Canning opened the public comment period. Having no members of the public come forward, **Mayor Canning closed the public comment period.**

Mayor Canning asked and confirmed staff was clear on direction provided by Council.

14. Consideration of a resolution adopting the Fiscal Year 2020-21 Operating and Capital Improvement Budgets
Recommended Action: Adopt resolution

Administrative Services Director Gloria Leon presented the staff report.

Mayor Canning opened the public comment period. Having no members of the public come forward, **Mayor Canning closed the public comment period.**

It was MOVED by Vice Mayor Dunsford and SECONDED by Councilmember Kraus to adopt Resolution 2020-056 adopting the Operating and Capital Improvement Budgets for all funds for Fiscal Year 2020-21.

The motion carried by the following vote:

AYES: Councilmembers Kraus, Lopez-Ortega, and Williams, Vice Mayor Dunsford and Mayor Canning
NOES: None
ABSTAIN: None
ABSENT: None

15. Consideration of a resolution adopting the Fiscal Year 2020-21 Appropriation Limit
Recommended Action: Adopt resolution

Administrative Services Director Gloria Leon presented the staff report.

Mayor Canning opened the public comment period. Having no members of the public come forward, **Mayor Canning closed the public comment period.**

It was MOVED by Vice Mayor Dunsford and SECONDED by Councilmember Williams to adopt Resolution 2020-057 adopting the appropriation limit for Fiscal Year 2020-21 and the appropriations subject to limit for Fiscal Year 2020-21.

The motion carried by the following vote:

AYES: Councilmembers Kraus, Lopez-Ortega, and Williams, Vice Mayor Dunsford and Mayor Canning
NOES: None
ABSTAIN: None
ABSENT: None

H. COUNCIL REQUESTS AND IDEAS FOR DISCUSSION

Councilmember Lopez-Ortega reminded citizens about COVID-19 testing and the importance of social distancing.

Councilmember Kraus asked the Council consider climate change and ask "are we making the environment better or at the least minimizing impact."

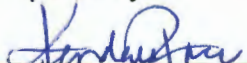
Mayor Canning reminded residents to complete the Census and asked staff to provide an update on the Fairgrounds at the next meeting. leek

I. ADJOURNMENT

Mayor Canning adjourned the meeting in memory of Eleanor "Ellie" Leake, at 9:24 p.m.

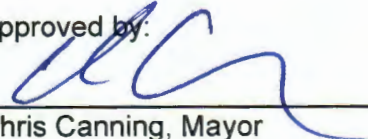
Respectfully Submitted

Prepared by:



Kendall Rose, City Clerk

Approved by:



Chris Canning, Mayor

Approved: 8/4/2020