

**SPECIAL & REGULAR MEETINGS OF THE SONOMA CITY COUNCIL
&
CONCURRENT REGULAR MEETING OF SONOMA CITY COUNCIL AS THE
SUCCESSOR AGENCY TO THE DISSOLVED SONOMA COMMUNITY
DEVELOPMENT AGENCY**



**Community Meeting Room, 177 First Street West
Monday, March 18, 2013
5:30 p.m. Closed Session (Special Meeting)
6:00 p.m. Regular Session**

City Council
Ken Brown, Mayor
Tom Rouse, Mayor Pro Tem
Steve Barbose
David Cook
Laurie Gallian

MINUTES

SPECIAL MEETING - CLOSED SESSION

1. CALL TO ORDER

At 5:30 p.m., Mayor Brown called the meeting to order. No one from the public was present to provide public testimony on closed session items. The Council recessed into closed session with all members, except Councilmember Rouse, present. City Manager Giovanatto and City Attorney Walter were also present.

2. CLOSED SESSION

Item 2A: CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION, Initiation of Litigation, one case. Pursuant to Government Code 54956.9(d)(4).

REGULAR MEETING

The City Council reconvened in open session and Mayor Brown called the meeting to order at 6:00 p.m. Helen Marsh led the Pledge of Allegiance.

PRESENT: Mayor Brown and Councilmembers Barbose, Gallian, and Cook
ABSENT: Councilmember Rouse

ALSO PRESENT: City Manager Giovanatto, City Clerk Johann, City Attorney Walter, Police Chief Sackett, and Planning Director Goodison.

REPORT ON CLOSED SESSION – Mayor Brown stated that no reportable action had been taken.

1. COMMENTS FROM THE PUBLIC

Marilyn Goode expressed her disapproval of the City's use of the herbicide Round Up along bike paths. City Manager Giovanatto responded that the City had suspended its use of Round Up and were exploring other options.

Larry Barnett announced formation of a group called "Preserving Sonoma Committee" whose goal was to put forward a ballot initiative which would limit the approval of new large hotels within the City.

Armando Zimmerman stated he did not feel dogs were compatible with the Montini Preserve trails. He stated that many people did not pick up after their dogs and let them off their leashes and he questioned who would enforce the leash law if dogs were allowed.

Don Bandur requested City Council to place the issue of replacement of play equipment at Depot Park on a future agenda.

Howard Cohen, Transition Sonoma Valley, announced the celebration of Earth Day on the Plaza April 20, 2013.

2. COUNCILMEMBERS' COMMENTS AND ANNOUNCEMENTS

Item 2A: Councilmembers' Comments and Announcements

Clm. Cook invited all to the March 21 Business Expo put on by the Chamber of Commerce.

Clm. Gallian announced her attendance at the annual Ahwahnee Conference in Yosemite.

Mayor Brown reported that he toured Marcy House and was very pleased with the work being done by the Sister Cities Association.

3. CITY MANAGER COMMENTS AND ANNOUNCEMENTS INCLUDING ANNOUNCEMENTS FROM SUCCESSOR AGENCY STAFF

City Manager Giovanatto stated that Mayor Pro Tem Rouse expressed his apologies for not being in attendance, but he was out of town and had missed his flight. She reported the Council would hold a goal setting workshop on March 25 and that suggestions from the public could be sent to her via email.

4. PRESENTATIONS

Item 4A: Child Abuse Prevention Month Proclamation

Mayor Brown read aloud the proclamation declaring the month of April 2013 as Child Abuse Prevention Month and presented it to Police Chief Sackett. Chief Sackett thanked the Council for the proclamation and stated that child abuse was one of the most hideous crimes that went on behind closed doors.

Item 4B: National Surveyor's Week Proclamation

Mayor Brown read aloud the proclamation declaring the week of March 17-23, 2013 National Surveyors Week in Sonoma and presented it to Aaron Smith, a representative of the California Land Surveyor Association. Mr. Smith thanked the council and stated that the recognition began in Washington DC as a tribute to surveyors acknowledging their contributions towards the orderly establishment of communities. Patricia Wagner, Sonoma County Surveyors Office, was also present to accept the proclamation.

4. PRESENTATIONS, Continued

Item 4C: Sonoma Tourism Improvement District Status Report

City Manager Giovanatto reported that the Council approved the Sonoma Tourism Improvement District (TID) on June 18, 2012 for an initial three-year term. Although the agreement called for a report at the end of the first year, she felt it would be beneficial for all to hear about the progress they had made. Giovanatto stated that she credited the efforts of the TID for the recent increase in Sales Tax and Transient Occupancy Tax the City received. Bill Blum, TID Secretary, explained that several members of the Board were present. He reported they had a website up and running and were partnering with the Sonoma Valley Visitors Bureau (SVVB) for development of a comprehensive marketing plan. Blum also reported that they had recently provided funding for the Sonoma International Film Festival and the Valley of the Moon Certified Farmers Market.

Wendy Peterson, SVVB Executive Director, provided Council with samples of the marketing material that had been produced and described their radio and online campaigns. Councilmembers expressed their pleasure with the program and thanked Ms. Peterson and the TID Board for their efforts.

Item 4D: Presentation by Sonoma County Waste Management Agency Updating the Status of the Joint Powers Agency

Henry Mikus, Executive Director Sonoma County Waste Management Agency (SCWMA), explained that SCWMA was a joint powers authority whose mission it was to implement waste diversion programs as required by State Law AB939. Its funding came from a disposal surcharge collected at all county refuse disposal sites. Mikus explained that the Agency wanted to begin discussion of the renewal or extension of the Joint Powers Agreement because they were running into problems trying to secure long-term contracts. He reported on the Agency's

Item 4D: Presentation by Sonoma County Waste Management, Continued

efforts towards composting, hazardous waste collection and education and stated that the new Recycling Guide would be available in both English and Spanish. He said the Agency would be interested in receiving input from each of the member Cities regarding renewal of the Joint Powers Agreement. Clm. Barbose inquired what was being proposed relating to a change in the voting requirement. Mikus stated that it had been proposed that a weighted vote (based on either population or contribution to the system) replace the existing majority vote requirement. Clm. Gallian inquired about the use of revenue derived from composting. Mikus explained that the funds were used to pay for education.

5. CONSENT CALENDAR/AGENDA ORDER – CITY COUNCIL

Item 5A: Waive Further reading and Authorize Introduction and/or Adoption of Ordinances by Title Only.

Item 5B: Approval of the Minutes of the March 4, 2013 Meeting.

Item 5C: Approval of Settlement Agreement between the County of Sonoma and the City of Sonoma as Settlement of Property Tax Administrative Fees.

Item 5D: Adopt resolution approving the ninth amendment to a tolling agreement pertinent to claims arising out of liabilities stemming from the various landfills located in the County of Sonoma.

Clm. Gallian removed Item 5B and asked that it be carried over to the next meeting. The public comment period was opened and closed with none received. It was moved by Clm. Gallian, seconded by Clm. Barbose, to approve the items remaining on the Consent Calendar. The motion carried unanimously, Clm. Rouse absent.

6. CONSENT CALENDAR/AGENDA ORDER – CITY COUNCIL AS SUCCESSOR AGENCY

Item 6A: Approval of the portions of the Minutes of the March 4, 2013 City Council / Successor Agency Meeting pertaining to the Successor Agency.

The public comment period was opened and closed with none received. It was moved by Clm. Gallian, seconded by Clm. Cook, to approve the Consent Calendar as presented. The motion carried unanimously, Clm. Rouse absent.

7. PUBLIC HEARING – None Scheduled

8. REGULAR CALENDAR – CITY COUNCIL

Item 8A: Discussion, consideration and possible action on the Sonoma County Water Agency's proposed FY 13/14 budget.

Planning Director Goodison reported that Mike Thompson, Assistant General Manager of the Sonoma County Water Agency (SCWA) would make a presentation and the Council was being asked to provide direction to Clm. Gallian, the City's representative on the Water Advisory Committee (WAC) on how to vote on a proposed rate increase. Mr. Thompson explained the rate structure and the rate calculation factors. He said the historical annual increase had been 5.5%; however, this year they were proposing 3.84% for Sonoma, which would translate to an approximate 1.3% for City of Sonoma water customers.

Clm. Barbose inquired how Capital Improvement Projects were allocated among the cities. Thompson responded that was spelled out in the Joint Powers Agreement. Clm. Gallian stated that the WAC had been exploring grants and other funding sources. Clm. Cook inquired if some of the projects could be put off to the future to eliminate the need for a rate increase. Thompson responded that they were required by the Biological Opinion to do the screening and some of the other projects. He pointed out that the cost of the other larger projects would not be felt until later on and that they were doing everything they could to keep from having double-digit increases.

The public comment period was opened and closed with none received. Clm. Barbose stated he felt the rate increase was reasonable. Clm. Cook stated he would not go along with it because it would be a hardship for many, especially those on a fixed income. Clm. Gallian stated that members of the WAC had made it clear to the Agency that they did not want to see increases proposed year after year. She noted that in years past, she had voted against rate increases but she would support this one. Mayor Brown agreed with Barbose and Gallian.

8. REGULAR CALENDAR – CITY COUNCIL, Continued

Item 8B: Discussion, consideration and possible action on the recommendations of the Planning Commission concerning the possible regulation of wine tasting facilities.

Planning Director Goodison reported that the Planning Commission had made note of the increasing number of wine tasting facilities in the downtown area and at their meeting of December 12, 2012 held a preliminary discussion of the issues raised by these facilities and possible options for increased regulation. The Planning Commission held a follow-up discussion on the matter at its March 14, 2013 meeting and identified the following the recommendations for consideration by the City Council:

1. Use Permit Requirement. A majority of the Planning Commission felt that use permit review should be required for any new wine tasting facility. One Commissioner felt that a two-tier system would be used (in which a use permit would only be required for facilities that wanted to go beyond specified operating standards) and one Commissioner felt that the use permit requirement should only be applied within the Plaza area.
2. Operating Standards. The Commission agreed that that operating standards should be developed and applied to wine tasting facilities, addressing such issues as limitations on pourings, limitations on food service, hours of operation, training requirements, and compliance with ABC regulations.
3. Applicability to Existing Business. With respect to wine tasting facilities already in operation, the Commission recommended that they be considered legal non-conforming, except that a use permit would be required in compliance with any new regulations under the following circumstances: 1) change/transfer in ABC license; 2) violation of ABC license (one Commissioner suggested that two violations should be the threshold); and 3) any expansion or intensification of the use.

Goodison also summarized a memo from Police Chief Sackett, which included a description of the process for obtaining liquor licenses.

Clm. Barbose inquired if the issue of how to deal with future businesses while the matter was under consideration came up. Goodison responded that one Planning Commissioner had mentioned a moratorium; however, it was not ultimately included in their recommendations.

Mayor Brown invited comments from the public. Larry Barnett stated his general agreement with the Planning Commission's recommendations. He stated that wine tasting had completely morphed into something else and many establishments had evolved into bars and that most locals did not want to come to the downtown anymore. Barnett also stated his agreement with a moratorium.

Robert Ryan, Eric James Tasting Room, stated they produce and sell their wines locally and that they enjoy patronage of an equal mix of residents and tourists. He stated that a few years ago there were a lot more empty storefronts and with the new tasting rooms the City was strong competition for tourists with Healdsburg and Yountville.

Gina Cuclis spoke about the importance of education for both the consumers and servers.

Les Waller stated the town was founded on wine and questioned why the Council would be trying to control an industry that was bringing tax dollars into town. He stated the Council needed to also consider all the other businesses related to the wine tasting rooms that could be affected.

Danny Fay, Boardmember of the Vintners and Growers Association, stated that many wineries used downtown locations to grow their business. He said it was obvious that the tasting facilities had increased tourism, thus bringing in additional taxes. Fay added that action to control or limit tasting rooms would be a hit to those who could not afford large acreage locations.

Clm. Barbose stated he would like those in the industry to offer some solutions; ideas of what they want.

Scott Peterson, Rumpus Cellars, stated he was in negotiations for lease of a site on the Plaza and he planned on employing between five and nine people. He said he did not see a problem and pointed out that the industry was highly regulated by the Alcohol Beverage Control.

Item 8B: Wine Tasting Facilities, Continued

Fred Allebach stated that the Sonoma Valley Mediterranean climate was perfect for growing grapes and making wine. He pointed out that the Valley was also founded on mixed agriculture and suggested the Council look at generalizing the economy of the town to make it more sustainable.

Jenny Irving stated Sonoma was Wine Country and questioned why anyone would have a problem with tourists coming here rather than Napa.

Jeanette Sung, local retail owner, stated that sixty percent of her business was locals. She stated the loss of the mom & pop stores downtown had changed the character of the town and said there needed to be a balance.

CIm. Cook stated he did not see a problem and felt the business could regulate itself.

CIm. Barbose stated that his emails were twenty to one indicating that the City did have a problem and many felt the City was out of balance. He said the Council needed to do something. He would not propose a moratorium but felt the need for a measured and thorough approach to addressing the issue. CIm. Barbose stated he would like to see a definition, operating standards, a training requirement, exemption of all existing businesses, and a use permit requirement.

CIm. Gallian agreed. She added that the feedback she had received from constituents also indicated there was a need for some type of action. She would like to explore this and provide an opportunity for additional public input.

Mayor Brown stated he was sorry CIm. Rouse was not present as this was a topic that needed the attention of the full City Council. He stated that through the years, citizens had complained of too many banks, art galleries and real estate offices but the reality was that Sonoma was an ever-changing town and tourism had become a big part of that reality. He added that people also visit because of the eco agriculture, farmers' markets, history and organic foods. Mayor Brown noted that empty storefronts were pretty much a thing of the past.

City Manager Giovanatto suggested continuing the discussion to a subsequent meeting to allow CIm. Rouse and other members of the public opportunity to weigh in. CIm. Barbose stated his agreement with continuation of the discussion but that he wanted the level of dialog to engage people's critical thinking skills. He wanted to hear from the wine industry people concerning the specific recommendations of the Planning Commission. He questioned how people would feel if there were twice as many tasting rooms and what they would do about it. The other Councilmembers agreed that they wanted to continue the discussion and desired more input from the public and wine industry people.

Item 8C: Discussion and Consideration to Increase Parking Limits on the Plaza from 2 hours to 3 hours.

City Manager Giovanatto reported that CIm. Cook requested the discussion and was primarily looking to see if there was support among the Councilmembers to consider an increase to parking limits and to direct staff to provide background information on impacts to costs of replacing signage and potential impacts on local Plaza businesses. She said, if so directed, staff would recommend seeking input from Chamber and Economic Development Steering Committee.

CIm. Cook stated that he had been contacted about this issue by a few individuals. He stated he would only vote to move ahead with the idea if decals could be placed on the signs because he did not want to spend a lot of money to change signage.

CIm. Gallian confirmed with staff that the City's lease for the State-owned Casa Grande parking lot had expired. She stated that if the parking time limits were increased, the City would need to focus on alternative parking locations.

CIm. Barbose wondered if an increased time limit would encourage those who work on the Plaza to park on the street. He added he had no problem asking staff to look into the issue but he did have some concerns about unintended consequences; that it might not benefit the local businesses.

Item 8C: Plaza Parking

Mayor Brown invited comments from the public. Scott Webke stated that a three-hour parking limit might cause people to spend more money downtown and it made sense to try it out before making the change permanent.

Andrew Cramer stated the issue needed to be studied; it could create more traffic and Council should consider the effects on retail establishments.

Jenny Irving stated other towns had three hour parking and she would love to see the issue explored.

Danny Fay inquired if it would apply down First Street East. Clm. Cook responded that had not been decided yet.

Mayor Brown said he was in favor of allowing additional staff time devoted to the subject. He said he had received many emails from visitors upset because they received a parking ticket. He said it was an opportunity to dialog with the business owners, Chamber, and Visitors Bureau.

Councilmembers Barbose and Gallian also expressed interest in exploring the matter further and would like to hear what other cities had done and how much free parking was available. Clm. Barbose stated interest in exploring diagonal parking along Broadway.

9. REGULAR CALENDAR – CITY COUNCIL AS THE SUCCESSOR AGENCY

10. COUNCILMEMBERS' REPORTS AND FINAL REMARKS

Item 10A: Reports Regarding Committee Activities.

Clm. Gallian reported on the Sonoma County Transportation meeting.

Item 10B: Final Councilmembers' Remarks.

Clm. Cook encouraged everyone to visit the library.

Clm. Gallian stated she would be digesting the “new strategies for a new age” information garnered at the Ahwahnee Conference and encouraged the public to provide feedback for the Council goal setting workshop.

Mayor Brown encouraged all to participate in the Earth Day activities on April 20.

11. COMMENTS FROM THE PUBLIC

Jenny Irving announced Clm. Cook's birthday on Thursday.

Hal Nichols requested that the approved water rate increase be applied the same to out of City water customers as in City customers.

12. ADJOURNMENT

The meeting adjourned at 9:03 p.m.

I HEREBY CERTIFY that the foregoing minutes were duly and regularly adopted at a regular meeting of the Sonoma City Council on the 1st day of April 2012.

Gay Johann, MMC
City Clerk/Assistant to the City Manager