

MINUTES OF THE DAVIS CITY COUNCIL
Meeting of February 2, 2016

The City Council of the City of Davis met in regular session beginning at 6:00 p.m. in the Community Chambers, 23 Russell Boulevard, Davis, California. The meeting was called to order by Mayor Dan Wolk.

Roll Call:

Councilmembers Present: Robb Davis, Lucas Frerichs, Brett Lee, Rochelle Swanson, Dan Wolk

Councilmembers Absent: None

Other Officers Present: City Manager Dirk Brazil, City Attorney Harriet Steiner, City Clerk Zoe Mirabile

Approval of Agenda R. Davis moved, seconded by R. Swanson, to approve the agenda. Motion passed unanimously.

Closed Session City Council convened a closed Session pursuant to Government Code §54954.5 to discuss the following: Conference with Real Property Negotiators:
Property: APN 69-047-026
Agency Negotiators: City Attorney Harriet Steiner, City Manager Dirk Brazil, Assistant City Manager Kelly Stachowicz, Housing & Human Services Superintendent Danielle Foster
Under Negotiation: Price and terms of payment

City Council returned to open session at 6:40 p.m. with no reportable action.

Ceremonial Presentation Poetry Reading by Poet Laureate Dr. Andy Jones, *Sugar*

City Manager Announcements None

Public Comments

- Ron Glick, Delaine Easton, Nancy Gilwired, Cecilia Escamilia-Greenwald, and Cathy Bucher spoke in support of placing a sugar-sweetened beverage tax measure on the ballot. Comments included: Children suffer physical shortcomings and obesity from high amount of sugar consumption, largely from sugary drinks. Tax revenue could provide programs and active facilities for children. Tax should be on distributors, not on business owners.
- Sean Raycraft, Davis Citizens for Living Wage; Naomi Okuna-Pryor, Raise the Wage Davis; and Fabrizzio Sasso, Sacramento Central Labor Council spoke in support of income inequality task force. Comments included: Important that local business and organizations handle income inequality issues. Task force participants should be local.

- Robyn Kosloff, Davis Manor Neighborhood Council: Appreciate city recommendation for art grant funding. First step for neighborhood to create public space with public art.
- Matt Williams: Request Council pull building and parks assessment report item from consent calendar. Finance and Budget Commission (FBC) is interested in scope document for deferred maintenance. Assessment report is useful; FBC has item on agenda for February 8.
- Christina Blackman, Davis Chamber of Commerce: Support Nishi project moving forward.
- Greg Rowe: Need to engage University on Long Range Development Plan; highest goals should be to house more students on campus. Student proliferation throughout city impacts year round residents.
- Alan Miller: Downtown scene could be negatively impacted by earlier closing time proposed in Nightclub Ordinance, need to find a way to shut down nightclubs and not harm scene at night. Final hearings in Benecia regarding oil trains should have Davis presence. Two cars of oil transporting trains go through Davis daily. Higher chance of derailment due to location of curve, small rail yard, etc.
- Abram Jones: Introduced himself as applicant to Recreation and Park Commission.
- Michael Bisch, Davis Downtown: No official position from Davis Downtown on Nishi project at this time
- Nick Gunther: Expected financial consequences of Nishi—not enough financial data to estimate project economic value. No financial projections for construction period prior to project completion. If project is to provide value in aggregate, data from initial 20 years must be substantial enough to persist in all reasonable scenarios.

Consent Calendar

Annual Recognized Obligation Payment Schedule 16-17 (July 1, 2016 – June 30, 2017)

Approved Resolution No. 16-007 - Approving Recognized Obligation Payment Schedule Pursuant to Health and Safety Code Section 34177(J) for the Period of July 1, 2016-June 30, 2017

Professional Services Agreement to Update the Sewer System Management Plan (SSMP)

1. Approved Resolution No. 16-008 - Authorizing the City Manager to Execute an Agreement Between West Yost Associates and City of Davis for Consulting Services for the Sewer System Management Plan
2. Approved Budget Adjustment #72 (\$180,000) – allocating sewer funds to update the SSMP and provide hydraulic modeling of the collection system

Application for Department of Resources Recycling and Recovery (CalRecycle) City/ County Payment Program (CCPP)

Approved Resolution No. 16-009 - Authorizing Submittal of Application for Payment Programs and Related Authorizations

Purchase Kitchen Food Scrap Collection Pails for Residential Use as Part of the Organics Collection Program Implementation
Approved Budget Adjustment #76 (\$148,000) – allocating solid waste funds

Water Conservation Update

Received update on water conservation regulation, water conservation efforts and water use reductions

Golden Heart Awards for 2016

Ratified recommendations from the selection committee for the recipients of the 2016 Golden Heart Awards. Award ceremony will be held at the City Council meeting on February 16, 2016.

EPIC Grant Application – Accelerating the Deployment of Advanced Energy Communities

Informational

Civic Arts Commission Minutes (action items)

Received minutes of October 12 and December 14, 2015, and January 11, 2016, as informational, and approved the following commission recommendations:

1. Expanded the “In the Key of Davis” project by up to three pianos with \$3,000 inclusive materials and stipends, with two of the three pianos allocated as school projects, and 1 piano available for an artist to paint via an RFP process. The schools will each receive \$750 and the RFP will be for \$1,500.
2. Accepted proposal to place a donated Gandhi sculpture at the West side of playground in North Central Park.

L. Frerichs recused himself from the following due to a conflict of interest as spouse is Executive Director of Davis Arts Center:

3. Approved Resolution No. 16-010 - Approving Award of the 2016 Civic Arts Contracts Under the City's Civic Arts Grant Program and Authorizing the City Manager to Enter Into Contracts with Award Recipients

Approved by the following vote:

AYES: Davis, Lee, Swanson, Wolk

NOES: None

ABSENT: Frerichs (recused)

Commission/Board Minutes (informational):

1. Bicycling, Transportation and Street Safety Commission Meetings of November 12 and December 10, 2015
2. Historical Resources Management Commission Meeting of December 14, 2015
3. Woodland-Davis Clean Water Agency Board Meeting of November 4, 2015

Informational

R. Swanson moved, seconded by R. Davis, to approve the consent calendar as

listed above. Motion passed unanimously.

Removed from
Consent Calendar

Plan for Addressing the Issue of Income Inequality

Item removed by B. Lee.

B. Lee: Membership should be local. Oppose considering structural problems. Should be focused on question of whether a minimum wage increase is warranted in Davis. City staff should perform a facilitative role, provide venue and opportunity for discussions to occur.

B. Lee moved, seconded by R. Davis, to form an entity composed of Davis Downtown, Chamber of Commerce, Raise the Wage Davis, with city staff liaison. Details to be worked out later.

L. Frerichs proposed a friendly amendment to consider broader membership, including an affordable housing advocate. Not accepted by B. Lee.

Motion passed unanimously.

Building and Park Facilities Assessment Draft Report

Item removed by R. Swanson.

R. Swanson: Request item return to Council after Finance and Budget Commission review.

D. Brazil: No decision required at this time
Council concurred.

Continued Public Hearing: Parking Violations and Citations

Mayor Wolk opened and continued the following public hearing to February 16, 2016: Consider Changes to Certain Fines for the Provision of General Parking Violations, Disabled Parking Violations and Blocking Driveway Citations.

City Council recessed at 7:21 p.m. and reconvened at 7:26 p.m.

Continued from January 12 & 19: Nishi Gateway – Planning Application #14-57:

Assistant City Manager Mike Webb: Update on baseline project features and Development Agreement. Land secured financing district—revenue stream in perpetuity, tool that could be a good fit for development on Nishi

General Plan Amendment #08-14, Rezon-

Tim Ruff, Nishi developer: Confirmed with Union Pacific—on board with eliminating at-grade crossing for new separated crossing. Timing—City can position property to receive additional grants by placing on June ballot, grants will only be available when entitlements are in place. Baseline features—parking, should eliminate reference to 1515 as target max; having 2 numbers will confuse voters. Premature without more discussion on potential impacts. Potential changes re-

ing/ Preliminary
Planned Development #06-14,
Annexation #2-
14

garding 20% housing and hotel—should remove entire section from further consideration. Add paragraph regarding I-80 greenbelt buffer, send intention to voters to develop buffer.

Lynn Simon and Abena Darden, Thorton Tomassetti, engineering firm: Leadership in Energy and Environmental Design: Neighborhood Development (LEED ND) process—analysis of prerequisites. Program of US Green Building Council, framework for defining sustainable neighborhoods. Nishi meets 4 of 8 prerequisites. Recommendation is that 4 prerequisites are discussed further with Green Building Council.

Public Comments:

- Michael Bisch, Davis Downtown; Trish Price, Davis Bicycles!; Matt Hong, Davis Renters Alliance; Jim Gray; Jane Rundquist; Mario Salimoss and Kailah spoke in support of the project. Comments included: Collaborative efforts. Support for either June or November ballot. Determine when and how research and office component gets developed and populated with tenants. Request language guaranteeing grade separation. Shortage of space for businesses to grow. Community needs housing.
- Darryl Rutherford, Sacramento Housing Alliance, and Sean Raycraft: 10% of units should be affordable housing on site, both rental and for sale.
- Sue Greenwald: Previous Councils did not support housing on site. Developer is not paying for traffic changes that need to occur on Olive Drive and First Street. Traffic already gridlocked on Richards Blvd.
- Alan Hirsch, Nishi working group: Nishi project is close to meeting goals of University's Request for Expressions of Interest. Fully funded services district. LEED ND could be feasible with a few changes, or equivalent. Mitigation—proposal for fund after determine impacts, 3-5 years in. Details almost worked out.
- Steve Wheeler: Hopeful that LEED ND can be met, but third party verification equivalent acceptable. Would like to see mitigation funds broken out of \$1 million developer commitment. More parking charges and trip cap in development agreement, would like to see DA by April 1 for voters to review before June vote. Incorporate more affordability.
- Alan Pryor: Option for LEED Platinum on each individual building. Overpass over west Olive could be problematic. Ditch along bikepath is not a natural waterway, could be resolved without additional expense. Minimize mitigation by resolving VMT issues. Should go down another 10% from 1,500. Community fund—should specify where funding will be allocated.
- Louise Walker: Important to have everything in baseline specified so voters know what they are voting on. County tax sharing agreement unknown until possibly May 1. Should delay decision until November ballot.
- John Johnston: LEED certification may not be a good idea at this time. Baseline features are not adequate to address greenhouse gas emissions. EIR estimates greenhouse gas reduction targets may not allow project to reach carbon neutrality by 2050.

- Matt Williams: Finance and Budget Commission uncertain with financing of infrastructure. Encourage Council outreach to School District, better understand what DJUSD intends to do regarding CFD.
- Chris Granger, Cool Davis: Think deeper about language in DA regarding greenhouse gasses. Clear statement and mitigation for long run. Consider task force to look at creating mechanism and framework for future decisions and developments.
- Elaine Roberts-Musser: Will be problematic to have 2 innovation parks on ballot in November.
- Nancy Price: Carbon pollution from air and sea transport is exempt from being calculated in national greenhouse gas totals and commitments. Mitigation requirements are needed to address emissions.
- Michael Harrington: Submitted updated report today from traffic engineer, responding to responses from DEIR. Also submitted another document – missed opportunity for access in southwest corner underneath freeway. Traffic issues remain and economic analysis still required. Should postpone vote until November.
- Elaine Samitz: Project is not ready for June ballot. Financial, access issues, traffic. Staff report is silent as to Putah Creek Bridge access being phased along with Richards and underpass to university. Support developer no longer including 20% additional units and hotel. Project should not be exempt from affordable housing requirements.
- Greg Rowe: Balance parking issues. Difference between reducing VMT and having enough parking. Consider lifestyles—walk to work and entertainment, but need car on weekend.

City Council provided the following direction/comments to staff:

- R. Davis: City and developer shall pursue LEED certification, with goal of platinum level. Should LEED ND not be attainable due to prerequisites, the developer or project will pursue a City-defined certification equivalent to LEED ND. Interested in scenarios on land secured financing district—consider what kind of revenue stream would yield with inflators. Add language to roadway circulation and parking features to clarify consistency with assumptions in Nishi Gateway EIR, regarding circulation and free access on various axis of old Davis road and not funneled in one direction. Clear statement regarding buffer in baseline. Remove potential changes related to hotel and residential units.
- L. Frerichs: Consider either 10% affordable or designating specific amount to affordable housing trust fund.
- B. Lee: Support affordable based on design. Reasonable to put money into fund that could be used for affordable housing. Comfortable that there will be significant amount of small square footage units, not designating 10% as affordable units. Consider yearly contribution to affordable, ongoing revenue stream from project. Potential for city to have vouchers to allow people to occupy market units. Need binding requirements in Measure J/R language. Commitment as to level of sustainability incorporated into design.

M. Webb: \$1 million proposed community enhancement, suggest specify for specific programs. Minimum number of dollars to be allocated toward affordable housing. Staff will come back with language for baseline and elements for Development Agreement.

City Council recessed at 9:29 p.m. and reconvened at 9:39 p.m.

Consideration
of Revenue
Measures for
June 2016 Bal-
lot

Assistant City Manager Kelly Stachowicz: Overview of potential options.

Public comment:

- Bill Ritter, Jackie Richardson, David Kalb, Neil Ruud, Sean Raycroft and Michelle Van Eyken spoke in support of a sugary beverage tax measure. Comments included: Need to deal with public health crisis. Make sure not administrative burden on small businesses. Choice is not whether to buy soda or not, but small cost differential gives someone an opportunity to think about choice. Davis should take leadership on issue.
- Iyaz, Burger King; Javier Gonzalez, California Restaurant Association; Shivshik Gallan; Sharesh; and Darshan Mundy spoke in opposition to sugary beverage tax measure: Business community is already experiencing higher costs to run in California, increases in health care costs and wages. Places burden on businesses; ineffective approach to addressing public health issues. Should instead focus on making businesses less expensive to run in Davis. Increased costs will create changes in consumers choices, people may not stop in Davis.
- Jeff Miller: Finance & Budget Commission ready to help analyze any proposed taxes. If any new taxes proposed, FBC would like to see metrics and specificity as to where money is spent. Report on how money was spent at end of year.
- Elaine Roberts-Musser: Oppose sugary beverage tax. Should instead focus on lack of funding for infrastructure and maintenance.
- Alan Pryor: Support Transient Occupancy Tax. Marijuana tax more complicated. Urge Council to defer decisions until see what other jurisdictions are doing. Support sugary beverage tax. Suggest advisory vote that all funds will go toward childhood or health related purposes. Parcel tax issue of trust. May support if funds go toward road repairs only.
- David Greenwald: Increasing numbers of children are either diabetic or pre-diabetic. Having conversation will educate children.
- Billy Doughty, Aquatic Council: Transparency important. Need to address infrastructure needs. Support parks tax.
- Matt Williams: Finance and Budget Commission any tax needs clear guidelines on how funds will be spent. Plan absent from sugary beverage tax. Need accountability.
- Tim James, California Grocers Association: Have not seen a proposal for sugary beverage tax yet, unknown mechanisms, not ready for ballot. Reality of Berkeley tax is that definition of distributor is cascading responsibility.

Creates competitive disadvantages.

R. Davis moved, seconded by B. Lee, to direct staff to return to Council with an Ordinance to place a one cent per ounce sugar-sweetened beverage tax on the ballot as follows:

- Pattern after Berkeley model, excise tax, taxed at distributor.
- Include a small business exemption.
- Social Services and Recreation and Park Commissions to advise Council on how to use proceeds.
- Include an advisory measure.
- Indicate intent to spend on children's health programs. Opportunities for DJUSD to benefit via placing proposals on school feeding programs.
- 10 year sunset.
- Conduct annual evaluations of programs funded with tax using standard methodology.

B. Lee proposed a friendly amendment: Consider larger exemptions. Staff to confer with local businesses on exemption amount. Not accepted by mover.

R. Swanson moved substitute motion, seconded by L. Frerichs, to direct staff to return with a model similar to raise the wage, to include community outreach.

D. Wolk clarified: Idea of forming a task force. Sugar-sweetened beverage tax will not be placed on June ballot.

R. Swanson amended motion to appoint R. Davis as Council Liaison.

Substitute motion passed by the following vote:

AYES: Frerichs, Swanson, Wolk

NOES: Davis, Lee

R. Davis moved, seconded by L. Frerichs, to direct staff to return to Council with an Ordinance to place a 2% Transient Occupancy Tax increase on the ballot. Motion passed by the following vote:

AYES: Davis, Frerichs, Swanson, Wolk

NOES: Lee

L. Frerichs moved to postpone consideration of a marijuana tax at this point. Wait until after Statewide November vote. Council consensus.

R. Swanson: Consider parcel tax for maintenance of existing roads and parks. Support more FBC analysis regarding metrics.

R. Davis: If proceed with parcel tax, need more clarity on how to track projects. Work with FBC. Consider larger tax, link to infrastructure needs, time limited. Cost containment as element of fiscal resilience—request staff come back with

cost containment plan. Find ways to contain cost, analysis to determine gaps between city services and financing.

D. Wolk moved, seconded by L. Frerichs, to extend existing \$50 parcel tax for parks maintenance (Measure D sunsets 2018), add an additional \$50 parcel to the tax for infrastructure needs, subject to voter approval.

R. Swanson: Add traffic signal maintenance to transportation infrastructure needs list. Should terminate Measure D—What would be removed if Measure D funding is eliminated? \$100 per parcel tax per prioritized needs list.

H. Steiner: Can do infrastructure special tax, include Measure D will expire if passes.

B. Lee: Propose \$25 parcel tax for 6 years, or increment above 6 years, to fund 4 police officers. Consider 20 year term, or in perpetuity.

D. Wolk: Not support terminating Measure D. Tax should be supplemental to existing.

Following discussion, motion removed from consideration. No action taken.

City Council
Brief Commu-
nications

None

Long Range
Calendar

D. Brazil: February 16—Community Choice Energy special meeting. February 23—Facilities Assessment follow-up moved to mid-March; could be even later if wait for FBC analysis. Hotel Market strategy postponed from February 23 to March 1. Could be postponing user fee study from March 1, depending upon parks fees discussion.

R. Swanson: Will not be attending March 1 meeting

L. Frerichs: Request discussion of lighting at Toad Hollow Dog Park. B. Lee and R. Swanson support.

D. Brazil: Can bring something back. Public Works staff has been responding to citizens.

AB1234 reporting—R. Swanson attended a Chamber Luncheon, State of the City Address

Adjournment

Meeting was adjourned at 11:42 p.m.

Zoe S. Mirabile
City Clerk