



**MINUTES
REGULAR JOINT CITY COUNCIL, SUCCESSOR HOUSING AGENCY, &
SUCCESSOR AGENCY MEETING**

June 11, 2024

City of Watsonville
Council Chambers
275 Main Street, Top Floor

4:31 p.m.

1. ROLL CALL

Mayor Quiroz-Carter, Mayor Pro Tempore Orozco and Council Members Clark (arrived at 4:38 p.m.), Dutra, Montesino, Parker, and Salcido (arrived at 4:45 p.m.) were present.

1.a. INTRODUCTION OF NEW EMPLOYEES & RECOGNITION OF RETIREES

New Employees:

Permit Technician Rob Manansala, Community Development Department

Recreation Specialist Sara Jewell, Parks & Community Services Department

2. CLOSED SESSION CORRESPONDENCE

3. CLOSED SESSION

(a) Public Comments

(b) Closed Session Announcement:

The City Council recessed the meeting to discuss the items that follow at 4:36 p.m.

3.a. CONFERENCE WITH LABOR NEGOTIATOR

(Government Code Section 54957.6)

Agency negotiators: Tamara Vides, Nathalie Manning and Marissa Duran

Employee organization: Public Safety Mid-Management

City Council Resumed at 5:31 p.m.

4. ROLL CALL

Mayor Quiroz-Carter, Mayor Pro Tempore Orozco, and Council Members Clark (arrived at 5:33 p.m.), Dutra (arrived at 6:12 p.m.), Montesino (arrived at 6:06 p.m.), Parker, and Salcido were present.

Staff members present were Interim City Manager Vides, City Attorney Zutler, City Clerk Ortiz, Public Works & Utilities Director Lindberg, Police Chief Zamora, Fire Chief Lopez, Administrative Services Director Duran, Community Development Director Merriam, I.T.

Director Gill, Parks & Community Services Director Calubaquib, Library Director Martinez, Airport Director Williams, Deputy City Manager Manning, Assistant Public Works & Utilities Director Green, Assistant Public Works & Utilities Director Fontes, Housing Manager Landaverry, Principal Planner Orbach, Assistant Finance Manager Rodriguez, Parks Superintendent Medina, Police Sergeant Bailey, Police Captain Rodriguez, Police Captain Radich, Deputy City Clerk Pacheco, and Interpreter Jauregui.

4.a. MOTION TO EXCUSE ABSENT COUNCIL MEMBER(S) – If Any

5. PLEDGE OF ALLEGIANCE

6. INFORMATION ITEMS

6.a. REPORT OF DISBURSEMENTS

6.b. MISCELLANEOUS DOCUMENTS REPORT

7. CONSENT AGENDA

PUBLIC INPUT – None

MOTION: It was moved by Mayor Pro Tempore Orozco, seconded by Member Parker and carried by the following vote to approve the Consent Agenda.

AYES: MEMBERS: Clark, Orozco, Parker, Salcido, Quiroz-Carter
NOES: MEMBERS: None
ABSENT: MEMBERS: Dutra, Montesino

7.a. MOTION APPROVING MINUTES OF MAY 28, 2024

7.b. RESOLUTION NO. 100-24 (CM)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WATSONVILLE APPROVING PLANS AND SPECIFICATIONS AND CALLING FOR BIDS FOR THE WATSONVILLE EXPLORATION/NATURE CENTER, PROJECT NO. CB 23-01 (ESTIMATED COST OF \$6.14 MILLION WILL BE FUNDED FROM ARPA FUNDS AND MEASURE R FUNDS)

7.c. RESOLUTION NO. 101-24 (CM)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WATSONVILLE AWARDDING CONSTRUCTION CONTRACT TO CLARK BROS., INC., A CORPORATION, FOR THE WATER WELL NO. 4 PUMP STATION, PROJECT NO. WA-22-14557, IN THE AMOUNT OF \$5,160,000; AUTHORIZING AND DIRECTING THE CITY MANAGER TO EXECUTE SAME; AND AUTHORIZING A BUDGET APPROPRIATION OF \$530,000 FROM THE WATER ENTERPRISE FUND

7.d. RESOLUTION NO. 102-24 (CM)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WATSONVILLE AWARDDING CONTRACT TO HARRIS & ASSOCIATES, INC., A CORPORATION, FOR ON-CALL PROFESSIONAL ENGINEERING SERVICES FOR THE RAMSAY PARK RENAISSANCE PROJECT, NO. PK-22-01 AND THE WATSONVILLE EXPLORATION/NATURE CENTER, PROJECT NO. CB 23-01, IN AN AMOUNT NOT TO EXCEED \$449,864; AND AUTHORIZING INTERIM CITY MANAGER TO EXECUTE SAME

- 7.e. **RESOLUTION NO. 103-24 (CM)**
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WATSONVILLE APPROVING FIRST AMENDMENT TO CONTRACT FOR CONSULTANT SERVICES BETWEEN THE CITY OF WATSONVILLE AND G7EI, INC., A CORPORATION, FOR PROJECT MANAGEMENT SERVICES, INCREASING COMPENSATION IN THE AMOUNT OF \$91,520, FOR A REVISED TOTAL CONTRACT AMOUNT OF \$183,040; EXTENDING THE CONTRACT TERM TO JUNE 30, 2025; AND AUTHORIZING AND DIRECTING THE INTERIM CITY MANAGER TO EXECUTE SAME
- 7.f. **RESOLUTION NO. 104-24 (CM)**
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WATSONVILLE APPROVING A SECOND AMENDMENT TO PUBLIC AND ON-SITE IMPROVEMENT AGREEMENT AND A SECOND AMENDMENT TO SET ASIDE AGREEMENT TO SECURE PERFORMANCE OF CONTRACT WITH DEVELOPER BETWEEN THE CITY OF WATSONVILLE AND PACIFIC SUNSHINE DEVELOPMENT, LLC., A LIMITED LIABILITY COMPANY, TO ALLOW COMPLETION OF THE SUNSHINE GARDEN SUBDIVISION, TRACT NO. 1587; AND AUTHORIZING AND DIRECTING THE INTERIM CITY MANAGER TO EXECUTE SAME
- 7.g. **RESOLUTION NO. 105-24 (CM)**
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WATSONVILLE PURSUANT TO GOVERNMENT CODE SECTION 7071 RENEWING CHAPTER 13 ENTITLED MILITARY EQUIPMENT USE OF TITLE 4 (PUBLIC SAFETY) OF THE WATSONVILLE MUNICIPAL CODE, WATSONVILLE MILITARY EQUIPMENT USE POLICY 708 AND FINDING THAT THE ANNUAL MILITARY EQUIPMENT REPORT COMPLIES WITH THE STANDARDS OF APPROVAL SET FORTH IN GOVERNMENT CODE 7071(d)
- 7.h. **RESOLUTION NO. 106-24 (CM)**
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WATSONVILLE AUTHORIZING AND DIRECTING THE CITY MANAGER ON BEHALF OF THE CITY OF WATSONVILLE TO ACCEPT THE CALIFORNIA DEPARTMENT OF ALCOHOL BEVERAGE CONTROL (ABC), FY 24/25 ALCOHOL POLICING PARTNERSHIP (APP) PROGRAM GRANT IN THE AMOUNT OF \$62,021 TO REDUCE CRIME AND PUBLIC NUISANCE PROBLEMS ASSOCIATED WITH ALCOHOL BEVERAGE OUTLETS, TO EXECUTE A STANDARD AGREEMENT AND ANY AMENDMENTS THERETO AND ANY NECESSARY DOCUMENTS; AND APPROPRIATING SUCH FUNDS TO THE SPECIAL GRANTS FUND (0260)
- 7.i. **RESOLUTION NO. 107-24 (CM)**
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WATSONVILLE APPROPRIATING FUNDS FOR THE VISTA MONTAÑA AND BAY BREEZE LIGHTING AND LANDSCAPE MAINTENANCE ASSESSMENT DISTRICTS FOR FISCAL YEAR 2023-2024
- 7.j. **FINAL ADOPTION OF ORDINANCES APPROVING TEXT AMENDMENTS TO WATSONVILLE MUNICIPAL CODE CHAPTER 14-16 (DISTRICT REGULATIONS) & CHAPTER 14-53 (CANNABIS FACILITIES) – Removed from Consent Agenda. See Item 8.**
- 1) **AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF WATSONVILLE AMENDING CERTAIN SECTIONS OF CHAPTER 14-16 (DISTRICT REGULATIONS) OF TITLE 14 (ZONING) OF THE WATSONVILLE MUNICIPAL CODE REGARDING**

THE CULTIVATION, MANUFACTURE, DISTRIBUTION, TESTING, DELIVERY AND RETAIL SALES OF CANNABIS AND CANNABIS PRODUCTS

- 2) **AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF WATSONVILLE REPEALING CHAPTER 53 (CANNABIS FACILITIES) OF TITLE 14 (ZONING) IN ITS ENTIRETY AND ADDING A NEW CHAPTER 53 (CANNABIS FACILITIES) OF TITLE 14 (ZONING) OF THE WATSONVILLE MUNICIPAL CODE REGARDING THE CULTIVATION, MANUFACTURE, DISTRIBUTION, TESTING, DELIVERY AND RETAIL SALES OF CANNABIS AND CANNABIS PRODUCTS**

8. ITEMS REMOVED FROM CONSENT AGENDA

7.j. FINAL ADOPTION OF ORDINANCES APPROVING TEXT AMENDMENTS TO WATSONVILLE MUNICIPAL CODE CHAPTER 14-16 (DISTRICT REGULATIONS) & CHAPTER 14-53 (CANNABIS FACILITIES)

- 1) **AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF WATSONVILLE AMENDING CERTAIN SECTIONS OF CHAPTER 14-16 (DISTRICT REGULATIONS) OF TITLE 14 (ZONING) OF THE WATSONVILLE MUNICIPAL CODE REGARDING THE CULTIVATION, MANUFACTURE, DISTRIBUTION, TESTING, DELIVERY AND RETAIL SALES OF CANNABIS AND CANNABIS PRODUCTS**

- 2) **AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF WATSONVILLE REPEALING CHAPTER 53 (CANNABIS FACILITIES) OF TITLE 14 (ZONING) IN ITS ENTIRETY AND ADDING A NEW CHAPTER 53 (CANNABIS FACILITIES) OF TITLE 14 (ZONING) OF THE WATSONVILLE MUNICIPAL CODE REGARDING THE CULTIVATION, MANUFACTURE, DISTRIBUTION, TESTING, DELIVERY AND RETAIL SALES OF CANNABIS AND CANNABIS PRODUCTS**

Member Salcido requested both ordinances be taken back for first reading at a future meeting, not including the zoning amendments. She requested the zoning amendments be further explored by Council. She expressed safety concerns with allowing cannabis businesses in commercial zoned areas.

MOTION: It was moved by Member Salcido, seconded by Mayor Pro Tempore Orozco and failed by the following vote to take both ordinances back for first reading to allow Council time to receive additional information.

AYES:	MEMBERS:	Orozco, Salcido
NOES:	MEMBERS:	Clark, Parker, Quiroz-Carter
ABSENT:	MEMBERS:	Dutra, Montesino

Member Parker spoke about reasons she was in support of allowing cannabis businesses in commercial zones and safety considerations.

In answering Member Parker, Police Captain Radich stated a study would need to be conducted to obtain data on how other jurisdictions were handling cannabis business licensing.

Police Captain Radich, in answering Member Salcido, stated data regarding cannabis business licensing could be gathered if additional time was given.

At Member Parker's request, Mayor Quiroz-Carter moved Item 8 after Item 10.b.

9. PRESENTATIONS & ORAL COMMUNICATIONS

9.a. ORAL COMMUNICATIONS FROM THE PUBLIC

Steve Trujillo, District 7, stated it was Pride Month and spoke about the upcoming Pajaro Valley Pride event and other Pride events in the area. He stated Methodist Church leaders had recently made the decision to welcome GLBTQ+ persons to their church.

Catalina Torres, District 1, expressed concerns with residents not receiving sufficient notice to attend community meetings regarding the proposed tiny homes project. She spoke against the project and requested transparency and sufficient notice to attend meetings.

Steven Knauss, District 7, stated his concerns with fireworks being set off outside the Fourth of July holiday and spoke about negative effects on residents and their pets. He recommended ample signage and wireless alerts with options for reporting illegal firework use.

Kirby Harris, District 7, thanked Parks & Community Services Director Calubaquib for the Parks Assessment Report recently presented to Council. She spoke in support of District 1 residents that had expressed their concerns regarding the proposed tiny homes project.

Rogue invited the Council and public to the Fourth Annual Nerdville event.

Francisco Estrada invited the Council and public to the Fourth Annual Nerdville event and stated Pajaro Valley Unified School District students would receive free admission.

Jessica Carrasco, Arte del Corazón employee, spoke about the success of the Second Annual Art on Wheels Festival. She thanked the City and the Parks & Community Services Department for their collaboration.

Victoria Martinez read the positive feedback received regarding the Second Annual Art on Wheels Festival.

Antonio Rivas, California Senior Legislature member, expressed concerns over potential budget cuts to meal service programs at the State and local level. He requested the Council write a letter of support for meal services.

Rosario Carreño Salazar stated she was against the proposed tiny homes project and spoke about her negative experiences with homeless people and concerns for her son's safety.

Uriel Escobar Carreño spoke about negative experiences with homeless people during his visits to the Science Workshop.

Daniel, District 5, requested information regarding the construction of affordable housing and spoke about the high cost of rent.

9.b. ORAL COMMUNICATIONS FROM THE COUNCIL

Member Clark thanked City staff for their work through budget challenges.

Member Parker congratulated all students who had graduated and were promoted. She spoke about the Fourth Annual Nerdville event. She stated she would support the letter requested by Mr. Rivas and stated staff would respond to Mr. Hernandez's question regarding low-income housing. She thanked City staff for their efforts with the preparation of the budget.

Member Montesino spoke about his attendance at the South County Government Center's grand opening and County services that would be locally available to residents. He stated he would be hosting a community meeting on June 26th regarding crime and safety in District 1.

Member Dutra spoke about his attendance at Smart City Expo USA and future expanded use of technology. He spoke about the Wine, Beer, and Art Walk event he attended. He expressed concerns over increased crime throughout the City. He stated Vallarta Supermarket would be opening the following day. He wished everyone a happy Pride Month.

Member Salcido wished everyone a happy Pride Month. She expressed concerns with recent crime in the City and spoke about concrete barriers installed by The Hook Outlet in front of their business to prevent break ins. She stated she was concerned with potential safety issues of allowing cannabis businesses in commercial zones.

Mayor Pro Tempore Orozco spoke about her attendance at the Wine, Beer, and Art Walk. She stated she spoke at the South County Government Center's grand opening and spoke about the importance of expanding availability of services.

Mayor Quiroz-Carter spoke about her attendance at the Wine, Beer, and Art Walk. She stated she was part of a delegation of local jurisdictions that visited the Netherlands to study infrastructure, and bike and road safety improvements. She spoke about her participation at the Second Annual Art on Wheels Festival and invited everyone to Nerdville.

9.c. REPORT OUT OF CLOSED SESSION

City Attorney Zutler stated a Closed Session was held on the item listed on the agenda and no reportable action was taken.

9.d. MAYOR'S PROCLAMATION RECOGNIZING JUNE AS ELDER ABUSE AWARENESS MONTH

9.e. MAYOR'S PROCLAMATION RECOGNIZING JUNE 10, 2024, AS PORTUGAL DAY –
Moved to future meeting.

**9.f. PRESENTATION BY EL PAJARO COMMUNITY DEVELOPMENT CORPORATION
EXECUTIVE DIRECTOR CARMEN HERRERA-MANSIR ON THEIR SERVICES**

10. REPORTS TO COUNCIL – No Action Required

10.a. CITY MANAGER'S UPDATE REPORT

In answering Member Dutra, Interim City Manager Vides stated additional publicity to make residents aware of the SeeClickFix application could be explored.

Member Dutra spoke in support of Vallarta Supermarket and collaborating with them in the future.

Member Montesino thanked Interim City Manager Vides for addressing District 1 concerns during her presentation.

In answering Member Parker, Interim City Manager Vides spoke about collaboration with Monterey and Santa Cruz Counties on encampment removal and providing services for the unhoused population. She stated the City had not received a completed application for the tiny homes project.

Member Parker referred to a letter from the former city manager regarding the proposed tiny homes project and requested a copy be sent to all Council members and shared with the public.

10.b. REVENUE MEASURE OVERSIGHT COMMITTEE SALES TAX REPORT BY REVENUE MEASURE OVERSIGHT COMMITTEE CHAIR ERIC STURM AS REQUIRED BY WATSONVILLE MUNICIPAL CODE SECTION 3-6.1102

In answering Member Clark, Chair Sturm spoke about the use of available Measure Y funds.

Interim City Manager Vides, in answering Member Clark, spoke about maintenance of effort costs and stated the General Fund money for departments that received Measure Y funding had not decreased.

8. ITEMS REMOVED FROM CONSENT AGENDA

7.j. FINAL ADOPTION OF ORDINANCES APPROVING TEXT AMENDMENTS TO WATSONVILLE MUNICIPAL CODE CHAPTER 14-16 (DISTRICT REGULATIONS) & CHAPTER 14-53 (CANNABIS FACILITIES)

**1) ORDINANCE NO. 1464-24 (CM)
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF WATSONVILLE AMENDING CERTAIN SECTIONS OF CHAPTER 14-16 (DISTRICT REGULATIONS) OF TITLE 14 (ZONING) OF THE WATSONVILLE MUNICIPAL CODE REGARDING THE CULTIVATION, MANUFACTURE, DISTRIBUTION, TESTING, DELIVERY AND RETAIL SALES OF CANNABIS AND CANNABIS PRODUCTS**

**2) ORDINANCE NO. 1465-24 (CM)
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF WATSONVILLE REPEALING CHAPTER 53 (CANNABIS FACILITIES) OF TITLE 14 (ZONING) IN ITS ENTIRETY AND ADDING A NEW CHAPTER 53 (CANNABIS FACILITIES) OF TITLE 14 (ZONING) OF THE WATSONVILLE MUNICIPAL CODE REGARDING THE CULTIVATION, MANUFACTURE, DISTRIBUTION, TESTING, DELIVERY AND RETAIL SALES OF CANNABIS AND CANNABIS PRODUCTS**

MOTION: It was moved by Member Parker, seconded by Mayor Quiroz-Carter, to adopt the ordinances approving text amendments to Watsonville Municipal Code Chapter 14-16 (District Regulations) and Chapter 14-53 (Cannabis Facilities).

Member Salcido clarified her request to take all recommended amendments back for a first reading, with direction to staff to reconsider zoning changes. She requested additional information regarding allowing cannabis businesses in commercial zones, including what safety precautions could be put in place to prevent burglaries. She expressed concerns with crime related to the cannabis industry.

In answering Member Clark, Community Development Director Merriam stated existing cannabis businesses would be allowed to remain at their locations despite new zoning changes being approved after their permits are issued. She stated Council could consider revocation of a cannabis business' license in the event issues were to arise.

Interim City Manager Vides, in answering Member Parker, stated a review of all amendments to the ordinances after a six-month period would be taken to Council.

In answering Member Salcido, Interim City Manager Vides stated licensed businesses were permitted to remain in their existing locations despite zoning changes and were considered non-conforming uses.

City Attorney Zutler, in answering Member Parker, further clarified that a business could not have its license revoked due to zoning changes and explained the meaning of a "non-conforming use".

Member Parker stated the reasons she was in support of adopting the ordinances and spoke about exploring changes in the future if necessary.

Member Dutra expressed safety concerns with allowing cannabis businesses in commercial zones. He spoke about issues surrounding the cannabis industry in other states and stated additional concerns with negative impacts of zoning changes on current cannabis businesses.

In answering Member Clark, Community Development Director Merriam stated there were no cannabis business licenses being processed and spoke about the timeline for completing the approval process.

Community Development Director Merriam, in answering Member Dutra, stated there were no available permits for new cannabis businesses.

MOTION: The above motion carried by the following vote.

AYES:	MEMBERS:	Clark, Montesino, Parker, Quiroz-Carter
NOES:	MEMBERS:	Dutra, Orozco, Salcido
ABSENT:	MEMBERS:	None

Mayor Pro Tempore Orozco stated she voted no on the motion because she believed the zoning amendments required further discussion.

11. NEW BUSINESS

11.a. APPROVAL OF PROJECT LISTS FOR TRANSPORTATION PROJECTS FUNDED BY MEASURE D AND SB 1 FOR FY 24/25

1) **Staff Report by Assistant Public Works & Utilities Director Fontes. Public Works & Utilities Director Lindberg was also present.**

2) **City Council Clarifying & Technical Questions**

In answering Member Dutra, Assistant Public Works & Utilities Director Fontes spoke about improvements that would be made to an area on Freedom Boulevard by a new car rental business that would be constructed there. He stated the challenges with obtaining

permission from property owners to add sidewalks to areas on Freedom Boulevard. He provided a construction timeline and additional details on various projects.

Public Works & Utilities Director Lindberg, in answering Member Dutra, spoke about the City's Pavement Management Plan. She stated there was potential for signage and other options to give residents information regarding road improvement projects and where the City's jurisdiction ended as related to road repairs.

In answering Member Clark, Assistant Public Works & Utilities Director Fontes spoke about engagement efforts with PG&E to address right of way issues regarding the Pennsylvania Drive Trail Repair project.

Interim City Manager Vides, in answering Member Montesino, spoke about a measure on the November election that could affect Measure R and stated there was potential for bonding in the future to obtain additional resources for projects.

Public Works & Utilities Director Lindberg, in answering Member Montesino, spoke about the potential for obtaining additional funds through bonding and staff efforts to continue securing grant funds.

In answering Member Montesino, Interim City Manager Vides stated the City had a contract with California Consulting to provide grant writing services to departments as needed.

Mayor Pro Tempore Orozco requested equity with the Pavement Management Plan and that staff explore improvements on roads that had not been worked on in several years.

In answering Mayor Pro Tempore Orozco, Public Works & Utilities Director Lindberg spoke about community engagement efforts as part of the Pavement Management Plan and developing a strategy to address each district's needs.

Mayor Quiroz-Carter spoke in support of the presented projects.

3) Public Input

Iliia Bulaich, District 1, spoke about the importance of being familiar with issues specific to each district. He provided an example with industrial and other uses in District 1 and potential issues that curb extensions could create for trailers navigating the roads.

- 4) MOTION:** It was moved by Member Dutra, seconded by Mayor Pro Tempore Orozco, to approve Items 11.a.6 and 11.a.7. listed below.

5) City Council Deliberation on Motion

Member Dutra spoke about the potential of a special assessment to address street repair needs along Carey Avenue.

In answering Member Montesino, Public Works & Utilities Director Lindberg stated Council would receive an update on improvements to Clifford Avenue in the near future.

MOTION: The above motion carried by the following vote.

AYES: MEMBERS: Clark, Dutra, Montesino, Orozco, Parker, Salcido, Quiroz-Carter
NOES: MEMBERS: None
ABSENT: MEMBERS: None

6) RESOLUTION NO. 108-24 (CM)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WATSONVILLE APPROVING THE 2024 MEASURE D 5-YEAR PROGRAM OF PROJECTS (FY 24/25 - FY 28/29) FOR THE CITY OF WATSONVILLE FUNDED BY MEASURE D APPROVED BY VOTERS ON NOVEMBER 8, 2016

7) RESOLUTION NO. 109-24 (CM)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WATSONVILLE APPROVING THE CITY OF WATSONVILLE – SB1 PROJECT LIST FY 24/25 TO BE FUNDED BY SENATE BILL 1 FUNDS

11.b. 2024 AFFORDABLE HOUSING PROGRAM LIMITS

1) Staff Report by Housing Manager Landaverry. Community Development Director Merriam was also present.

2) City Council Clarifying & Technical Questions

In answering Member Clark, Housing Manager Landaverry spoke about the number and type of affordable housing units in the City.

Housing Manager Landaverry, in answering Mayor Pro Tempore Orozco, spoke about the process for establishing the median sales price for single family homes and requirements for purchasing an affordable housing unit. He provided various examples of how individuals and families could benefit from the Affordable Housing Program.

In answering Member Dutra, Interim City Manager Vides provided additional information regarding provisions in the affordable housing ordinance to assist residents with qualifying for the First Time Homebuyer Program when they already occupied an affordable unit.

Housing Manager Landaverry, in answering Mayor Pro Tempore Orozco, spoke about the benefits of the affordable housing ordinance for residents and continued efforts to provide housing opportunities.

Mayor Pro Tempore Orozco suggested the formation of an ad-hoc committee to review the Affordable Housing Ordinance.

In answering Member Parker, Housing Manager Landaverry and Community Development Director Merriam spoke about the definition of the term “single family home” and provided examples of different types.

Housing Manager Landaverry, in answering Member Parker, spoke about homes in the senior villages. He stated the frequency of updates to the affordable housing program limits was dependent on the annual release of income limits by the California Department of Housing and Community Development. He spoke about the impacts of the Affordable Housing Ordinance on developers.

In answering Member Parker, Housing Manager Landaverry spoke about the benefits of the Affordable Housing Program for residents.

Member Parker spoke in support of creating an ad hoc committee to review the Affordable Housing Ordinance.

In answering Member Salcido, Community Development Director Merriam stated developers had not identified the Affordable Housing Ordinance as hindering them from building projects in the City.

3) Public Input – None

4) MOTION: It was moved by Member Montesino, seconded by Mayor Quiroz-Carter, to approve Item 11.b.6 listed below.

5) City Council Deliberation on Motion

Mayor Pro Tempore requested an amendment to the motion to include the formation of an ad-hoc task committee comprised of stakeholders including City representatives, for profit and non-profit housing developers, current and prospective homeowners within the Affordable Housing Program, mortgage and real estate professionals, and other constituents and community advocacy groups to develop recommendations for improvements to the current affordable housing ordinance.

City Attorney Zutler stated an ad-hoc committee appointed by the Council would be classified as a Brown Act committee.

Interim City Manager Vides stated Council could direct staff to create a stakeholder group for review of the affordable housing ordinance.

City Clerk Ortiz spoke about the possibility of a Mayor appointed ad-hoc committee composed of three Council members and hosting public workshops for the same purpose.

Interim City Manager Vides further detailed opportunities for engagement with the public and various stakeholders to obtain feedback on the affordable housing ordinance.

Member Parker spoke about the reasons she was in support of the formation of an ad hoc committee.

Mayor Quiroz-Carter spoke in support of allowing staff to engage with stakeholders to obtain data regarding the effectiveness of the affordable housing ordinance.

Member Dutra stated he agreed with Mayor Quiroz-Carter's suggestion or with forming a three Council member ad-hoc committee.

MOTION: The above motion carried by the following vote.

AYES: MEMBERS: Dutra, Montesino, Orozco, Parker, Salcido, Quiroz-Carter
NOES: MEMBERS: None
ABSENT: MEMBERS: Clark

- 6) **RESOLUTION NO. 110-24 (CM)**
RESOLUTION NO. 1-24 (SHA)
A JOINT RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WATSONVILLE, AND CITY COUNCIL ACTING AS THE SUCCESSOR HOUSING AGENCY ADOPTING THE WATSONVILLE AFFORDABLE HOUSING PROGRAM 2024 INCOME, RENT AND SALES PRICE LIMITS FOR THE CITY'S AFFORDABLE HOUSING PROGRAM AND ESTABLISHING THE WATSONVILLE MEDIAN SALES PRICE AS \$770,076

12. **PUBLIC HEARINGS, ORDINANCES, & APPEALS**

12.a. **RECOMMENDED ANNUAL BUDGET FOR FISCAL YEARS 2024-25 AND RELATED ACTIONS**

Budget Link: <https://www.watsonville.gov/DocumentCenter/View/23447/Budget-FY-24-25-Draft->

1) **Staff Report by Administrative Services Director Duran**

2) **City Council Clarifying & Technical Questions**

In answering Member Montesino, Administrative Services Director Duran stated staff was preparing to explore bonding opportunities in the future. She spoke about the funding sources for the Library Rooftop project.

Member Montesino suggested extended hours of operation across City departments to accommodate working residents' schedules.

In answering Member Parker, Administrative Services Director Duran provided additional information regarding increased CalPERS unfunded liability costs and effects on the budget.

Interim City Manager Vides, in answering Mayor Pro Tempore Orozco, spoke about the budget preparation process, efforts to ensure the City continued having a balanced budget in the future, and the ongoing compensation study. She spoke about exploring options to address Council priorities and obtaining necessary funding for projects.

In answering Member Salcido, Administrative Services Director Duran stated Measure R funds were included in the budget that was presented.

Interim City Manager Vides, in answering Member Salcido, stated solutions for Police and Fire overtime costs and hiring challenges were being explored.

City Attorney Zutler, in response to suggestions of bonding, stated there would be a measure on the November ballot to lower the percentage necessary for special taxes to be approved.

3) **Public Comments**

Bernie Gomez, District 1, expressed concerns with the amount of funding allocated to Police and spoke about exploring the possibility of eliminating vacant positions.

Karina Moreno, District 6, spoke about exploring opportunities for economic development to increase tax revenue. She suggested reducing or eliminating fees for obtaining business licenses for residents.

4) MOTION – None

Member Dutra spoke about increasing tax revenue through hotel development and about spending one-time funding. He expressed concerns with high overtime costs for Police and Fire.

In addressing Member Parker’s concerns, Interim City Manager Vides spoke about staff efforts to continue exploring avenues for economic development, including continued collaboration with a consultant.

Mayor Quiroz-Carter spoke about allocating additional funding to support the Library’s programs and exploring economic development potential.

5) City Council Deliberation on Motion – None

12.b. COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) ANNUAL ACTION PLAN FOR CITY PROGRAM YEAR JULY 1, 2024 – JUNE 30, 2025 (Postponed and Continued to July 9, 2024)

13. EMERGENCY ITEMS ADDED TO AGENDA – None

14. REQUESTS & SCHEDULING FUTURE AGENDA ITEMS

Mayor Quiroz-Carter requested an item to explore economic development strategies.

Mayor Pro Tempore Orozco requested exploring the potential of creating an ad-hoc committee comprised of stakeholders including City representatives, for profit and non-profit housing developers, current and prospective homeowners within the Affordable Housing Program, mortgage and real estate professionals to develop recommendations for improvements to the current affordable housing ordinance.

Member Montesino requested an update on the Downtown Watsonville Specific Plan.

15. ADJOURNMENT

The meeting was adjourned at 9:39 p.m.

Vanessa Quiroz-Carter, Mayor

ATTEST:

Irwin I. Ortiz, City Clerk

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