



**DEL MAR CITY COUNCIL
SPECIAL MEETING MINUTES
SATURDAY, FEBRUARY 23, 2019, 9:00 A.M.
L'Auberge Del Mar, 1540 Camino del Mar, Del Mar, CA 92014
TUESDAY, FEBRUARY 26, 2019, 9:00 A.M.
L'Auberge Del Mar, 1540 Camino del Mar, Del Mar, CA 92014**



**FEBRUARY 23, 2019
SPECIAL MEETING – DAY 1
9 A.M. – L'Auberge Del Mar**

CALL TO ORDER/ROLL CALL

Mayor Druker called the meeting to order at 9:05 am

Present: Mayor Dave Druker; Deputy Mayor Ellie Haviland; and Council Members Terry Gaasterland, Sherryl Parks, and Dwight Worden

Staff Present: City Manager Scott Huth; Assistant City Manager Kristen Crane, Administrative Services Director/City Clerk Ashley Jones; Planning and Community Development Director Kathleen Garcia; Public Works Director Joe Bride; Community Services Director/Lifeguard Chief Jon Edelbrock; and Environmental Sustainability/Special Projects Manager Clement Brown

COUNCIL OPENING REMARKS

Mayor Druker reviewed the agenda and plan for the day. Deputy Mayor Haviland reported that the SANDAG Board unanimously voted to take a different approach on how to develop and set priorities for the SANDAG Regional Plan.

PUBLIC ORAL COMMUNICATIONS

- 1) Bertha Leone, Vice Chair of the Sustainability Advisory Board (SAB) – Spoke on behalf of the SAB about the importance of the SAB priorities submitted as a red dot to the City Council prior to the retreat meeting.
- 2) Zach Groban, Chair of Business Support Advisory Committee (BSAC) – Spoke on behalf of the BSAC and encouraged the City Council to continue to make activities that support business and revitalize downtown a priority.
- 3) Joel Holliday, 1233 Crest Road, Del Mar – Asked the City Council to continue to make efforts regarding short-term rentals a priority.
- 4) Bud Emerson, 1070 Klish Way, Del Mar - Talked about the significance of community involvement in Del Mar, and expressed concern regarding the effect of short-term rentals on the community and asked the Council to continue to make short-term rental related efforts a priority.
- 5) Harold Feder, 1406 Crest Road, Del Mar - Spoke in support of comments made by Joel Holliday and Bud Emerson, and expressed support for short-term rental efforts being a top priority for Del Mar.
- 6) Jim Watkins, asked the Council to support businesses and downtown revitalization efforts as a priority.

REPORT FROM FINANCE COMMITTEE

Tom McGreal, Chair of the Finance Committee, presented an overview of the City's expenditures/revenues for Fiscal Year 2018-2019.

SPECIAL MEETING MINUTES

February 23, 26, 2019

PAGE 2

Council questions focused on clarification on Finance Committee recommendations, revenue growth assumptions, establishment of a special projects fund, and application of the Finnell Plan.

The Mayor opened this item to public comment and the following individuals spoke:

- 1) Tom Tullie, expressed concern about past application of the Finnell Plan, and ensuring that expenditures growth be kept in line with revenues.
- 2) Jas Grewell, expressed support for spending within the City's means. She suggested that the City may need to cut expenses if necessary, and that using full-time staff rather than consultants may be less expensive.
- 3) Jeff Sturgis, expressed concerns about growth of budget and lack of resources to support the growth, preparing for a recession should be a priority.
- 4) Greg Rothnem, inquired about reasons for the anticipated decline in revenues.

The Mayor closed this item to public comment.

City Manager Huth provided some insight on budget management activities/controls from an internal perspective. Additional discussion focused on issues associated with the use of consultants and part-time, temporary staff vs. full-time, regular staff.

Council discussion focused on management of resources for Measure Q and other special projects; separate funding for special projects; appreciation for the Finance Committee's work on analyzing the City's budget; need for better understanding of macro financial trends; enhanced long-range forecasting to ensure resources are aligned with goals/priorities; Measure Q planning; how to best communicate budgetary changes and constraints to the community; and need to identify efforts/activities that benefit the community that could be achieved with little or no cost to the City.

REVIEW OF NON-CAPITAL IMPROVEMENT PROJECTS

Environmental Sustainability/Special Projects Manager Brown and City Manager Huth provided a presentation on the proposed list of City Council goals and priorities for the remainder of current fiscal year, and next fiscal year. Information provided focused on description of projects, available/needed resources, and reasons for recommendations.

Council questions focused on clarification on project scopes, and current status and resources needed for each.

Council discussion focused on the merits and ideas for each project, opportunities to maximize resources, potential timing and activities associated with each project, as well as possible outside funding opportunities (if applicable).

LUNCH RECESS

Council recessed for lunch from 12:27-12:58 p.m.

Following lunch, the Council continued review of non-capital improvement projects.

SPECIAL MEETING MINUTES

February 23, 26, 2019

PAGE 3

Council consensus was for the Del Mar Visitor Association (DMVA) Council liaisons, Ellie Haviland and Terry Gaasterland, to reach out to DMVA to discuss options for implementing a Façade Improvement Program in Del Mar.

Council discussed the concept of having a general goal of “Climate Action Plan Implementation”, in which a certain amount of resources would be allocated and the SAB would determine how to be use those resources; Alvarado house relocation and when the City could reasonably consider this matter; projects that have been removed from the special projects list and determined to be operational; items recommended to be deferred; proposed new operational items and scope for each; possible new special projects to be added to the list for FY 2019-20 and scope for each.

Council requested that staff prepare an updated list based on feedback from the Council for review the second day of the retreat on Tuesday, February 26. They asked that list be organized by fiscal year, project name, and relation to major Council goals.

ADJOURNMENT

At 3:45 p.m., the Mayor adjourned the meeting to 9:00 a.m., February 26, 2019, at L’Auberge Del Mar, 1540 Camino Del Mar, Del Mar, California, 92014.

FEBRUARY 26, 2019

RESUME SPECIAL MEETING – DAY 2

9 A.M. – L’Auberge Del Mar

CALL TO ORDER/ROLL CALL

Mayor Druker called the meeting to order at 9:03 a.m.

Present: Mayor Dave Druker; Deputy Mayor Ellie Haviland; and Council Members Terry Gaasterland, Sherryl Parks and Dwight Worden

Staff Present: City Manager Scott Huth; Assistant City Manager Kristen Crane, Administrative Services Director/City Clerk Ashley Jones; Planning and Community Development Director Kathleen Garcia; Public Works Director Joe Bride; and Environmental Sustainability/Special Projects Manager Clement Brown

PUBLIC ORAL COMMUNICATIONS

- 1) Ann Feeney, SAB Chair - Provided information about and spoke in support of the proposed SAB work plan provided as a red dot prior to the special meeting.
- 2) Don Mosier, Climate Action Plan (CAP) Facilitator, Spoke in support of working toward achieving the CAP goals; provided some insight as to the success of the solar system located at City Hall/Town Hall; and encouraged allocation of annual energy savings toward CAP goals.
- 3) Tracy Martinez, 2152 David Way, Del Mar - Suggested that the City start an affordable housing committee.
- 4) Glen Warren, 227 27th Street, Del Mar - Spoke about short-term rentals and their impacts on the community, and the importance of short-term rental regulations.

SPECIAL MEETING MINUTES

February 23, 26, 2019

PAGE 4

- 5) Lynn Gaylord, 2820 Ocean Front, Del Mar – Spoke in support of comments provided by Glen Warren, encouraged the Council to remember why the City incorporated, and asked that they protect the character of the community.
- 6) Jen Grove, DMVA Executive Director - Spoke in favor of Council goals and priorities that support the business community, public art program, pedestrian/bike circulation, parking management plan, and asked that the Council consider pop-up vendor regulations to allow for them, and opportunities for DMVA to provide assistance.
- 7) Bonnie Grossman, Arts Advisory Committee Chair - Spoke in support of goals/priorities that support the Art Committee's work plan, including allocation of staff time and some monetary resources.
- 8) Bill Michalsky, Drawer O, Del Mar – Expressed support for comments made by prior speakers pertaining to short-term rentals.

REVIEW OF OUTCOMES FROM DAY 1

City Manager Huth and Environmental Sustainability and Special Projects Manager Brown provided an overview of the outcomes from February 23, which included an updated list of FY 2018-19 and FY 2019-20 goals and priorities based on City Council feedback.

Council comments and discussion focused on how to best reaffirm the Council's commitments and goals; any items that may not have been included on the list that should be; items that have been determined to be operational rather than a separate special project; how to best communicate values/goals to public (both operational and special project items); asking the San Dieguito Lagoon Committee and Torrey Pines Planning Committee review tunnel alternatives for removing the rail from the bluffs and provide recommendations to the City Council; City committee engagement on goals; and how to best address zone code issues associated with determining the Shoreline Protection Area (SPA) line and Floor Area Ratio (FAR).

DISCUSS WHAT IS REQUIRED TO COMPLETE EACH PROJECT & DETERMINE THE GOALS

Council and staff discussed the projects included on the operational and special projects tables and the details of each as-needed; Council provided clarification and direction to staff as appropriate; confirmed items on the deferral list contained in Table 3.3 of the meeting handouts; items to consider adding to the list(s); how to best communicate the Council values, goals, and priorities to the public; and they added vital downtown and community beautification through art to the list of Big Issues/Council Goals.

It was the consensus of the Council that Mayor Druker, Council Member Parks, and key staff get together and create the framework for how to best present this information to the community, and discuss at a regular Council meeting in April, 2019.

LUNCH RECESS

The Council recessed for lunch from 11:50 a.m. to 12:09 p.m.

REVIEW CIP PROJECTS

Public Works Director Bride provided an overview of the Capital Improvement Projects (CIP) on the list for FY 2018-19 and 2019-2020, and included as Exhibit 2 in the meeting handouts.

SPECIAL MEETING MINUTES

February 23, 26, 2019

PAGE 5

Council discussion focused on as-needed clarification on the scope of the identified projects; questions pertaining to available staff hours and resources; potential changes to the list; projects on the recommended deferral list; potential dedication of staff time/resources analyzing creation of an assessment district for installation of public sewer and lateral connections on San Dieguito/Oribia Road; ways to best explain/communicate the street maintenance program schedule to the community (which streets are being paved, when, and how that is determined); potential for annual presentation by the Public Works Director to the City Council; drainage issues on Penny Lane; and consensus on the list of projects for FY 2018-19 and FY 2019-20.

Additionally discussed were city advisory committee impacts on staff time and resources; ideas and opportunities for how to better manage city advisory committees with regard to meeting schedules and work plan; and how to ensure committee efficiency and nexus to Council goals and priorities. It was Council consensus to explore the idea of having the committees go dark in August and December each year, or to reduce the annual number of meetings from 12 to 10 per year. The Council also discussed adding a standing item to the regular Council meeting agenda to discuss better management and improved efficiencies for City committees. There was also discussion about Council working with staff to look at number of members and charters for each committee and work with Council liaisons to recommend changes to Council as appropriate.

PREPARE FOR BUDGET

The Council discussed looking at implementation of the Finnell Plan, and asked staff to review and make recommendations; opportunities for increasing revenues; creating a separate fund for special projects (i.e. sea level rise adaptation plan implementation, affordable housing, etc.); opportunities for budget reductions; staffing needs; need for 10 year long-range forecast; review of budget (major expenditures/revenues sources and pensions, salaries, benefits, FTE's) over the last 6 years, and expected changes in the coming two-year budget; discussion about use of the pension set-aside fund; comprehensive discussion and policy adoption by Council pertaining to utility undergrounding.

ADJOURNMENT

The Mayor adjourned the meeting at 2:16 p.m.



Ashley Jones, Administrative Services Director/City Clerk