

**CALL TO ORDER**

CLOSED SESSION (*adjourn to City Manager's Office*)

CONFERENCE WITH LABOR NEGOTIATORS pursuant to Section 54957.6 of the California Government Code.

Agency Designated Representatives: Don Blubaugh, Interim City Manager  
Lianne Marshall, Administrative Services Director

Employee Organization: Martinez Police Non-Sworn Employees Association.

Mayor Schroder called the meeting to order at 5:30 p.m. with all members present except Vice Mayor DeLaney who arrived shortly after roll call.

**RECONVENE – PLEDGE OF ALLEGIANCE – ROLL CALL**

The meeting was called to order by Mayor Schroder at 6:00 p.m. with all members present. Mayor Schroder reported that a closed session was held and that direction was given to agency negotiators.

**PUBLIC COMMENT (Comments are limited only to items listed on the agenda)**

Students from the Environmental Studies Academy invited the Council and public to attend the Alhambra Creek Community Volunteer Day on November 30, from 10:00 a.m. to 2:00 p.m. (with December 7 as alternate date in case of rain) at Alhambra Creek behind the Martinez Adult and Continuing Education Campus, 600 F Street. They discussed plans and activities for the day, when students from the Academy, John Swett Elementary, and ACREEC will plant over 300 native plants and remove obstructive plants to improve the habitat restoration project. Volunteers are needed—all ages welcome. A BBQ lunch will be served. For further information contact Beth Pardieck, at 228-7612 or [beth@muirheritagelandtrust.org](mailto:beth@muirheritagelandtrust.org).

**CONSENT CALENDAR**

MOTION WAIVING READING OF TEXT OF ALL RESOLUTIONS AND ORDINANCES.

There was no public comment on the Consent Calendar.

1. Motion approving City Council Minutes of November 1, 2006. [M.Cabral]
2. Motion rejecting claim(s) against the City by John Trebino, #06-39. [D. Blubaugh]
3. Motion approving Check Reconciliation Register(s) dated 11/09/06, 11/14/06, 11/15/06, and 11/16/06. [C.Heater/2.1.0]

On motion of B. Wainwright, seconded by L. DeLaney, the Council unanimously approved Items 1-3, with an amendment Councilmember Wainwright had suggested for the minutes, regarding his request to Assemblyman Canciamilla for State financial assistance in removing the ferry pier.

## **CITY COUNCIL**

4. Consider recommendation from the John Muir Festival Center Ad Hoc Committee (Councilmembers Ross and Wainwright) to loan additional funds to the Willows Theater for the Cabaret and consideration of:
  - a. Construction Loan Agreement
  - b. First Amendment to (Kenney Building) Lease Agreement
  - c. First Amendment to (Bisio Building) Sublease Agreement

[D.Blubaugh/09.12.07&11.05.12]

Councilmember Wainwright gave the report for the Subcommittee, expressing appreciation for the opportunity to serve and to Councilmember Ross for his assistance. He reviewed the history of the process and the financial challenges faced by the Willows Theater. He indicated that the Subcommittee agreed with staff that this was a worthy enterprise for the City to be involved in.

Councilmember Ross expressed support for the terms of the agreement, noting that the investment in the theater could be the beginning of revitalization for the City.

Vice Mayor DeLaney was appreciative of the work of the Subcommittee, as well as for the terms of the agreement. She expressed concern, however, about the long-term programming for the theater. Councilmember Ross acknowledged that the programming would need to evolve and change over time – he was confident that the theater group would be able to plan accordingly.

Richard Elliott, Artistic Director of the Willows Theatre, discussed the history of the theater and the successful program planning involved. He acknowledged there was some financial risk involved, and he reviewed future projects the group was considering.

Vice Mayor DeLaney asked about contingency plans for the construction budget, given the age of the building involved. Andy Holtz, Managing Director of the Willows Theater, acknowledged that the budget was very tight, and if something unforeseen occurs, more fundraising would be needed or another area of the budget would need to be cut. As a last resort, the opening of the theater could be delayed. He also expressed hope that the City's bridge loan would not be needed because other fundraising will continue.

Vice Mayor DeLaney asked about repayment of the loan, particularly whether projected revenue would be sufficient to make the payments. Mr. Holtz said the budget projections were conservative, based on past revenues.

Vice Mayor DeLaney asked about plans for a Danville venue for the theater, and how it might affect Martinez shows. Mr. Holtz explained how the different programs could operate concurrently, including the Cabaret, the Conservatory, and the main stage theater, noting that the lease for the latter (currently in Concord) will expire in January 2007.

Councilmember Wainwright asked if fundraising for the Danville theater would impact fundraising for the Cabaret theater in Martinez. Mr. Holtz said hopefully not, as the fundraising for the Cabaret should be completed before the other begins.

Councilmember Kennedy asked how the fundraising for the Cabaret would proceed without confusing donors about what they are contributing towards. Mr. Holtz commented on the community campaign that is planned, including commemorative sidewalk bricks, sidewalk stars, and shadowbox tables.

Mayor Schroder opened public comment.

Carol Hatch, Chair of the John Muir Festival Center, expressed appreciation to the City for their continued support, in spite of the ups and downs of the process. She was confident that the plans for the theater would come to fruition.

Igor Skardoff, Vice-Chair, commented on the original grand plans for a theater in downtown Martinez, noting that this proposal is a good adjustment to reality, as an incremental beginning to accomplishing the dream. He indicated his family was sponsoring one of the shadowbox tables. He also discussed plans for a community-wide John Muir birthday celebration to coincide with Earth Day next year, possibly including an environmental film festival downtown. He commended the Council for their commitment.

Bruce Campbell expressed support for the theater concept, as a further boost for the downtown; thus, an investment by the City is appropriate.

Cathy Parker thanked the Council for their consideration, in spite of the long process involved in realizing the dream. She agreed this could be a starting point for revitalization of the downtown, especially for increasing evening activities.

Pat Elliott encouraged the Council to approve the loan, in consideration of the benefits that will result, as the summer amphitheatre program has.

Mike Elliott commended the Council for being cautious with the City's money. He noted that Saturday night activities at Café Romano were what drew his family to Martinez. As a player of live music, with the band Spinning Wheel, he looks forward to having the opportunity to play sometime at the Cabaret. He also indicated that his band is also sponsors a shadowbox table.

Russ Erickson was supportive of the theater plans as well, both as a past patron of the Willows Theater in Concord, and as a concerned Martinez citizen looking for revitalization of the downtown. He commented on the benefits for the next generation from being involved in the arts.

Mayor Schroder read an email comment from Kent and Nancy Hobert expressing their support for the theater.

Seeing no further speakers, Mayor Schroder closed public comment on the item.

Mayor Schroder expressed appreciation for the work of the Subcommittee, in spite of the ups and downs of the project. He also thanked Vice Mayor DeLaney for her probing questions. He indicated he would support the Subcommittee's recommendations.

Vice Mayor DeLaney commented on the default provisions in the loan agreement, as well as the Willows Theater Board's pledge of its resources to be used for repayment, as indicated in a letter from Mr. Chuck Lewis dated November 8th. Mr. Lewis explained the default provisions would only be invoked if the Willows Theater defaults. He agreed with Mr. Holtz's statement that hopefully the loan from the City would not even be needed.

Vice Mayor DeLaney asked for clarification on the First Amendment to the Sublease Agreement, under 6(a) Page 2, "100 performances" and whether it should read "200 performances." It was agreed that it should be 200.

Councilmember Ross asked Mr. Lewis as an attorney whether he had any misgivings about the agreements, specifically whether the Willows could have gotten a better deal from the City. Mr. Lewis said he thought it was a fair deal. Councilmember Ross thanked the Board for their work. Mr. Lewis reciprocated by thanking the Subcommittee.

Councilmember Ross also thanked staff for their diligent work. He reiterated that this is a great investment for the City.

Councilmember Wainwright echoed Councilmember Ross's appreciation to staff.

Councilmember Kennedy was grateful for the community support and perseverance through the process. She expressed optimism about future endeavors with the John Muir Festival Center.

Vice Mayor DeLaney was appreciative of the project as something the whole Council supports. She also expressed appreciation for the safeguards in the lease agreements that offer financial protection to the City. She thanked staff for their work as well.

Interim City Manager Don Blubaugh mentioned that the action of the Council needs to specify from what fund the money would be appropriated. Vice Mayor DeLaney suggested it come from the Texaco settlement fund. Councilmember Ross said he felt that money should be kept for capital projects.

On motion of B. Wainwright, seconded by M. Ross, the Council unanimously approved the Construction Loan agreement of up to \$100,000 to the Willows Theatre Company for the Cabaret renovations, and approved the First Amendment to the Bisio Building Sublease agreement, and the First Amendment to the Kenney Building Lease agreement.

On motion of L. DeLaney and seconded by J. Kennedy, that the Council use the appropriations from the Texaco settlement instead of the reserve fund.

Councilmember Wainwright said he agreed with Councilmember Ross that the Texaco settlement should be used for capital improvements. He asked for Mr. Blubaugh's opinion. Mr. Blubaugh said both opinions were right, because either way the money would be paid back into whatever fund it comes from.

Motion approved by the following vote: Councilmember Ross, No; Rest, Ayes.

5. Council Comments.

No comments made.

### **CITY MANAGER**

6. Comments and Updates.

No comments made.

### **CLOSED SESSION**

CONFERENCE WITH REAL PROPERTY NEGOTIATORS – Pursuant to Section 54956.8 of the California Government Code.

A) Property: Kenney Building, 115 Tarantino Drive  
Bisio Building, 636 Ward Street  
Agency Negotiator: Don Blubaugh, Interim City Manager  
Jeff Walter, City Attorney  
Joann Tool, Deputy Director of Parks & Community Services.  
Negotiating Parties: City of Martinez and the Benefactors, Inc. dba The Willows Theatre Company  
Under Negotiation: Renegotiation of terms and conditions of lease agreement on the Kenney building and sublease agreement on the Bisio building.

Closed session not needed.

### **ADJOURNMENT**

Adjourned at 7:20 p.m. to a Regular Meeting on December 6, 2006 at 7:00 p.m. at City Hall in the Council Chambers, 525 Henrietta Street, Martinez, California.

Approved by the City Council

Rob Schroder, Mayor

Mercy G. Cabral, Deputy City Clerk – 12/6/06