

CALL TO ORDER

The meeting was called to order at 5:30 p.m. in the Council Chambers with all members present except Councilmember Ross and Vice Mayor Kennedy who arrived after roll call.

CLOSED SESSION

- A. CONFERENCE WITH LABOR NEGOTIATORS pursuant to Section 54957.6 of the California Government Code.
Agency Designated Representatives: Philip Vince, City Manager; Alan Shear, Asst. City Manager, and Fran Buchanan, IEDA.
Employee Organization: Laborers International Union of No. American, Local #324; Martinez Police Non-Sworn Employees Association; and Martinez Police Officers Association.

There being no public comments made, the Council adjourned to closed session in the City Manager's Office.

Workshop Effects of Sea Level Rise & Climate Change

Mayor Schroder called the meeting to order at 6:00 p.m.

PRESENT: Lara DeLaney, Councilmember, Mark Ross, Councilmember, Janet Kennedy, Vice Mayor, and Rob Schroder, Mayor.
EXCUSED: Michael Menesini, Councilmember
ABSENT: None.

Mayor Schroder commented on new standards of the Bay Conservation and Development Commission (BCDC) and how they could affect Martinez as a waterfront City. He also discussed the makeup of the panel, including a member of BCDC, the Building Industry Association (BIA), engineers, and a local landowner.

Planning Manager Terry Blount reviewed the agenda and introduced Jeremy Loud from Environmental Science Associates, who presented an overview of the affected areas, adaptation policies, past sea level rise statistics in the Bay Area and future projections, anticipated impacts, and possible solutions.

Paul Campos, BIA, expressed agreement with the BCDC proposal, although he acknowledged that in the beginning he was less supportive. He discussed difficulties with balancing housing needs and infill development with concerns about sea level rise, as well as the need for a regional strategy to set priorities.

Joe LaClair, BCDC, discussed the Bay Plan, the findings and policies the Commission uses to evaluate permit applications, which was originally adopted as state law in 1969. He also discussed the proposed amendments and the process thus far, including concerns that BCDC is overstepping its authority and protection for the wetlands and habitat preservation.

Local property owner Al Turnbaugh discussed flooding issues in the downtown, the history and heritage of the City, and his concern about excessive regulation of downtown development and the loss of local control. He was adamantly opposed to the proposed amendments.

Dave Harrison, Director of Safety and Dredging for Engineers Local No. 3, gave some background on the union and expressed that their main concern is jobs. He acknowledged that they can do building jobs or demolition jobs, although they prefer building. He asked the Council to make an environmentally-responsible decision and supports the proposed amendments.

Mayor Schroder asked Mr. LaClair whether BCDC would protect existing infrastructure in the city, rather than abandoning it and building elsewhere. Mr. LaClair said yes, and the proposed amendments will allow the Commission to authorize the building of flood protection structures.

Mayor Schroder asked, and Mr. LaClair confirmed that currently BCDC's jurisdiction is all areas within a hundred feet of the shoreline. When asked whether that would change, Mr. LaClair explained that BCDC's area of jurisdiction is ambulatory, and can change based on the circumstances. He added, however, that the property owner would need to be notified and would have a year to remedy the situation before BCDC could take action.

Mayor Schroder expressed concern about protecting development rights or properties near the shoreline, particularly at the Marina. Mr. LaClair confirmed that most of those areas are outside BCDC's jurisdiction, although the Marina area is under BCDC control already.

Vice Mayor Kennedy asked Mr. Loud how the Creek and the mud flats could be changed while still protecting the natural habitat. Mr. Loud said that most of the wetland areas around the Bay already provide adequate flood protection, but new levies in key positions could offer additional protection without too much expense. He discussed some possibilities.

Councilmember DeLaney said she agreed the additional protections would be good; however, the state does not currently have the funds to help with building new levies or repairing existing ones.

Mr. LaClair acknowledged that to be true; he thought regional funding strategy should also be considered.

Councilmember Ross thanked the members of the panel for coming. He commented on the importance of the issue as well as the need to protect property owner rights at the same time. He discussed the unique situation and Martinez with Alhambra Creek flowing into the bay, and the railroads that run through the City (noting that the railroad has some responsibility for protecting the infrastructure it uses). He was unsure how the problem can be addressed, but he agreed it needs to be looked at by the City and the region.

The Council discussed among themselves what steps the city should take and directed staff to prepare a resolution to be submitted to BCDC regarding the proposed Bay Plan amendment. (Councilmember Menesini entered and was seated during the discussion.)

Mayor Schroder opened public comment on the item.

Steve Leshner, Shell, registered concern about Shell's ability to make important safety upgrades to their property and equipment.

Mike Alford agreed with Mr. Turnbaugh's comments that the City doesn't need more regulation. He thought it was a waste of time to talk about something that might not even happen for 20 or 30 years. The City has more important issues to resolve.

Julian Frazier said the City should not be considering any more development near the waterfront, but rather should be looking at restoration of the wetlands and habitat.

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

The Council directed that the resolution be drafted to include the following elements:

"Oppose a policy of retreat from existing urban areas;

Encourage local and regional governments, the State, regulatory agencies, railroads, refineries, and other private interests affected to pursue policies of protecting existing urban areas; and

Encourage economic development activity that takes into consideration adaption and mitigations strategies in urban infill areas within the identified inundation zone."

Adjourned at 6:50 p.m.

RECONVENE - PLEDGE OF ALLEGIANCE - ROLL CALL

Mayor Schroder reconvened the meeting at 7:00 p.m. He reported that a closed session was held regarding Conference with Labor Negotiators, and direction was given to the City's negotiators.

PRESENT: Lara DeLaney, Councilmember, Michael Menesini, Councilmember, Mark Ross, Councilmember, Janet Kennedy, Vice Mayor, and Rob Schroder, Mayor.

EXCUSED: None.

ABSENT: None.

PRESENTATION(S)

A. Certificate of Recognition to the Alhambra High School Softball Team.

Certificates of Recognition were given to the Alhambra Softball team for the achievement of the 2011 Diablo Foothill Athletic League Championship and the 2011 North Coast Championship to the following individuals:

Hayley Anderson, Nicole Curry, Chelsie Darrah, Shannon DeVries, Erin Enke, Bella Gonsalves, Jaime Higgins, Jenna Krummen, Jazzana McIntosh, Kylee Perez, Cheyenne Riggs, Hailey Sparacino, Mariah Suitos, Coach Paul Buccellato, Coach Ed Hendrickson, and Coach Rick Bonansea.

Certificates of Recognition were given to the Alhambra Softball team for the achievement of the 2011 North Coast Championship to Kailynn Boyd, Madison Dykstra, Victoria Frazer, and Anna Taylor.

B. Proclaiming July 2011 as "Parks and Recreation Month."

Proclamation presented to Dylan Radke Parks, Recreation, Marina, & Cultural Commission Chair. He thanked the Council for their continuous support.

C. Main Street Martinez Bi-Annual Report.

Leanne Peterson, Executive Director, and John Curtis, President, of Main Street Martinez provided an update on the last 6 months. Ms. Peterson expressed appreciation to the Council and staff for their continuous support. She provided information on the membership drive, past events, and new programs, i.e., Speaker Series, (collaboration with Shell Oil). Mr. Curtis informed the Council that Main Street has moved from the AMTRAK Station to Main Street. He provided statistical information on visitors into Martinez and information on new initiatives including What's Up Downtown (weekly email), face book page, new Martinez Patch blog; he reviewed past and current projects of their committees. He acknowledged the many volunteers and all their efforts. Steve Leshner and Marty Ochoa, Co-Chair of the 4th of July Committee, thanked all those volunteers who helped to make a wonderful event; and thanked the City Public Works and the entire City staff and the public who came out to make the 4th of July a great event.

D. Martinez Area Chamber of Commerce Bi-Annual Report.

Marie Knutson, President, Cynthia Murdough, Executive Director, Reba Bower, Sales Director of the Martinez Chamber of Commerce. Ms. Knutson provided an update on the last 6 months. She reviewed some of their accomplishments on past successful events including the State of the City Breakfast, Citizen of the Year Dinner, and King of the County Barbecue; and commented on future events. Ms. Knutson reviewed statistics on their social networks. She commented on the good working relationship with Main Street Martinez and that they attend, promote, and help each other. Ms. Knutson indicated they are currently working on a survey for downtown merchants and customers. She noted that the Chamber's job is not only to promote downtown, but they are the marketing and promotion team for all of Martinez. One of the Chamber's main focus is the Visitors Center and Tourist Bureau, which she provided an overview of the services rendered. Ms. Knutson thanked the Council for their support.

PUBLIC COMMENT (COMPLETE SPEAKER CARD AND GIVE TO CLERK)

Reserved only for those requesting to speak on items not listed on the Agenda.

Ann Mobley submitted a petition with over 400 signatures in support of keeping the 500 block of Main Street as a one-way street with pockets as they have been for the past 10 years.

Mike Alford agreed with Ms. Mobley's statement and urged the Council not to waste City funds to fix something that doesn't need fixing.

Julian Frazier spoke against spending Measure WW funds to be used to repair the marina. He suggested that the Council try to repair the marina one project at a time.

Pat English, owner of Haute Stuff, also expressed her views against removing the pockets on the 500 block of Main Street; she indicated that her customers enjoy eating outside and removing them would mean a financial hardship.

Charlene West, Char's Flower Shop, spoke against removing pockets on the 500 block of Main Street. She described how the pockets were built and those who volunteered to build them herself and her late husband included. She urged the Council if they decide to make Main Street a two-way street, they reconsider leaving the pockets.

Ernie Guerrero expressed his appreciation to Dave Scola and his staff in helping him with his business. He indicated that the businesses' goal is to succeed. The pockets bring people to our businesses and removing the pockets would make it difficult to stay open. Hopefully we all can work together and make decisions to allow businesses to prosper.

An unidentified speaker stated that if it's not broken, don't fix it, just enhance it.

Luigi (last name not stated) stated he enjoy his patios and so do his customers. He requested thought that the all of Main Street should have patios; and he urged Council's support not to remove the patios.

Michael Gallo, Pacific Pizza, agreed with others that the pockets work for the 500 block Main Street and he would like to have one; he urged the Council to enhance the street.

Kevi Tomouzos stated that if the pockets were removed from her business, Legal Grounds, and stated that either they all go or they all stay--no discrimination.

Carol Leman stated she liked the 500 block the way it is, she understand the merchants point of view, and requested that the City make the street look better. She indicated that as a voter, she will remember how the Council made their decision.

Kathi McLaughlin supported the businesses affected by the pockets. She stated that for years the Council spoke about revitalizing downtown, and they will be removing something that works for the merchants which she felt was counterproductive.

Carolyn Hill downtown merchant urged the Council to leave the pockets as is and just use some of the money for repairs and enhance the rest of Main Street.

Harriett Burt stated that the public was never notified nor any hearings held. she hoped that the process would be rectified and opened to discussion and build on the successful block.

CONSENT CALENDAR

MOTION WAIVING READING OF TEXT OF ALL RESOLUTIONS AND ORDINANCES.

1. Motion approving City Council Minutes of May 18, and June 1, 2011. [M.Cabral]
2. Motion accepting Check Reconciliation Registers dated 06/16/11, 06/20/11, 06/23/11, 06/29/11, and 6/30/11. [C.Spinella]
3. Resolution No. 079-11 approving the Martinez Chamber of Commerce Agreement and Main Street Martinez Agreement for the 2011-12 fiscal year; and authorizing the City Manager to execute agreement. [M.Chandler/]

Mayor Schroder opened public comment on the Consent Calendar.

Regarding Item #3, Julian Frazer expressed concern about some of the Friday night events in the downtown and problems with vagrants who interfere with the activities. He was concerned about public safety and impacts on downtown businesses. He also commented on RVs parked at the marina for extended periods of time. Chief Peterson noted that Main Street and the Chamber have contracted with some of the reserve officers to police the Friday night events, but if no crime has been committed and the person is not intoxicated, they cannot be forced to leave. Regarding the RVs, he noted that RVs are allowed to park at the marina during the day, but not after dark. Thus far, however, they have been in compliance with the law.

An unidentified speaker agreed with Chief Peterson that the homeless should be left alone as long as they are not bothering anyone.

Mark Ross commented on the good work done by Main Street and the Chamber. Since they represent most of the downtown businesses, he suggested the City enlist the two organizations to analyze parking needs in the downtown, including the pockets in the 500 block of Main Street, parking meters, whether the street should be one-way, etc. Vice Mayor Kennedy indicated that at the last Main Street Board meeting, a subcommittee was formed for just that purpose.

Councilmember Lara DeLaney requested that Item #1 be voted on separately since she was not at the June 1st meeting.

Councilmember Menesini agreed that both organizations deserve much credit for their many successes. He also expressed confidence that no changes will be made to the parking and routing of the streets without a full public process.

On motion by Mark Ross, Councilmember, seconded by Janet Kennedy, Vice Mayor, to approve Items #2 and #3 of the Consent Calendar. Motion unanimously passed 5 - 0.

On motion by Mark Ross, Councilmember, seconded by Lara DeLaney, Councilmember, to approve City Council Minutes of May 18, 2011. Motion unanimously passed 5 - 0.

On motion by Mark Ross, Councilmember, seconded by Janet Kennedy, Vice Mayor, to approve City Council Minutes of June 1, 2011. Motion unanimously passed 4 - 0. Abstain: Lara DeLaney, Councilmember; Rest, Ayes.

PUBLIC HEARING(S)

4. Public Hearing to consider and possibly take action relating to appeals of the Planning Commission's certification of Final Subsequent Environmental Impact Report (SEIR), and approval of a Planned Unit Development (PUD) 08-1 (amending PUDs 89-5/89-6/91-4); Vesting Tentative Map (Subdivision 9257) with the changes outlined in the Mitigated/Alternate Access Alternative; Use Permit (UP) 08-17 (construction of a water reservoir tank); and Development Guidelines and Design Criteria for the Alhambra Highlands Project (2008) located on multiple parcels within the Alhambra Hills Specific Plan area (APNs: 164-010-019, 164-010-025, 164-010-026, 164-150-016, 164-150-022, 164-150-030, 366-010-007, and 366-060-007). [T.Blount/09.05.01.30]

Terry Blount presented the staff report, including the project history (1990-2008); Specific Plan area and 2008 project, Vesting Tentative Map, outside agency review and approval, Alameda Whipsnake Mitigation, changes from the 1990 project and the 2008 project, Vesting Tentative Map, mitigated alternate access alternative also known as Alternative 1 reviewed key comparisons to 2008 project, Design Guidelines and Criteria; Planning Commission Public Hearings (March 22, 2011 and April 12, 2011), and a review of the Conditions of Approval.

Charity Wagner, UP Partners (who with Lynette Dias prepared the California Environmental Quality Act (CEQA) report), reviewed the CEQA process, initial study findings, Subsequent Environmental Impact Report findings (SEIR) and Alternatives, comments received on Draft SEIR, Final SEIR findings, certification of the SEIR, and Statement of Overriding Considerations.

Mr. Blount reviewed the appeals of the Planning Commission's decision and recommended that the City Council certify the Final SEIR; adopt the findings and the Statement of Overriding Considerations.

Councilmember DeLaney asked about the recommended ratio of tree replacements. Mr. Blount confirmed that the applicant is agreeable to replacing three trees of the same species for every one tree removed. Councilmember DeLaney asked what the common ratio of tree replacements is. Mr. Blount deferred to biologist Malcohm Sproul, LSA Associates, who indicated that replacement ratios vary greatly and have to do primarily with the type of maintenance that will be required. He noted that these trees will receive a high level of maintenance that will result in a high survivability rate. In response to a further question from Councilmember DeLaney, he confirmed that replacement trees that do not survive the first five years will be replaced again and monitored/maintained for an additional five years.

Councilmember DeLaney asked who came up with the original ration; Mr. Sproul said it was their recommendation, based on the high level of maintenance that they will receive.

Councilmember Ross asked about the proposed grading for lots 21-29, and Mr. Blount confirmed that building on those lots will be allowed since the grading will be there for the roads already. Assistant City Attorney Veronica Nebb explained the exception that will allow building on the area of the lot with greater than 30% slope.

Councilmember Menesini asked about the proposed water towers and whether the Fire District had agreed one tower was adequate, rather than the three originally proposed. Mr. Blount deferred to City Engineer Tim Tucker. Mr. Tucker said yes, the Fire District had reviewed the project and indicated the single water tower would be adequate. He also noted that the original project, with three water towers, had been more than twice as big as the current proposal.

Councilmember Menesini noted there had been concerns about the adequacy of the water supply and fire safety with the existing home off Virginia Hills Drive. Mr. Tucker confirmed that the new water tower will help backfeed the system for those homes, which are currently supplied through a pressurized system. Councilmember Menesini asked how large the new tank would be - Mr. Tucker said he did not have the information before him. Councilmember Menesini expressed concern about the adequacy of the water supply. He indicated he would like to see more information from the Fire District.

Councilmember DeLaney asked for information from the City Attorney as to why the project still has entitlements after so many years. Ms. Nebb confirmed that the project was approved as part of the Alhambra Hills Specific Plan, including the tentative map, the planned unit development (PUD), zoning and density; although some entitlements have expired others still remain. She further explained that the developer has a right to expect that the zoning would be upheld and could challenge the City in court if those rights are not upheld.

Councilmember DeLaney asked under what circumstances the City could repeal the PUD. Ms. Nebb acknowledged the City could decide that the project is no longer suitable for the site. She cautioned, however, that it would likely result in a suit from the developer on the grounds that it would constitute a "taking" of the property by the City since the owner's investment would be substantially reduced or eliminated if the property is no longer developable.

Councilmember Ross asked Ms. Nebb whether it was true that if the Council does not approve this project, the City will likely end up in court. Ms. Nebb noted that the developer could have insisted that the final map be approved before the further environmental review was done, and she reviewed the agreement that the City and the developer made at that time. She also confirmed that the potential litigation would be very costly to the City. She cautioned the Council to consider the project carefully and the appropriate findings need to be made regardless.

Mayor Schroder invited the appellants to make their presentations. He noted that no final decision would be made on this item tonight, and the hearing will continue to the next meeting of July 20th; however, the Council hopes to get through the public comment portion at this meeting.

Ellen Visser and Chuck Sutton: Ms. Visser disputed the Statement of Overriding Consideration in regards to greenhouse gas emissions, the sale-ability of high end homes, and impacts on wildlife. Mr. Sutton discussed the tree removals and ratio for replacement, including information from the standards set in other communities. He urged the Council to consider the desires of the people to save the trees, the hills, and open space.

Richard Pile and Marlene Haws: Mr. Pile discussed the ten lots in the development that violate the Alhambra Hills Specific Plan - he reviewed the slope densities, needed grading, and the allowed exceptions to the 30% slope limitations. He stated that the City does not have legal justification for allowing lot 2A-1 and lots 21-29.

Bill Schilz commented on the strong public opposition to the project over many years. He expressed concern about the formation of the Geologic Hazard Abatement District (GHAD) and the need for highly technical knowledge that will be needed. He also was concerned about the impacts if the project takes too long to be built. He discussed the projected developer costs per lot, and he questioned how many buyers will be found for such expensive homes. He also questioned the supposed economic benefits to the City. He urged the Council to postpone making a decision until the information presented by the developer can be verified.

On behalf of Robert Barker, Sarah Barker discussed his appeal of the Planning Commission's approval, based on the inadequate time given to opponents of the project at the Planning Commission hearing and the lack of consideration for their testimony. She noted that the 3-minute time limit has only recently been imposed at City meetings and expressed concern that citizen rights are being violated since their comments are abridged in the minutes, and the City Council does not have an adequate representation of those remarks. She read one example of actual comments as compared to what the meeting minutes reflected. She was concerned that only the developer's needs are being considered. She asked the Council to overturn the Planning Commission's decision and declare the project hopelessly flawed. She also asked the Council reconsider the 3-minute time limit per speaker.

**The Council recessed at 9:30 p.m. and reconvened with all members present as indicated.*

Alicia Guerra, attorney for Richfield Investment Corporation, introduced the team of consultants: Richard Sabella and Debbie Chung also from Richfield, Andy Palffy and Lucy Gibson from DK Consulting, Malcolm Sproul from LSA, Joanne Brion from Brion & Associates, and Uri Eliahu and Jill Stuckey from Engeo.

Ms. Guerra noted that the Alhambra Hills Specific Plan, approved in 1987, is the governing document that controls what can happen on the property. She briefly reviewed the history of state, federal and local approvals that led to this final project application. She also responded to the appeal issues: CEQA findings and the Statement of Overriding Considerations, consistency with the General Plan and Specific Plan, development on slopes over 30% and tree impact mitigations. She noted that a letter had been submitted in response to issues related to formation of the GHAD, and further questions from the Council could be answered by one of the representatives from Engeo. She also deferred to staff to respond to issues regarding public processing of the application. Regarding the Statement of Overriding Considerations, she discussed the benefits to the Martinez economy, habitat preservation/enhancement/restoration, and infrastructure improvements. She explained that the fiscal information was not presented at the Planning Commission meeting because it had been done in earlier project iterations, but once the question was raised at the appeal level, the applicant decided to update it. She indicated that Ms. Brion would address those issues now.

Ms. Brion noted that the fiscal impact analysis looks at the annual, ongoing costs and revenues to the City, one-time impact fees and one-time revenues to the City, new construction jobs associated with the project, and GHAD and Homeowner Association (HOA) assessments.

Andy Palffy, DK Consulting, discussed studies his firm did to confirm the project's consistency with policies of the Alhambra Hills Specific Plan and allowable slope densities, noting that not all areas within the project site are proposed for development. He showed on a subdivision map that the proposed development areas are all within the limits of what was anticipated and planned for under the Alhambra Hills Specific Plan. Secondly, he demonstrated that lots 21-29 and lot 2A-1 are within the development area approved under the Vesting Tentative Map and PUD plan. He also reviewed the exceptions allowed under the Specific Plan for development on slopes greater than 30%. He added that the alignment of the roadway was selected to minimize necessary grading and created the most natural appearing contours. He noted that the most recent project approved by the Planning Commission results in substantially less development area than those approved earlier. He also added that the area proposed for development with this project is substantially smaller than that permitted under the Specific Plan and General Plan. Councilmember DeLaney asked how Erica Way could be used to justify development on lots with greater than 30% slope when the area that Erica Way is on is less than 30% slope. Mr. Palffy explained that attempts to lower the grade of the roadway will reduce its slope and reduce the necessary cuts, but defaults the location of the homesites to areas greater than 30% slope.

Malcolm Sproul, LSA, discussed tree removals under this project compared with those under earlier proposals, noting there is a reduction in total number. He also noted that Richfield is committed to replacing native trees in the same ratio at which they are removed. He disputed whether there is a standard for tree replacement ratios, and he discussed similar projects and his company's success with tree survivability. Councilmember DeLaney asked about projects in the Dougherty Valley area of the County and whether they applied a 3:1 tree replacement ratio. Mr. Sproul said the County didn't apply a ratio except for the Alameda Creek project, and that standard was set by the natural resource agencies: US Fish & Wildlife, Army Corps of Engineers, California Regional Water Quality Control Board, and Department of Fish & Game.

Ms. Guerra reiterated the applicant's request that the Council deny the appeal and uphold the Planning Commission's approval of the Alhambra Highlands project, including certification of the Final SEIR and the Conditions of Approval.

Councilmember Ross asked the anticipated profit amount on each home - \$250,000. Ms. Brion acknowledged it is not a huge profit, but given the investments that have already been made, the developers are still choosing to move forward. Councilmember Ross noted that the financial viability of the project is of concern.

Richard Sabella, Richfield, agreed the per-unit profit was very small and was primarily intended to reimburse past costs; and when divided over the total number of years, amounts to even less.

Mayor Schroder opened the public hearing.

Marie Olsen disputed Mr. Sabella's statement regarding his involvement with the project for over 25 years, noting that he didn't own the property 25 years ago. She commended the Council and the public for their service in participating in this late meeting. She noted that something can be legal but not be right, and that could apply to many aspects of this project -- the location of the homes, placement of the road, height of the retaining wall, and tree removals. She asked the

Council to have the moral courage to vote in favor of the appellants and keep the beautiful hills as nature intended them.

Paul Detjens said he worked for Contra County Flood Control; he noted that the original tree removal ratio was proposed for 1:1 and was only increased when he raised the issue. He questioned the advisability of a 1.5:1 ratio as requested now by the applicant. He thought Martinez should at least ask for a 3:1 ratio, given its designation as a "Tree City" and the home of John Muir.

Todd Smith, representing Ostrosky Enterprises, the owner of 7 parcels of land directly contiguous with and downslope from this project site, discussed significant concerns regarding drainage and runoff impacts from the project.

Jerrold Hanson, Hultgren-Tillis Engineers, discussed his review of the project site and drainage issues that need to be addressed.

Louis (last name not stated) thanked the Mayor and Council for visiting the hill this morning. He expressed concern about drainage issues from the proposed project and traffic safety issues.

Sharon Frontwell commented on the access road, noting that her husband first proposed the road that is now on the main plan, even though they were first told that would be impossible. She was concerned about decreased property values, and she didn't understand why the entitlements have carried forward even though nothing has been done on the site for years. She questioned whether the anticipated economic benefit will be as great as anticipated. She was also concerned about view impacts, and she cautioned the City about potential legal action if the project is completed. She asked for confirmation on the noise studies and questioned whether the proposed mitigation was sufficient.

Julian Frazier commented on the intrinsic value of the hills and the wetlands. He also discussed the importance of the entrance to the City that will be ruined with the project, tree removals, the carbon factor, the foliage, wildlife impacts, the phasing of the project, grading, the proposed private park, the trail that needs to be kept public, and concern about the abilities of the Planning Commission.

Rosemary Sparacino Westcott showed an oak sapling she found growing in her garden, noting the very long root. She was doubtful that the applicant will be able to sustain new oak saplings in 5-gallon cans. She also expressed concern about noise, drainage, erosion, slippage, and she questioned the effectiveness of the GHAD and the stability of Wildcroft Road, which was originally only intended to be emergency access. She asked the Council to visit Horizon Drive to fully understand the noise impacts, as well as take a tour of the project site to see for themselves the area described as a plateau.

Satinder Malhi clarified that although he works with Senator DeSaulnier's office, he was speaking tonight as a private citizen of Martinez. He responded to Mr. Sabella's comment about "damage control" and expressed concern about future damage to the community that could result if this project is built. He asked the Council to consider the long-term impacts of the decision they are considering tonight.

Mike Alford indicated his support for the rights of those who have come to speak tonight, since their homes and their lives will be affected if the project is approved. He questioned the anticipated price of the homes, their marketability, the hydrology reports and the safety of the project. He commented on the consultants hired by the applicant to convince the Council of the merits of the proposal. He also asked why the City hired consultant Chip Griffin to work on this application. Mayor Schroder noted that the applicant paid for Mr. Griffin's work. He asked the Council to consider the needs of the citizens and vote against the project.

Russ Holt commented on mudslides that have occurred in other bay area communities and difficulties in establishing blame. He suggested that the applicant give a 15-year guarantee to cover damages by a mudslide from the project site.

Tim Platt asked for clarification on funding for the GHAD asking specifically, if the GHAD is low on funds, are the property owners in the GHAD responsible for raising the amount of their property taxes to add to the GHAD's coffers.

Kathi McGlaughlin asked how the tree removals will impact the greenhouse gas emissions, how many total trees will be removed, the average age and size of the 480 trees, the size of the replacement trees that will be planted and how long will it take for them to grow large enough to provide shade etc. She was concerned that removing the trees will not only increase the risk of erosion but also create an eyesore. She also questioned whether earlier iterations of the plan had homes below the ridgeline, while current plans show some homes on the ridgeline, and she noted that would be enough of a deviation from the previously-approved project to allow the Council to deny this project. She noted that the access road is on the opposite side of the project from the school, which would require longer trips to/from every day, increasing greenhouse gas emissions. Ms. McGlaughlin asked whether the park will have any ballfields, pool, or playgrounds; if not, that will increase use of City recreational facilities without providing additional park area for all Martinez residents. She also asked about noise abatement and the height of the proposed retaining wall, which will have a significant visual impact on homes below; and expressed concern about the potential decrease in property values that could result from the view impacts and the potential for slides.

Gay Gerlack said there is a lot in Martinez that is good a new pool, library, and park renovations through the efforts of Martinez citizens who supported Measure H. She expressed confidence that the joint efforts of the citizens and the Council could also raise funds to purchase the property for open space. She thought would be a better solution than this project.

An unidentified speaker agreed that Mr. Sabella's efforts were "damage control" only. He cautioned the Council that this project will ruin Martinez. He echoed Ms. Gerlack's comments about the accomplishments of a unified citizenry; and he was confident that a unified effort could raise enough money to purchase the land for open space. He urged the Council to vote against the project.

Robin Masowitz questioned whether the anticipated price for the homes would even be attainable. For so little profit, she advised Mr. Sabella to let the project go and take a loss if he must.

Ann McIntoffer commented on the negative image the City will have if the development occurs.

Seeing no further speakers, Mayor Schroder closed the public hearing.

Appellant rebuttal:

Ellen Visser and Chuck Sutton: Ms. Visser questioned the economic benefit that the property will bring to the City, noting that if some of the homes don't sell, the income to the City will be reduced. She asked whether the City has weighed the benefits of the project against the risks or if it is relying on the developer's statements alone. She asked the City to be the lead agency in making the CEQA evaluation.

Mr. Sutton acknowledged that the California Oak Foundation may not be an advocacy group for the trees, but someone needs to advocate for the trees. He noted that there was much more information available about the tree replacement standard used by other agencies; and the City should not accept a 1.5:1 ratio. He also commented on the time it will take to grow the replacement trees to maturity - 80 to 100 years. He added that the developer acknowledges over 1500 trees will be removed, although not all are considered heritage trees.

Marlene Haws and Richard Pile: Mr. Pile showed an enlargement of the developer's map showing the lot placements; he questioned its accuracy. He noted that one of the roads is outside the developable area established by the Alhambra Hills Specific Plan, and he warned that a lawsuit will result if this project is approved.

Bill Schilz expressed concern that Mr. Sabella will eventually realize that sinking an additional \$35 million into this project is not financially prudent and will leave it half finished, but only after removing the trees and decimating the natural environment. He advised Mr. Sabella to reconsider.

Robert Barker did not make any rebuttal.

Applicant rebuttal:

Alicia Guerra discussed the zoning of the land that was established as part of the Alhambra Hills Specific Plan and remains today, even if the other entitlements expire; it would still allow for residential uses at that location. She also explained how the private park and possible playground amenities will provide an alternative from other City parks.

Ms. Guerra also stated that Mr. Sabella has said he would consider any offer to purchase the property for open space, but thus far no one has approached him with an offer. She noted that 70% of the area will be dedicated open space regardless, at no cost to the City.

Andy Palffy noted that the project does not propose any engineering or grading work to be done on the property owned by Ostrosky Enterprises; he added that water draining to that property already will be significantly reduced once the Alhambra Highlands project is built, as well as the drainage into the Elderwood neighborhood. Regarding construction access via Horizon Drive, he indicated it would only be needed for the first two years, while improvements are made to Wildcroft Drive. He also explained that Diagram B shows the alignment for Erica Way and a small section near lots 22-24 that crosses over slopes greater than 30% is allowed in the Specific Plan.

Malcolm Sproul said it would be difficult for him to respond to statements about projects in other jurisdictions with a higher tree replacement ratio, since the details are not known. He reiterated that the proposed maintenance plan is sufficiently rigorous and will result in good survivability numbers.

Uri Eliahu responded to questions regarding the GHAD, the makeup of the Board, number of members, and term of office. Mayor Schroder asked how the Board will sustain itself if there is a slide before all the homes are constructed. Mr. Eliahu said the GHAD will not take responsibility until all the improvements are made, although they will be issuing assessments as the lots are sold. He discussed funding provisions for small items as well as for large-scale events, and additional funds held in reserve. He noted that no GHAD has ever gone bankrupt, and there is an organization that lends money against future GHAD money. Councilmember Ross asked, and Mr. Eliahu confirmed that the developer has liability for latent deficiencies for ten years. Ms. Nebb added that until the GHAD accepts the improvements, the developer is responsible so there is no gap in coverage. She also said it is typical for a GHAD Board to hire an experienced manager to ensure all areas are covered. Mr. Eliahu said there is also a clerk and a treasurer. He also reported on the process for raising the assessment, which is indexed to the consumer price index, so the maximum assessment amount will automatically go up each year and can be raised up to the maximum when necessary. He added that the fund budget usually includes allowance for contingencies, and it is rare that a raise in assessment is necessary.

Councilmember DeLaney asked what happens if the residents decline to raise the assessment. Mr. Eliahu said they would be subject to the same liability and expense as anyone who does not have a GHAD. He clarified that the project will be done to the latest standards, so the likelihood of a failure is low. He confirmed that there will be no liability to the City from the GHAD. Councilmember DeLaney asked, and Mr. Eliahu also confirmed that the GHAD's responsibility is only to properties within the District - impacts to properties outside are not covered under the GHAD, except as may be incidental to protecting the property within the GHAD.

Ms. Nebb noted however, that if property of the GHAD causes offsite damage for which the GHAD is liable, the GHAD's income can be used to remediate that damage.

Mayor Schroder reiterated that this item will be back at the next meeting, July 20th. Ms. Nebb indicated that any additional information or clarification can be discussed at that time. She asked that the Council take action to continue the item to a date certain.

On motion by Michael Menesini, Councilmember, seconded by Mark Ross, Councilmember, continue the public hearing (public hearing portion closed) relating to the appeals for the Alhambra Highlands Project (2008) located on multiple parcels within the Alhambra Hills Specific Plan area to the Council meeting of July 20, 2011. Motion unanimously passed 5 - 0.

CITY MANAGER

5. City Manager Comment(s)/Update(s)/Report(s).

No comments made.

CHIEF OF POLICE

6. Chief of Police Comment(s)/Update(s)/Report(s).

Chief of Police Gary Peterson announced that on Friday, July 8, from 9:00 am to 5:00 pm the first annual Sgt. Carter Memorial Blood Drive will be held in the Council Chambers. Chief Peterson stated that Sgt. Carter had Non Hodgkin Lymphoma, and he passed away peacefully June 22; he urged all to participate.

APPOINTMENTS TO COMMISSIONS AND/OR AGENCIES

CITY COUNCIL

7. Accepting the Grand Jury report: Vehicle Maintenance.

Public Works Director Dave Scola presented the staff report.

On motion by Mark Ross, Councilmember, seconded by Lara DeLaney, Councilmember, authorize the Mayor to sign the attached responses to the Grand Jury Report #1103, "County and City Vehicle Maintenance and Usage" by the 2011-12 Contra Costa Grand Jury. Motion unanimously passed 5 - 0.

8. Council (City) Subcommittee Reports.

9. City Council Comments.

Mayor Rob Schroder requested to adjourn in memory of Shirley Amato who passed away recently (mother of Chacha Hughes).

Vice Mayor Janet Kennedy stated that she and Councilmembers Ross and DeLaney attended the memorial services for Sgt. Carter and expressed her appreciation to Chief Peterson and the entire Police Department for the effort that went into the preparation of the service. Vice Mayor Kennedy further stated that Sgt. Carter was a brave man with a very brave family.

ADJOURNMENT

Adjourned at 12:20 p.m. *in memory of Shirley Amato* then to a Regular Council Meeting on July 20, 2011 at 7:00 p.m. in the Council Chambers, 525 Henrietta Street, Martinez, California.

Approved by the City Council,

Rob Schroder, Mayor