

**MINUTES OF A
REGULAR MEETING OF THE
CITY COUNCIL OF THE
CITY OF CORONADO
Coronado City Hall
1825 Strand Way
Coronado, CA 92118
Tuesday, November 1, 2005**

Mayor Smisek called the meeting to order at 3:03 p.m.

1. ROLL CALL:

Present: Councilmembers Downey, Monroe, Tanaka, Tierney
and Mayor Smisek

Absent: None

Also Present: City Manager Mark Ochenduszko
City Attorney Morgan Foley
City Clerk Linda Hascup

2. INVOCATION AND PLEDGE OF ALLEGIANCE. Reverend Mitch Lindeman provided the invocation and Mayor Smisek led the Pledge of Allegiance.

3. MINUTES: The minutes of the Regular Meeting of October 18, 2005, a copy having been provided Council prior to the meeting, were approved as submitted. The reading of the minutes in their entirety was unanimously waived.

MSUC (Downey/Tanaka) moved that the City Council approve the minutes of the Regular Meeting of November 18, 2005, as submitted.

AYES: Downey, Monroe, Tanaka, Tierney and Smisek

NAYS: None

ABSENT: None

4. CEREMONIAL PRESENTATIONS: None.

5. CONSENT CALENDAR: The City Council approved, adopted and/or accepted as one item of business Consent Agenda Items 5a through 5d with the addition of Items 11c, 11d, 11e and 11f.

Councilmember Monroe commented on Item 11f. At the South County Economic Development Council meeting, the representative for Senator Boxer was very vocal in saying that the Congressional and Senatorial delegations in Washington are adamantly opposed to joint use before BRAC, during BRAC and after BRAC. This resolution is very appropriate at this time.

MSUC (Downey/Tanaka) moved that the City Council approve the Consent Calendar Items 5a through 5f with the addition of Items 11c – City Council Reappointment of the City of Coronado’s Representative on the Board of Commissioners of San Diego Unified Port District, Coronado Port Commissioner, 11d – City Council Reappointment of the City of Coronado’s Representative to the Port of San Diego Public Art Program, 11e – Approval of a Resolution of the City Council of the City of Coronado Approving the Sale of Tax Allocation Bonds for the Coronado Community Development Project for Affordable Housing and 11f – Approval of a Resolution Opposing the Joint Use of NASNI as a Regional Airport Site Alternative

AYES: Downey, Monroe, Tanaka, Tierney and Smisek

NAYS: None

ABSENT: None

5a. Approval of Reading by Title and Waiver of Reading in Full of Ordinances on this Agenda. The City Council waives the reading of the full text of every ordinance contained in this agenda and approves the reading of the ordinance title only. **The City Council waived the reading of the full text and approved the reading of the title only.**

5b. Approval of Warrants. The City Council ratified payment of warrants Nos. 10046802 thru 10047087 audited and approved by the Audit Committee, provided there are sufficient funds on hand. **The City Council approved the warrants.**

5c. Approval of Amended Employee Flexible Benefits (Cafeteria) Plan Document. Recent changes to the Internal Revenue Code and other federal laws (e.g., COBRA, HIPAA, WFTRA) have necessitated that the City’s cafeteria plan document be updated. Most of the changes to the plan document are technical in nature and have no substantive or fiscal impact. For example, the federal government has modified the definitions of the term “dependent” to address issues related to custodial parents (Section 1.09) and the term “qualifying individual” (Section 1.29). It has also added a requirement that employers take reasonable steps to ensure that confidential employee data is secure (Section 13.14).

As a result of a recent amendment to the IRS regulations, there is one substantive change that is included in the amended plan document. Under the new IRS regulations, employers are now permitted to extend the period during which expenses may be incurred under the plan. Under the *existing* plan employees may use the funds for eligible expenses incurred during the calendar year (i.e., January 1 through December 31 of any year). The new IRS regulations allow an extension for spending the funds through March 15 of the following year. The City’s *amended*

plan incorporates this change for both health and dependent care expenses (Sections 6.01 and 6.02, respectively).

The relevant plan sections that have updated language are found in the Attachment to this report. The full Plan Document as well as Plan Summary information is available for review in the City Clerk's office. The last amendment to this document was made in 2003. **The City Council amended the cafeteria plan document.**

5d. Request for the Coronado Chamber of Commerce to Allow for Free Parking in all Commercial Zones from Monday, December 12, 2005 through Monday, December 26, 2005. The Coronado Chamber of Commerce submitted letter dated October 10, 2005 requesting free parking in all commercial zones for the holiday period from Monday, December 12, 2005 through Monday, December 26, 2005. **The City Council approved the request.**

6. ORAL COMMUNICATIONS: None.

7. CITY MANAGER:

7a. Update on Council Directed Actions and Citizen Inquiries. No report.

8. PUBLIC HEARINGS:

8a. Public Hearing to Review Requests for Historic Preservation (Mills Act) Agreements for Properties Addressed as 526, 625, and 629 A Avenue, 941 and 1125 G Avenue, 633 Alameda Boulevard, 1015 Loma Avenue, and 1704 Visalia Row. Tony Pena, Director of Community Development, provided the staff report. He explained that the staff recommendation is to approve Mills Act Contracts for the seven properties that fit within the cap and approve 629 A Avenue next year. The Historic Resource Commission's (HRC) recommendation is that the City Council approve contracts for those seven properties as well as 629 A Avenue, taking the total over the cap. The inclusion of 629 A Avenue is based their feeling that it should go together with 625 A Avenue and be considered as a bonus, as the Council has done before with other special properties.

Mayor Smisek commented that the City Council had raised the cap from \$5,000 to \$10,000 last year.

Mayor Smisek opened the public hearing.

Bob Wurzelbacher, 629 A Avenue, explained that HRC struggled with their recommendation and explained their dilemma. Including his property put their budget over by \$962 with only two contracts approved. They opted to recommend seven other properties that fit within the budget and to include 629 A be as a bonus house this year. He said he had offered at that hearing to pay the difference if that helped. If that could be done then 625 A and 629 A, which were the first and second prioritized properties, could be approved this year.

Margaret LaGrange, 625 A Avenue, put in a word for 629 A. She said it would be nice for them both to be under the Mills Act together.

Mayor Smisek closed the public hearing.

Councilmember Downey asked for clarification about the prioritized list. Mr. Pena explained that last year when the Council increased the funding cap for the Historic Preservation Agreements it also went along with a request for prioritization from HRC so the Council would not be negotiating at this level.

Councilmember Monroe requested clarification of the priority list and asked if 629 A was knocked out of the priority list.

Ann McCaull explained that when the Commission prioritized the requests, 625 A was first and 629 A was second. The Commission then discussed the issue that having those two proceed would exceed the cap that was established by the Council. The Commission decided to go over the prioritized list and choose the ones that would fit within the cap established by Council. Then, at the end of their discussion, they decided to request that the Council also consider 629 A Avenue.

Councilmember Tanaka indicated that he was puzzled and a little disappointed. He said he would rather HRC requested to exceed the cap by \$962 this year and \$15 cumulatively than requesting an \$8,000 increase in the first year after the Council increased the cap from \$5000 to \$10,000. He said he wouldn't support that. He feels bad for the owners at 629 A because he thinks it would have made more sense to recommend them this year with 625 A. He asked the City Attorney if the Council could make that decision for them. City Attorney Morgan Foley responded by saying that the Council has the authority to accept, reject, or modify HRC's recommendation. The Council set the policy to not exceed the cap so they would need to make a statement as to why they would exceed the limit. Mr. Tanaka added that he was troubled that the other homeowners on the list would be left unhappy with such an action. He said he was inclined to accept the staff recommendation and prioritize 629 A for the top of the list for next year. It is the easiest solution but would leave the owner of 629 A unhappy.

Councilmember Tierney agreed that is probably what would have to happen; 629 A should be excluded from this year and prioritized for next year and the bulk of the houses would get into the program. Someone is going to be left unhappy.

Mr. Monroe stated that 629 A was #2 on the list of the priorities. The problem is that #1 and #2 used up the \$10,000. Moving 629 A Avenue to next year will mean that \$8,203 from next year's cap is already allocated. He commented that the Council established a procedure to have HRC prioritize the homes in the order it would like to bring them before Council and then Council will tick them off within the resources of the investment that the City Council wants to make. He is not sure what the City gains from knocking 629 A from #2 this year into #1 next year.

Mayor Smisek recalled that the City Council set up two criteria. One is the cap and the other is the priority list. If the City ended up with one house that was over \$10,000 it would be interesting to see what Council would do with that. While Mayor Smisek has empathy for the owners of 629 A Avenue, patience grows very thin as Council continues to go through this every year.

MSUC (Tanaka/Tierney) moved that the City Council authorize Historic Preservation (Mills Act) Agreements this year for the properties addressed as 526 A Avenue, 625 A Avenue, 1125 G Avenue, 633 Alameda Boulevard, 1015 Loma Avenue, and 1704 Visalia Row; and that 629 A Avenue will be authorized next year. The City Council also directed the Historic Resource Commission that next year, because Council has already authorized 629 A Avenue, the remaining cap will be \$1,797.

AYES: Downey, Monroe, Tanaka, Tierney and Smisek
NAYS: None
ABSENT: None

Mayor Smisek commented that this is a tough call. The Council would like to be able to authorize 629 A Avenue sooner, but it needs to stick to its direction or this will occur every year.

8b. Introduction of an Ordinance to Amend the Existing Development Agreement Between the City of Coronado and CNL, Hotel Del Partners, LP Regarding the Hotel Del Coronado Master Plan at 1500 Orange Avenue. Tony Pena, Director of Community Development, presented the staff report. He explained that the Hotel Del is currently building phases 1 and 2 of their Master Plan. They are also proposing to move the construction of building 5 from phase 7 to phase 2. Since this is out of synchronization, the Development Agreement for the Master Plan will have to be amended. In addition, staff recommends changes based upon public improvements to be made and exactions. He said it is not clear yet as to how the tennis court situation is going to be resolved at the Hotel. There is some feeling that the Hotel would like to relocate the tennis courts on site or off site. If they choose to not build the tennis courts on site, an exaction of \$300,000 will be required to be paid to the City, which would go into recreational improvements of City facilities. The City would require that the extension of the landscape median on R.H. Dana coming from Coronado Plaza be moved up to Phase 2 from Phase 3, and move from Phase 7 to Phase 2 the street edge landscape improvements around Paseo Del Mar where it intersects R.H. Dana to the Grande Hall. This would be a major improvement and a tie-in to the entry garden. He mentioned that a number of other public improvements will be moved up into earlier phases of the project.

Councilmember Tierney asked about the conversion of the Oxford Building, the number of rooms to be built and where the staff currently in those offices would be housed. Mr. Pena responded that there would be approximately 30 rooms.

Councilmember Monroe mentioned his concern about the request to leave flexibility about the tennis courts. He doesn't think that request is well known in the City of Coronado. When the Development Agreement was negotiated, the idea of moving the tennis courts to the top of a parking garage was an acceptable alternative to many people. An exaction of funds for City recreation facility improvements doesn't say anything about three additional tennis courts being built somewhere in Coronado. He disclosed that he had played tennis four times over the last week and the courts were all full. He asked if they could deal with the rest of the agreement and discuss the tennis court situation separately. He thinks the Council owes it to the tennis community and the City to let them know that the agreement they signed up for and supported the Hotel Del on is being revised here. Mr. Pena commented that staff had many conversations

about the location of tennis facilities and had a lot of concern about that as well. The immediate need is to deal with where Building 5 is going to be located, which was going to be the site of a temporary tennis court. Mr. Monroe said he isn't concerned about the temporary courts and is aware that there may be a period of time without tennis there. But this request, which he doesn't think is well known in Coronado, is to not reinstall any tennis courts at the Del. Three or four years ago the members of the Club came in and said that they couldn't take the courts away. City Council signed up for an alternative to that. If that direction is changed, the public needs to know about it. He asked if that piece is critical to the other action if it were broken out. Mr. Pena responded that he doesn't think it is critical from the City's point of view, but suggested hearing from the Hotel Del's representatives.

Todd Shallen, Vice President and General Manager of the Hotel Del Coronado, spoke to some rumors running around the community about the Hotel being sold. He said the Hotel has not been sold. One of their joint venture partners, CNL Hotels and Resorts of Orlando, has chosen to share their majority interest in the Hotel with a combination of other investors. Those other investors would numerate two current partners, Kolbert Kraviss & Roberts and KSL Resorts. KSL Resorts is also the manager of the Hotel. A third party, Strategic Hotel Capital based in Chicago, is also involved. CNL sold their majority interest and in fact, KSL and KKR have increased their interest in the Hotel. Whereas the combination of those two companies previously owned 30% of the Hotel, they will now own 55% of the Hotel. Strategic Hotel Capital will own 45% of the Hotel. In essence, this creates a new joint venture in the Hotel. That joint venture will be employing KSL resorts as the long term manager with a twenty-year management contract and two ten-year extensions.

Mr. Tierney asked if this changes the reevaluation of the assessment on the Hotel. Mr. Shallen explained that because it is the combination of a refinancing and a buy out of the limited partner, it will not affect the assessment of the Hotel. He will be happy to put the City Manager in touch with their Chief Financial Officer to explain that further. Regarding the conversion of the Oxford Building offices into hotel rooms, Mr. Tierney asked about the amount of parking the Hotel will have and where the offices and staff will be relocated. Mr. Shallen said he believes that parking issues are addressed in future phases of the Master Plan with the parking facility increases on both the northern and the southern part of the property. The new room count was included in those plans. The intention is that the administrative staff would just be relocated to other areas, primarily the basement area of the Victorian building.

Mr. Shallen responded to Mr. Monroe's questions about tennis. He said that before they tore down the tennis courts a couple of months ago, they had eighteen tennis members. Studies were done on how often the courts were used. On average, the three courts were used two hours per day. There really is not a need for the Hotel to have three tennis courts. The goal with the membership program is to reopen membership once they have new facilities, but they will focus on a beach/pool/fitness membership rather than a tennis membership. He mentioned that he Del currently has an agreement with Loews to use their tennis courts.

Mr. Monroe said he was a little worried that Mr. Shallen talked about eighteen members in what is and has been clearly an interim situation since the old courts were torn down. Prior to this there were lots of people in this community who loved their Del memberships. It was one of the links between the community and the Hotel Del. The City's courts are crowded a lot of the time. Mr. Shallen responded that is one of the reasons they felt a \$300,000 exaction, a donation to the City for recreational facilities, might be a way to compensate. The Hotel can't tell the City how

to use the donation, but their recommendation would be to use it for some type of tennis facilities.

Mayor Smisek opened the public hearing.

Lew Barnum, 1710 Avenida del Mundo, asked if it is possible to have a story board of the project with a depiction of the old and new phases on display at the Shores. He was concerned about the timeline for the southernmost building with a projected 87 rooms.

Bill Dodds, KSL Sr. Vice President of Finance & Operations gave an explanation of the project via elevations on the projection screen.

Mr. Barnum commented that from his experience with the hearings in the Planning Commission that he thinks everyone in the community was happy that the agreement was negotiated over a period of time and established. It seems like it is fairly quick to be making changes to it, but one building added to its ten partner buildings doesn't seem to be a big deal. The tennis court problem may be more problematic, but he can understand that tennis in a resort hotel of this nature probably has diminished because there are specialty tennis facilities one would go to rather than to a facility with only three courts. Parking has always been a problem, but everyone knows it and puts up with it.

Mayor Smisek closed the public hearing.

Mr. Monroe said he understood that some small shops and a fountain, to be a mirror image of the one across the street at El Cordova, were planned as part of the Master Plan. He has heard that now the fountain and the shops would not be part of the project. He mentioned his concern about how these changes are made and asked what the process will be. He asked if the design will go back through Design Review.

Mr. Pena explained that everything has to go through Design Review. The Master Plan addresses conceptual features. It does mention a fountain concept, and hardscape and softscape around the fountain. Any change would have to be approved by Design Review. Any significant changes could possibly come back to the City Council for review as well. Right now the City doesn't have a plan for the entry garden. He has heard that some people in the community don't want the fountain concept to be implemented and were talking about other types of features. The City will have to evaluate the design when it is received.

Mr. Monroe was concerned that design changes are being discussed that aren't being brought to the Council. He isn't sure that it is appropriate for Design Review to make changes once things are approved as part of City Council's agreement and expectation without the Council having the chance to know those changes as they occur.

Mayor Smisek commented that after a master plan is put into effect, then the specifics are developed. The City Council relies on staff to be alert to changes. For example, when the buildings on the beach area were being discussed and potentially moved, staff worked to keep them where the City thought they would be. Right now there are discussions and rumors, but nothing specific. He is sure that Mr. Pena and staff will be very alert to look for things that go against what the Council approved and bring them back or to bring them to the Del's attention.

Mr. Tanaka said that the important part of the agreement is that an entry way will be created that will pretty up the area. He is not sure the Council ever said specifically that there must be a fountain. The rendering that was agreed to is more conceptual than specific. He thinks the concept was agreed to about opening up the Del with landscaping to create a whole new attractive vista and entrance into the Hotel. An argument could be made for not wanting a fountain there because the fountain across the street goes with Spanish architecture but it may not necessarily go with Victorian. He is very comfortable with Mayor Smisek's statement that staff is going to continue to work on this and monitor it and apprise the Council if there are any big changes.

Mr. Monroe asked if he could get any support for pulling the language regarding flexibility regarding the tennis court out of this action. His concern wasn't with what the Del needs that one area for as they described, but he thinks that taking the three tennis courts out of the Development Agreement at this time, without full notification, is not a good thing for the City to do. While he wants to give the whole development plan strong support because he likes what is happening at the Del, but he thinks that people who are concerned about tennis in Coronado need to be notified before this is done.

Mayor Smisek asked what the \$300,000 represents. Peter Fait, Associate Planner, explained that it is approximately what it would cost to construct four tennis courts without land value. Improving existing facilities was also a consideration. Mayor Smisek said he understands the economics of the situation. He doesn't like to force private enterprise to provide things that have to do with public access, but he would say that if it was to infringe on the City's ability to provide tennis courts for the public and for the Hotel's people who want to play tennis, then the City has to find out if this number is an appropriate number and if there is even a place or a plan on how to spend that money. Mr. Pena explained that the \$300,000 in lieu fee would go into the general fund but be set aside for recreational purposes. It could be used to rehab the Tennis Center, build tennis courts, and somehow augment the Recreation facilities. It would be up to the City Council to determine how to spend it.

Mr. Tanaka said he supports that provision. The \$300,000 gives the City some flexibility because he also shares some of the Mayor's concerns about mandating the Hotel to require a certain number of courts if they aren't going to be used. That is very valuable space for the Hotel. A much more pressing issue in his mind is parking. He is much more concerned that the Hotel provides enough parking. He doesn't necessarily think that one to three tennis courts at the Hotel Del is necessarily going to be a reliable resource for the City's citizens, even though they have been a good partner. There is already discussion about upgrading the current Tennis Center and the \$300,000 could help to fund that. Or more courts could be added in the Cays. He would rather put more courts into the inventory because the City would be a more reliable source for residents than the Hotel would be. He would rather see the agreement go forward as is because it gives the City more flexibility in the use of that money, and it gives the Hotel more flexibility in whether or not tennis courts at the Del is a cost effective move.

City Manager Mark Ochendusko clarified that it is proposed that there are two changes to the amendment for the Development Agreement. One reads as follows, "One tennis court shall be constructed within the Hotel Master Plan site or a cash contribution of \$150,000 shall be paid to the City for recreation improvements." The recreation improvements would be for the City Council to decide and would be a part of the Capital Improvement planning process. It could be made specific to tennis or make some other sort of recreational improvement. In return for that

contribution, if said contribution is paid to the City in lieu of constructing the tennis court, the Hotel, at its own request, shall have the right to reserve one tennis court at the City's Glorietta Bay Tennis Center. The reservation of additional courts will be considered if available. If the Glorietta Bay Tennis Center is not available due to periodic tennis tournaments or maintenance, etc. another City court, at the Library or at the Cays, will be made available. Any reservation may be made a maximum of one week in advance. The reservation must be made in the name of the persons or guests who will be using it. Absent a reservation, a tennis court will not be held open in anticipation of use by an individual or group guest of the Hotel. In the Agreement, Segment 3 reads, "Two additional tennis courts shall be constructed within the Hotel Del Master Plan site or a cash contribution of \$150,000 shall be paid to the City for recreation improvements." No other reservation restrictions are a part of the Development Agreement.

Mayor Smisek asked if Council wants to entertain Mr. Monroe's thoughts about deleting this portion to discuss as a future agenda item.

Councilmember Tierney said he understands what Mr. Monroe is looking at and has his sympathy and feelings on the matter, but he feels that this is in the Del's hands. He believes the community is interested in what might or might not occur. After listening to the City Manager, he thinks the City is adequately covered under the Agreement and that they should be allowed to make that choice as a business.

Mr. Monroe voiced his feeling that he does not want to take a vote against the Hotel Del. It is really interesting that he is the one tennis player on Council and there are no tennis players in the audience. The Hotel Del and the City of Coronado had a tremendous relationship with tennis. He was adamant that the residents of Coronado do not know this topic before Council today.

Mayor Smisek commented that he thinks that this is a discussion that would be appropriate between tennis court members and the Hotel Del. If the tennis community feels that strongly and they appeal to the Hotel Del to continue to provide tennis as a good neighbor, he thinks the Del will listen to them. But he doesn't think it is necessary that the City holds a hammer over them to force them into it. He was made aware that the President of the Coronado Tennis Association (CTA) is aware that this is on the agenda today.

Councilmember Downey said she had spoken with Ms. Portelli of the CTA. Their concern was not the loss of the tennis courts at the Del as was the Del's ability to reserve one of the courts at Glorietta Bay. She does understand Ms. Portelli's concerns about other people getting in to use the tennis courts that the City's own residents desperately want to use. She likes that they can't book them more than one week in advance. She thinks the concerns are being looked at but she doesn't think the solution is not to approve what the Del is asking for. Ms. Downey said she doesn't have a problem with what the Hotel Del is asking the City to do. She thinks that what they are asking for is necessary for the reasons discussed.

MSC (Tanaka/Tierney) moved that the City Council introduce AN ORDINANCE OF THE CITY OF CORONADO, CALIFORNIA AMENDING A DEVELOPMENT AGREEMENT BETWEEN THE CITY OF CORONADO AND CNL, HOTEL DEL PARTNERS, LP. REGARDING THE DEVELOPMENT OF THE HOTEL DEL CORONADO MASTER PLAN. The Ordinance was read by Title, the reading in its entirety unanimously waived and placed by the City Council on FIRST READING.

AYES: Downey, Tanaka, Tierney and Smisek
NAYS: Monroe

ABSENT: None

8c. Request for Approval of a One-Lot Tentative Parcel Map for Subsequent Development of 2 Condominium Units for the Property Legally Described as Lot 9, Block 51, Map 376 CBSI, Addressed as 844-846 E Avenue in the R-3 (Multiple Family Residential Zone). (PC 18-05 Finch, Chris & Karen.) Tony Pena, Director of Community Development, explained that this map complies with all the City's standards, including the General Plan, Zoning Ordinance, State Map Act, Subdivision Ordinance. It has been approved by all of the City's appropriate departments and the Planning Commission. There has been one letter of opposition submitted. He doesn't believe the letter outlined any specific violation of those policies or codes. Staff is recommending, as did the Planning Commission, approval of the Parcel Map.

Mayor Smisek opened the public hearing.

Laura Zahn, 868 E Avenue, said she lives three parcels down from the project in question. She presented an illustration saying it depicted Coronado turning from a village to 'Whoville'. She said that when the City allows its small houses to be torn down and multiple houses to go in their place with a minimum of five feet between them, this does not create a village atmosphere. This creates Whoville. She showed pictures of 738 G Avenue where there are now four houses in the place of where two used to be. There is no vegetation, nothing to mitigate the mass and scale of the buildings towering over the remaining single houses next door. She talked about the resultant small yards where the children have very little space to play. They are forced to play in other people's front yards, driveways, and in the alleys. She read a poem she had written on the subject. She asked about restrictions on window placements for the privacy of the neighbors.

Todd Shalan, 742 G Avenue, said he took offense to his home being included in one of the pictures of 'Whoville'. He lives next door to 738 G. He said that the proposal by Mr. and Mrs. Finch to build two condominium units on their property is identical to 744 G and 746 G that are next to his house. They are some of the prettiest houses he has seen in Coronado. They really bring up the quality level of what is often seen in some of the housing here. It also helps some people to be able to afford a house in Coronado. To address the children, the four houses that have been redeveloped on his section of G Avenue, three of the four houses all have children – two in each of them. They have no problem with their children playing in their 20' x 20' yards. They go to the school yards and other places to play. It would be a travesty to not allow these units to be built.

Applicant, Chris Finch, 86 Montego Court, explained that one of the benefits they are looking for with this Parcel Map approval is to be able to raise their young family in Coronado. The economics of their current situation make it necessary to parcel the property and place two condos on it. The architectural details used at 744 and 746 G Avenue are exactly what will help to break up the big apartment boxes on the block. He asked that Council use the regulations by which the City governs that are just, fair, and true and approve the tentative Parcel Map.

Mayor Smisek closed the public hearing.

MSUC (Monroe/Tierney) moved that the City Council adopt A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORONADO APPROVING A ONE LOT TENTATIVE PARCEL

**MAP FOR DEVELOPMENT OF TWO CONDOMINIUM UNITS
FOR PROPERTY COMMONLY KNOWN AS 844-846 E AVENUE.
The Resolution was read by Title, the reading in its entirety
unanimously waived and adopted by Council as RESOLUTION NO.
8099.**

Mayor Smisek commented that the R-4 and the R-3 zones are specifically zoned for multi-family homes. He knows that these zones, in the past, have had single family homes on them. The R-1 zone is intended specifically for single family homes, but there needs to be cognizance that the City also has R-3 and R-4 zones specifically for the purpose of them being multi-family and that is eventually how they will end up.

Councilmember Tanaka said he shares many of Ms. Zahn's density concerns but it would be a great injustice to those property owners for him to impose his own version of density on them when clearly they are in compliance with the law. He doesn't think it's fair to someone who owns property in the R-3 zone to pull the rug out from under them and treat them like they are in the R-1 zone. He also has to accept that it is zoned R-3 and that they have certain legal rights. The application clearly complies with the State Subdivision Map Act.

Councilmember Monroe added that the State has mandated by law that the City cannot decrease the density of Coronado. If the City takes an R-3 area and decides to reduce it down to R-1 density, it then has to go somewhere else in Coronado and increase the density so that the potential density remains constant within the City. It is onerous and he doesn't like it, but that is the law passed by the State.

Councilmember Downey said she lives in an R-3 zone. Hers is the only single family home on her side of the street. It is difficult to play in the front and back yards because the neighbors on both sides look down onto her tiny little house left in the middle of their large developments. She has visited the existing cottage the Finch's are planning to replace. It needs to be replaced. She loves the idea of the cottage initiative to try to save cottages in town and to try to find ways to preserve homes that are in the R-1 zone. But some of the homes weren't built situated on their lots in a way that they could be expanded. It would be very unfair for the one homeowner to not be able to build as the neighbors did. If she took her house down she would want to do exactly what they are doing. She also loves the design. It is the way to try to be charming in a multi-family zone. She said she would vote to support this.

AYES: Downey, Monroe, Tanaka, Tierney and Smisek
NAYS: None
ABSENT: None

9. ADMINISTRATIVE HEARINGS: None.

10. COMMISSION AND COMMITTEE REPORTS:

10a. Report from the Port Commissioner Concerning Port Activities. There was no report.

11. CITY COUNCIL BUSINESS:

11a. Council Reports on Inter-Agency Committee and Board Assignments.

Councilmember Downey attended the League of Cities dinner, several City Council emergency meetings, and attended committee meetings on developing more renewable resources. She asked people to please conserve energy this winter.

Councilmember Tierney reported on meetings of Metro Tac, the League of California Cities dinner hosted by Coronado, the Otay Water Board's initiation opening the recycle water line, the Chamber of Commerce Sundowner, and the opening of Coronado First Bank.

Councilmember Tanaka attended the League of California Cities dinner, met with Marsha Hall, the CEO of Coronado Hospital, chaired a Heartland Fire Dispatch meeting regarding the dispatch settlement, and attended a Special CDA meeting.

Councilmember Monroe went with Mayor Smisek to a meeting on the Silver Strand outside the Navy housing area with Glen Schmidt regarding future projects in that area, attended the League of California Cities dinner, meetings of the SANDAG Transportation Committee, and the SANDAG Board. The attended the Tunnel Action Team, the City Barbecue, an ASAP 21 meeting, an MTDB Board meeting, the Sundowner, the opening of the new bank, Coronado Goes Ghostly, a South County Economic Development Council meeting, and met with Supervisor Greg Cox and Bruce Coombs from SOHO on the Bayshore Bikeway.

Mayor Smisek attended a meeting of the Library Board on the Children's portal area, a Navy Strand Design Concept meeting with Councilmember Monroe, an R-4 Zone meeting, the League of California Cities dinner, the VR-57 roll out ceremony that dealt with the opportunity to have the C40 airplane (a much quieter aircraft) replace the DC9's the Navy has been flying out of North Island, a Senior Housing meeting, the South Bay Mayors meeting in Imperial Beach, the Coronado Cays Homeowners Association meeting, the Coronado First Bank opening, a closed session with the CDA, meetings with MainStreet and the Chamber of Commerce, and Downtown Goes Ghostly.

11b. Setting of City Council Meeting Dates for December 2005. Mayor Smisek explained the circumstances for meetings in December.

Councilmember Downey said that there have been so many busy agendas that the City should keep both meetings.

Councilmember Tierney agreed that the meeting dates of the 6th and the 20th are acceptable to him.

Council consensus was to keep the two regular meetings in December.

11c. City Council Reappointment of the City of Coronado's Representative on the Board of Commissioners of San Diego Unified Port District, Coronado Port Commissioner. Coronado's representative on the Board of Commissioner's of the San Diego Unified Port District is appointed by the City Council to a four-year term and may serve two terms or a total

of eight years. Admiral Robert J. Spane was appointed to the Port Commission by the City Council on November 20, 2001 to serve a four-year term beginning January 2, 2002, and ending January 2, 2006. He is eligible for reappointment to a second four-year term to expire January 2, 2010. Admiral Spane has indicated that he is willing to serve another term if nominated. **Under Consent, the City Council reappointed Admiral Robert J. Spane to a second four-year term to expire January 2, 2010.**

11d. City Council Reappointment of the City of Coronado's Representative to the Port of San Diego Public Art Program. Caroline Murray was appointed to the Port Commission by the City Council on September 4, 2002 to serve a three-year term beginning October 1, 2002, and ending September 30, 2005. She is eligible for reappointment to a second three-year term to expire September 30, 2008. Ms. Murray was asked if she desired to be reappointed to an additional term. Ms. Murray has responded that she would very much like to serve another term and has requested that the City Council consider reappointing her to continue to participate in the Port District's Public Art Program as the City's representative. **Under Consent, the City Council reappointed Caroline Murray to a second term as the City's representative to the Public Art Committee of the San Diego Port District to expire on September 30, 2008.**

11e. Approval of a Resolution of the City Council of the City of Coronado Approving the Sale of Tax Allocation Bonds for the Coronado Community Development Project and Affordable Housing. The actions recommended today would provide City Council approval for the sale of the bonds. The Community Development Agency and the Coronado Financing Authority will take action on resolutions to authorize the bond issuance and execution of the final documents. Additional details are contained in the staff reports to the Community Development Agency Board and the Coronado Financing Authority Board on file in the office of the City Clerk. The Coronado Unified School District has been asked to approve the sale, in accordance with the Agreement for Cooperation. The final bond amount and interest rates will be determined by negotiation between staff and the Financial Advisor with the Underwriter at the time of sale. **Under Consent, the City Council adopted A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORONADO, CALIFORNIA, APPROVING THE SALE OF TAX ALLOCATION BONDS FOR THE CORONADO COMMUNITY DEVELOPMENT PROJECT. The Resolution was read by Title, the reading in its entirety unanimously waived and adopted by Council as RESOLUTION NO. 8100.**

11f. Approval of a Resolution Opposing the Joint Use of NASNI as a Regional Airport Site Alternative. The City Council Legislative Policy Guidelines call for the City to "Support the Navy's efforts in retaining NASNI as a long-term, exclusive military facility under BRAC", and to "Oppose efforts for joint use of commercial air passenger or cargo use of NASNI."

The City Council authorized the Mayor to send a letter on November 18, 2003, to the San Diego County Regional Airport Authority Board that opposed consideration of NASNI as a possible international airport site. With the exception of the Imperial County site, all sites reviewed to date have been opposed to one degree or another by the jurisdiction that they were within. The proposed Resolution states the City's opposition in a form that can be transmitted to the Authority or other decision-making bodies. **Under Consent, the City Council adopted A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORONADO, CALIFORNIA, TO OPPOSE CONSIDERATION OF NAVAL AIR STATION NORTH**

ISLAND AS A POSSIBLE SITE TO ACCOMMODATE ALL OR A PORTION OF THE AIRPORT ACTIVITIES CONDUCTED ON SAN DIEGO INTERNATIONAL AIRPORT. The Resolution was read by Title, the reading in its entirety unanimously waived and adopted by Council as RESOLUTION NO. 8098.

12. **CITY ATTORNEY:** No report.
13. **COMMUNICATIONS - WRITTEN:** None.

The City Council recessed into closed session at 4:34 p.m.

14. **CLOSED SESSION:**

14a. **CLOSED SESSION: CONFERENCE WITH LEGAL COUNSEL
EXISTING LITIGATION**

AUTHORITY: Government Code 54956.9(a)

NAME OF CASE: Workers' Compensation Appeals Board Case Number:
SDO 0335401: Carolyn "Dianne" Meeks v. City of Coronado

14b. **CLOSED SESSION: CONFERENCE WITH LEGAL COUNSEL
EXISTING LITIGATION**

AUTHORITY: Subdivision (a) of Section 54956.9 of the Government Code

NAME OF CASE: Citizens for Preservation of Coronado Beach v. City of
Coronado, et al. San Diego Superior Court Case No. GIC 845202

The City Council reconvened at 6:30 p.m.

The City Attorney reported that direction was given to legal counsel staff on Item 14a. No action was taken on Item 14b.

15. **ADJOURNMENT:** The meeting was adjourned at 6:31 p.m.

Approved:

Tom Smisek, Mayor
City of Coronado

Attest:

Linda K. Hascup
City Clerk