



**MINUTES OF THE SPECIAL MEETING OF  
THE SOLVANG CITY COUNCIL**

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Council Chambers  
1644 Oak Street  
Solvang, CA 93463

January 22, 2020  
Wednesday  
6:30 p.m.

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**CALL TO ORDER:** Mayor Toussaint called the meeting to order at 6:30 p.m.

**ROLL CALL:**

PRESENT: Mayor Ryan Toussaint, Mayor Pro Tem Robert Clarke, Council Members  
Chris Djernaes, Daniel Johnson and Karen Waite

STAFF: Xenia Bradford, Acting City Manager/Administrative Services Director;  
Chip Wullbrandt, City Attorney; Matt van der Linden, Public Works Director  
and Daryl A. Betancur, Interim City Clerk

**PLEDGE OF ALLEGIANCE**

Led by Council Member Waite.

**1. PUBLIC COMMUNICATIONS – WRITTEN OR VERBAL**

Ed Skytt

- Asked about the application process for Board Members for the new SCVB

Mayor Toussaint briefly explained the reason there are Board Members on the SCVB is partly for asset recovery and clean up. Going forward, regarding tourism in Solvang, IDK will be developing a steering committee comprised of representatives from businesses and residents. Upcoming SCVB meetings will be appropriately posted.

**2. FISCAL YEAR 2018-19 FINANCIAL HIGHLIGHTS AND COMPREHENSIVE ANNUAL FINANCIAL REPORT**

- a. Review City financial highlights for the year ending June 30, 2019; and
- b. Accept into the record the 2018-19 Comprehensive Annual Financial Report, as presented by Ahmed Badawi, CPA

Acting City Manager/Administrative Services Director Xenia Bradford introduced the City's new CPA, Ahmed Badawi, Badawi and Associates, and deferred to him for a report on the results of the 2018-19 Comprehensive Annual Financial Report and audit.

Discussion followed regarding an increase in accounts payable and accrued expenses in 2019 compared with 2017 and 2018.

Mayor Toussaint opened public comments at 7:14 p.m.

There were no public comments.

Mayor Toussaint closed public comments at 7:15 p.m.

*Motion made by Mayor Toussaint to receive and file the 2018-19 Comprehensive Annual Financial Report, seconded by Council Member Johnson, and carried with a roll call vote of 5-0.*

**3. ECONOMIC DEVELOPMENT PRESENTATION BY KOSMONT COMPANIES**

- a. Receive a report from Kosmont Companies, the City's Economic Development Advisor, regarding specific site opportunity at and around 1783 Mission Drive for potential blended use development and recommendations for citywide economic development.
- b. Approve contract extension with Kosmont Companies through June 30, 2019 or provide alternative direction

Acting City Manager/Administrative Services Director Bradford introduced the item and deferred Ken Hira, President, Kosmont Companies, for a report.

Mr. Hira presented details of the report.

Discussion followed regarding expanding the TRC zone, expansion of hotels and boutique hotels in the future, the possibility of developing blended uses base on demand and involving stakeholders.

Mayor Toussaint opened public comments at 8:15 p.m.

There were no public comments.

Mayor Toussaint closed public comments at 8:15 p.m.

Discussion continued regarding targeting appropriate demographics, focusing on experiential tourism, the need to develop a stronger vision for Solvang, developing a master plan and start planning for the future, considering the City's Hispanic history, the need to get buy-in from the community and including consideration by the Planning Commission.

Mayor Toussaint invited Ed Skytt to the podium who explained the history of rezoning the lumber yard property to DR 20.

City Attorney Chip Wullbrandt discussed the possibility of considering changes to allow for blended uses in the TRC zone which would increase opportunities for housing. He added that Council could direct staff to provide a presentation regarding blended-use.

Council Member Waite expressed concerns regarding getting consensus from Council to change the zoning and noted possible conflicts-of-interest as the property owner donated to various Council Members' campaigns.

City Attorney Wullbrandt noted disclosures of campaign contributions would need to be made and Council Members could discuss and act on the project and addressed distinctions between elected and appointed members and income and campaign contributions.

Council Member Djernaes encouraged the property owner to make a presentation to Council.

Council Member Johnson reported decisions are not made relative to specific individuals but rather what is best for the entire community. He suggested giving staff direction relative to zoning in the area.

Acting City Manager/Administrative Services Director Bradford explain the need for staff direction; addressed Council's recommended action and discussed some of the challenges involved.

Council Member Djernaes requested an analysis of the possibility of a walking promenade and suggested forming an Ad Hoc Committee to work with Kosmont.

Mayor Toussaint addressed the importance of transparency.

Council Member Johnson discussed addressing the problem through the General Plan and zoning map.

Discussion followed regarding extending the Kosmont contract, considering possible developments within the TRC zone and directing staff to return with suggestions, considering whether the TRC zone is consistent with blended uses, focusing on the specific site or addressing zoning, in general.

*Motion made by Council Member Djernaes to form an Economic Development Committee to work with Kosmont on zoning matters. The motion failed for lack of a second.*

Ensuing discussion pertained to the pros and cons of having a committee versus working independently with Kosmont and considering the agenda item as to whether to extend the Kosmont contract or not.

*Motion made by Mayor Toussaint to give staff direction as discussed by the City Attorney regarding zoning and extend the contract with Kosmont to do community outreach and return to Council with a report, seconded by Council Member Waite, and carried with a roll call vote of 5-0.*

#### RECESS AND RECONVENE

Mayor Toussaint called for a recess at 9:00 p.m. The assembly reconvened at 9:12 p.m. with all Council Members, present.

#### 4. 2020-21 FINANCIAL PLAN DEVELOPMENT POLICY DIRECTION

Receive staff report and recommendations for next financial plan development and approve financial development schedule or provide with alternative direction.

Acting City Manager/Administrative Services Director Bradford presented details of the staff report.

Mayor Toussaint opened public comments at 9:17 p.m.

There were no public comments.

Mayor Toussaint closed public comments at 9:17 p.m.

*Motion made by Council Member Johnson to accept and implement the two-year budget plan as proposed, going forward, seconded by Mayor Toussaint, and carried with a roll call vote of 5-0.*

#### 5. ADJOURNMENT – Mayor Toussaint adjourned the meeting at 9:20 p.m.

Minutes Prepared by:



DARYL A. BETANCUR, MMC  
Interim City Clerk

In accordance with Solvang Municipal Code Section 1-4-16 (Ord. 14-305), minutes of the City Council of the City of Solvang are prepared in action style.