



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

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Council Chambers  
1644 Oak Street  
Solvang, CA 93463

March 30, 2020  
Monday  
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 (via teleconference)

STAFF: Xenia Bradford, Acting City Manager/Administrative Services Director, Chip Wullbrandt, City Attorney, and Matt van der Linden, Public Works Director.

**PLEDGE OF ALLEGIANCE**

Led by Mayor Pro Tem Clarke.

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

Acting City Manager/Administrative Services Director Xenia Bradford reminded the Council that public comments were received up until 12:00 p.m. of the day of the meeting; provided the meeting call-in telephone as well as the meeting ID number for any members of the public who wished to participate in the meeting.

Proclamations were presented declaring the month of April as Child Abuse Awareness and Prevention month and Sexual Assault Awareness and Prevention Month.

Gabriel Rossetti (Letter received and read into the record)

- Spoke about the hawking by Golden Elements employees and urged the Council to revoke their business license
- Phil O'Neill, Lia Cole, Linda Palmer (Elverhoj Museum), Kurt Jonas, Chantal Cloutier provided email correspondence in favor of revoking Golden Element's business license

Callers – None

**2. EXECUTIVE, PIO REPORTS & ADVANCE CALENDAR**

Acting City Manager/Administrative Services Director Bradford provided an update on COVID-19 in Santa Barbara County; updated the Council on impacts on City operations including lay-offs; read a statement into the records relative to the lay-off; commented that TOT and sales tax pay for 60% of General Fund services; provided an update on the City's loan program, and spoke of the uncertainty in recovery efforts and the federal stimulus package.

3. **CONSENT AGENDA**

- a. Approval of Agenda as Presented.
- b. Approval of Draft Minutes of the March 9, 2020 Special City Council Meeting, March 9, Regular City Council Meeting, March 12, Emergency City Council Meeting and March 20, 2020 Special City Council Meeting
- c. Receive and File Santa Barbara County Sheriff's Monthly Report of February 2020
- d. Private Drainage Facilities Maintenance Agreement- Approval of Template and Merkantile Agreement
- e. Cooperative Agreement for Measure A grant funding of Fifth Street Sidewalk Project
- f. City Manager Contract Approval
- g. Legal Fees Budget Adjustment. (*Report to be included under separate cover*)
- h. Letter of Public Convenience or Necessity to Alcohol Beverage Control (ABC) for CVS Pharmacy Located at 1982 Old Mission Drive in Solvang

*Motion made by Mayor Toussaint to approve the Consent Agenda, except for item f pulled by Council Member Djernaes and item g pulled by Council Member Johnson, seconded by Mayor Pro Tem Clark, and carried with a roll call vote of 5-0.*

- f. City Manager Contract Approval

Chip Wullbrandt, City Attorney stated that the staff report is included in the packet. Council Member Djernaes inquired about the Mayor's role in communicating the will of the Council with respect to matters of policy and the original protocol for setting up the agenda referencing items Section 5 (a) on page 96 in the packet and section 7 (b).

Mr. Wullbrandt commented that the Council had recently adopted new protocols and that a copy can be provided to that effect; he further noted that item 5 (a) is a restatement of the City's charter, which it is what it provides; he made additional comments relative to why this provision was included in this Agreement.

A lengthy discussion ensued with respect who has the legal authority to set the agenda with Mayor Toussaint stating that checks and balances now exist and explained why these protocols were recently amended and revised. Consensus was reached with respect to the language in the contract relative to the number of times per year for the City Manager's performance evaluation with City Attorney Wullbrandt stating that in the sentence that speaks to the City Manager's evaluation to change that from "once" per year to "twice" per year. Ultimately, the Council opted to retain the original language as presented for the reasons explained by the City Attorney.

Mayor Toussaint opened public comments at 8:13 p.m.

There were no public comments.

Mayor Toussaint closed public comment at 8:13 p.m.

*Motion made by Mayor Toussaint to approve item f with two minor modifications, using the word "faithfully" and the words "following each evaluation" as articulated by the City Attorney, seconded by Council Member Johnson, and carried with a roll call vote of 5-0.*

- g. Legal Fees Budget Adjustment. (*Report to be included under separate cover*)

Council Member Johnson expressed concern about the fees and stated he wanted to place more of a cap and

quite a bit of a lesser cap on the fees going forward; he believed that he did not see how these fees would be reimbursed by the government and believed that it is not going to happen; he further commented that we need to find a way to lower those fees to a lesser amount.

A discussion ensued relative to the level of compensation that the City Attorney is receiving and has received over his tenure with the City; concerns were also expressed that complaints by community members were received about the high attorney bills the City is paying for legal services; comments were made regarding the possibility of not having the City Attorney involved in so many aspects of the City's operations to potentially cut costs and save money; comments were made that the bottom line is that during this crisis spending \$50,000 plus per month for the next three months on legal services is not warranted and it is a substantial amount.

Further comments were made relative to prioritizing work that is essential and strictly legal that the City needs now and limit the City Attorney's involvement in order to only use legal services when the City really needs them.

City Attorney Chip Wullbrandt clarified that a great deal of misinformation is out there in the community with respect to his legal fees; commented that he would commit to working with the City Manager in an effort to cut costs whenever feasible; expressed that he would probably not bill the City for work done for the past three weeks.

Mayor Toussaint opened public comments at 8:30 p.m.

There were no public comments.

Mayor Toussaint closed public comment at 8:30 p.m.

*Motion made by Council Member Johnson to approve the budget adjustments with the stipulation that the City Attorney is to work with the City Manager to mitigate as much as possible the City Attorney's involvement to lower the legal cost to the City, seconded by Mayor Pro Tem Clarke and carried with a roll call vote of 5-0.*

## **REGULAR BUSINESS AGENDA**

### **4. CITY OF SOLVANG MICRO-LOAN BUSINESS LOAN PROGRAM**

Receive an update on the City of Solvang businesses micro-loan program and provide policy direction as needed.

Acting City Manager/Administrative Services Director Xenia Bradford presented the staff report providing an update on the structure and intend of the micro-loan business program.

A brief discussion took place regarding the amount allocated; comments were made about ways to sustain this effort; building partnerships with local banks to sustain the financial well-being of the City in this time of need; establishing a deadline for applications; given priority to downtown businesses who bring in 80% of the revenue; and how to prioritize who gets a micro-loan. Further, other comments were made regarding working with the Economic Development Council which also makes business loans on behalf of local governments.

City Manager Bradford stated that it would be helpful to receive policy direction on timing and how much money additional to be allocated towards the micro-loan business loan program; commented that whenever money is lent out there is a certain level or risk.

City Attorney Chip Wullbrandt commented that there is legal language in these agreements that borrowers are making a commitment that when they receive an SBA loan, they will first repay the City.

Mayor Toussaint opened public comments at 9:11 p.m.

There were no public comments.

Mayor Toussaint closed public comment at 6:11 p.m.

*Motion made by Mayor Pro Tem Clarke to increase the micro-loan amount to \$300,000 with the stipulation that if borrowers sign the contract they agree to repay the City upon receiving SBA funds and for business with good current business license standing, seconded by Council Member Waite.*

*An amendment to the original motion was offered by Council Member Johnson to set the end date to April 15 for applications. Motion accepted by the original motion-maker Mayor Pro Tem Clarke and the original seconder, Council Member Waite, and carried with a roll call vote of 5-0.*

City Attorney Chip Wullbrandt stated that as part of the motion the Council could include a provision for future enforcement based on business license.

Council Member Djernaes directed staff to look into a couple of programs one for intermediate relief and a longer term program to help people to recover that might be a multi-year program like the one talked about earlier with the Economic Development Council (EDC) in Ventura County.

#### RECESS AND RECONVENE

Mayor Toussaint called for a recess at 9:20 p.m. The assembly reconvened at 9:30 p.m. with all Council Members, present.

*Motion made by Mayor Toussaint to continue the meeting past 9:30 p.m., seconded by Council Member Djernaes and carried by roll call vote of 5-0.*

#### PUBLIC HEARING(S)

##### **5. SOLVANG (SKYTT) MESA LANDSCAPE & LIGHTING MAINTENANCE DISTRICT NO. 2004-1, ADOPT RESOLUTION CONFIRMING AND LEVYING ASSESSMENTS**

Staff recommends that the City Council:

1. Conduct a public hearing to receive testimony on the proposed assessments for the Solvang Mesa Landscape and Lighting Maintenance District; and
2. After receiving testimony, adopt Resolution No. 20-1099, a Resolution of the City Council of the City of Solvang confirming and levying assessments for fiscal year 2020-21, and
3. Authorize the City Manager to sign the necessary documents on behalf of the City, to place the assessment on the property tax roll for fiscal year 2020-21.

Matt van der Linden, Public Works Director/City Engineer presented the staff report and stated that this is a follow up to an item that was presented to the City Council about a month ago. A brief discussion took place regarding the staff report with Public Works Director van der Linden providing answers for Council.

Mayor Toussaint opened public comments at 9:45 p.m.

Mayor Pro Tem Clarke read comments received into the record by Gary Hall and Greg Milliken

Mayor Toussaint closed public comments at 9:50 p.m.

*Motion made by Mayor Toussaint to approve item as presented, seconded by Mayor Pro Tem Clarke, and carried with a roll call vote of 5-0.*

**6. ADOPT RESOLUTION NO. 20-1100 ADOPTING THE ROAD MAINTENANCE & REHABILITATION ACCOUNT FY 2020-21 PROJECT LIST**

Staff recommends that the City Council

1. Conduct a public hearing to receive public input on the 2020-21 Road Maintenance and Rehabilitation List of Projects; and
2. After receiving public testimony, adopt Resolution No. 20-1100 approving the Road Maintenance and Rehabilitation Account FY 2020-21 Project List.

Matt van der Linden, Public Works Director/City Engineer presented the staff report and addressed questions from the Council.

Mayor Toussaint opened public comments at 9:56 p.m.

There were no public comments.

Mayor Toussaint closed public comments at 9:56 p.m.

*Motion made by Mayor Toussaint, to approve the item as presented, seconded by Council Member Johnson, and carried with a roll call vote of 5-0.*

**7. AN UNCODIFIED EMERGENCY ORDINANCE OF THE COUNCIL OF THE CITY OF SOLVANG ENACTING A TEMPORARY MORATORIUM ON EVICTIONS FOR NON-PAYMENT OF RENT BY RESIDENTIAL AND COMMERCIAL TENANTS WHO HAVE BEEN HARMED FINANCIALLY AS A RESULT OF COVID-19**

That the City Council introduce and adopt an uncodified emergency Ordinance of the Council of the City of Solvang enacting a temporary moratorium on evictions for non-payment of rent by residential and commercial tenants who have been financially harmed as a result of COVID-19.

City Attorney Wullbrandt presented the staff report and stated that the Governor had issued an Order relative to a statewide moratorium thereby prohibiting evictions for residential tenants; that within this Order, it urged local jurisdictions to also take similar steps; commented that the City's moratorium models the one adopted by the City of Santa Barbara, which includes both residential and commercial businesses thereby providing some relief to prevent evictions; stated that the City's moratorium differs in a couple of ways, one is that it provides a 20-day period for residents to put together the needed documents as evidenced of hardship to present to the landlords as opposed to the 7-day period noted in the Governor's Order; Mr. Wullbrandt also stated that another difference from the state Order is that the City Ordinance provides for how repayment is to occur after the moratorium whereby it provides that payment must begin immediately with current rent and tenants have up to six months to pay back outstanding rent.

The Council engaged in a brief discussion and inquired about the vacancy rate in the TRZ; whether tenants need to have documentation demonstrating hardship; and enforcement mechanisms.

Mayor Toussaint opened public comments at 10:06 p.m.

Esko Kenny Lama (Letter received and read into the record)

- Urged the Council to adopt the Ordinance for the moratorium for residents and businesses as other jurisdictions have done

Mayor Toussaint closed public comments at 10:06 p.m.

*Motion made by Mayor Toussaint to accept staff's recommendation, seconded by Council Member Johnson, and carried with a roll call vote of 5-0.*

**8. DESIGNATION OF THE CITY'S AGENTS IN APPLYING FOR REIMBURSEMENT FROM THE CALIFORNIA GOVERNOR'S OFFICE OF EMERGENCY SERVICE...161**

Approve the State of California Governor's Office of Emergency Services Designation of Applicant's Agent Resolution, allowing the Mayor and the City Manager to apply for public assistance and recovery funding on the behalf of the City. The state-formatted resolution identifies the Mayor and the City Manager as designated agents to apply for public assistance and recovery funding on behalf of the City for a period of three years.

City Manager Xenia Bradford presented the staff report stating that this is a procedural resolution that the City Council must adopt in order to appoint a designated agent who can submit reimbursements to the California Office of Emergency Services.

Mayor Toussaint opened public comments at 10:12 p.m.

There were no public comments.

Mayor Toussaint closed public comments at 10:12 p.m.

*Motion made by Mayor Toussaint to approve the item as presented, seconded by Council Member Johnson, and carried with a roll call vote of 5-0.*

**9. GOLDEN ELEMENTS BUSINESS LICENSE REVOCATION**

Staff recommends that the City Council hold a hearing pursuant to MC Section 4-9-19; and revoke Solvang Business Certificate No. 1533.

City Manager Xenia Bradford presented the staff report indicating that this is a continuation of the item that was presented to the City Council on February 24 with the same recommendation to revoke the business license.

Mayor Toussaint opened public comments at 10:15 p.m.

There were no public comments.

Mayor Toussaint closed public comments at 10:15 p.m.

*Motion made by Mayor Toussaint to approve the item as presented, seconded by Council Member Johnson, and carried with a roll call vote of 5-0.*

Mayor Toussaint provided staff direction to investigate any changes in the City's business licensing processing to make sure that no additional stores like this are approved without proper vetting and to strengthen our procedures to make it clear that this type of business will not be accepted in the City of Solvang and bring it back to Council with respect to any changes to policy.

10. **AB1234 REPORT OUT, COUNCIL COMMENTS AND REQUESTS**

Mayor Toussaint commented that they have received notice from the FPPC that the deadlines for filing had been extended.

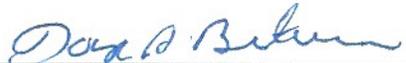
Council Member Johnson reported on having attended an SBCAG meeting; suggested the possibility of meeting with the local hospital to coordinate any logistics, and volunteers that may be needed in the event of local COVID-19 infections.

Council Member Djernaes commented that she had discussions with a local bank who had made an analysis of the City's current banking relationship and the results were disturbing in that the City has about 3 million dollars in the bank and only \$250,000 of that amount is insured and that the City receives zero interest on that money; stated that we need to put this on an agenda in order for the Council to get more information. He further requested for staff to conduct some level of stress testing on the budget; asked that a discussion about the reserves be placed on a future agenda.

Mayor Toussaint encouraged the Council to sit down with staff and ask questions pertaining to agenda items before the meeting thereby saving time with respect to the length of the meetings and saving money at the same time; commented that the Council freshen up about the budget and how any of the funds will impact the general fund and by default the overall financial standing for the City.

11. **ADJOURNMENT** – Mayor Toussaint adjourned the meeting at 10:41 p.m.

Minutes Prepared by:

  
DARYL A. BETANCUR, MMC  
Deputy 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.