



## **Staff Report**

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### SUBCOMMITTEE REPORT AND COUNCIL ACTION REGARDING DEVELOPMENT NEGOTIATIONS WITH SCOTT PIAZZA ON DEVELOPMENT OF HILLSIDE PROPERTIES

Honorable Mayor and Council Members:

#### **Summary**

The Council's San Juan Hills Sub-committee has met with Scott Piazza and his representatives for the past several months and has considered the possibility of a separate agreement between Mr. Piazza and the City regarding the development of his lands. At this Council meeting, the Sub-committee will report on its findings, including a recommendation that the City not pursue such an agreement, but direct Mr. Piazza to apply for permits through standard regulatory procedures.

#### **Background**

Since the inception of the Council's San Juan Hills Sub-committee in September, 2003, the Sub-committee (Council members Feierbach and Mathewson) has met several times, including four times with Mr. Piazza and his representative, Bry Sarté of Sherwood Design Engineers. The meetings have focused on the advantages and disadvantages of the City entering into a separate agreement with Mr. Piazza for the development of his fourteen acres in the San Juan Hills. Such an agreement would lead the standard development review process with a set of terms tailored specifically to the issues presented by the site and development plan.

In order to gain some understanding of the legal implications of a separate agreement, the Sub-committee also met with Mr. Michael Colantuono, a land use attorney.<sup>1</sup> The Sub-committee conferred twice with Mr. Colantuono – once in person and once by telephone. From these discussions, the Sub-committee considered the consequences of the separate agreement and has decided to forward a recommendation not to pursue such a course, as discussed below.

#### **Discussion**

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<sup>1</sup> The Council approved the expenditures for legal consultation (up to five thousand dollars) on November 9, 2004.

The concept of a separate agreement was first suggested by Mr. Piazza in 2003 as a way to achieve two objectives: Mr. Piazza would obtain a predictable development review outcome and the City would gain dedication of substantial portions of his land as permanent open space. Mr. Piazza proposed to develop two single family dwellings with secondary living quarters, accessed from Lower Lock Avenue.

The Sub-committee considered a variety of issues related to the proposal, as follows:

1. Agreement vs. Standard Process
  - a. Relationship to San Juan Hills Master Plan
  - b. Conformance with Municipal Code Development Standards
  - c. Public involvement in development review
  - d. Setting a precedence for future action
2. Development Plan
  - a. Access from Lower Lock
  - b. Grading
  - c. View impacts
  - d. Building floor area
  - e. Secondary dwelling units
  - f. Trails
  - g. Subsequent development

Based on their discussions with staff and Mr. Colantuono, the Sub-committee concluded that the City would not receive sufficient benefits from conducting separate negotiations with Mr. Piazza to overcome the Sub-committee's concerns that such negotiations would occur outside the public eye. Further, the Sub-committee believed that the City's role should be to assure public oversight of land development and not foster such development in partnership with a private property owner. The Sub-committee will be present to discuss these issues in more depth, answer the Council's questions and add further comment, as appropriate.

### **Fiscal Impact**

No Fiscal Impact.

### **Public Contact**

Posting of City Council agenda and the applicant has received a copy of this report.

### **Recommendation**

The Council's San Juan Hills Sub-committee recommends that the City reject entering into a separate agreement with Mr. Piazza, and respectfully direct Mr. Piazza to apply for zoning and other approvals for his project through the normal review procedures.

**Alternatives**

1. Direct the Sub-committee to continue to work with Mr. Piazza on a separate agreement.
2. Other direction, as appropriate.

Respectfully submitted,

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Interim City Manager