

MINUTES
JOINT SAND CITY COUNCIL AND SUCCESSOR AGENCY
OF THE REDEVELOPMENT AGENCY

Regular Meeting – January 21, 2014
7:00 P.M.
CITY COUNCIL CHAMBERS

Mayor Pendergrass opened the meeting at 7:04 p.m.

The invocation was led by Reverend Robert Hellam.

The Pledge of Allegiance was led by Police Chief Michael Klein.

Present: Council Member Blackwelder
Council Member Carbone
Council Member Hubler
Council Member Kruper
Mayor Pendergrass

Staff: Steve Matarazzo, City Administrator/Community Development Director
Jim Heisinger, City Attorney
Leon Gomez, City Engineer
Michael Klein, Police Chief
Connie Horca, Deputy City Clerk
Charles Pooler, Associate Planner

AGENDA ITEM 4, COMMUNICATIONS

Mayor Pendergrass commented that a Notice of Intent was received from the City of Seaside indicating that Seaside will commence litigation challenging Sand City's certification of the Environmental Impact Report for the Collection at Monterey Bay Project. The City Attorney recommends that an Urgency Item be added to Closed Session as Item 11A1).1 To confer with Legal Counsel regarding anticipated litigation in accordance with Government Code Section 54956.9(d) of the Ralph M. Brown Act, one case.

Motion to add Closed Session Agenda Item 11A1).1 To confer with Legal Counsel regarding anticipated litigation in accordance with Government Code Section 54956.9(d) of the Ralph M. Brown Act, one case was made by Council Member Blackwelder, seconded by Council Member Hubler. AYES: Council Members Blackwelder, Carbone, Hubler, Kruper, Pendergrass. NOES: None. ABSENT: None. ABSTAIN: None. Motion carried.

A. Written communications distributed to the Council were a list of possible conflicts for tonight's meeting, and a replacement page indicating appraisal values re: Carroll Property, to the Long Range Management

Plan (Agenda Item 10A).

B. Oral

7:07 P.M. Floor opened for Public Comment.

There was no comment from the public.

7:07 P.M. Floor closed to Public Comment.

AGENDA ITEM 5, CONSENT CALENDAR

A. Conditional Use Permits (CUP) and Coastal Development Permits (CDP) are subject to annual review by the City Council and City staff. Upon review of each of the following Use Permits, staff is recommending continued operation of the Use Permits to the City Council based on the finding that these uses are in compliance with their permits. There was no discussion of the following use permits.

- (1) CUP #110, Solis Automotive (Auto Body), 531 Shasta Avenue
- (2) CUP #179, Roy Hubbard (2nd Floor Residential), 542 Ortiz Avenue
- (3) CUP #238, Just Andy Auto Repair (Auto Repair), 465-A Olympia Avenue
- (4) CUP #344, Thomas Felix (Woodwork Shop), 672-A Dias Avenue
- (5) CUP #375, J&D Auto (Auto Repair), 1695 Contra Costa
- (6) CUP #401, Kyle Racing engines (Motorcycle Engine Assembly), 801-B California Avenue
- (7) CUP #191, Lifeline Food (Food Process) 426 Orange Avenue

B. There was no discussion of the December 17, 2013 Council Meeting Minutes.

C. There was no discussion of the January 7, 2014 Council Meeting Minutes.

D. There was no discussion of the Public Works Monthly Report, December 2013.

E. There was no discussion of the Successor Agency/City Monthly Financial Report, December 2013.

F. There was no discussion of the City **Resolution** approving Time Extensions to April 30, 2014 of Multiple Conditional Use Permits (CUPs 450, 503, 508, 527, 532 & 533) and Coastal Development Permit 08-03 to continue as interim uses at their respective locations within the South of Tioga Area.

G. There was no discussion of the Police Department Monthly Report, December 2013.

H. There was no discussion of the Comment Letter regarding California Coastal Commission Draft Sea Level Rise Policy – INFORMATION ONLY.

I. There was no discussion of the Fort Ord Reuse Authority (FORA) Monthly

Report, January 2014.

Motion to approve the Consent Calendar was made by Council Member Kruper, seconded by Council Member Blackwelder. AYES: Council Members Blackwelder, Carbone, Hubler, Kruper, Pendergrass. NOES: None. ABSENT: None. ABSTAIN: None. Motion carried.

AGENDA ITEM 6, CONSIDERATION OF ITEMS PULLED FROM CONSENT CALENDAR

There were no items pulled from the Consent Calendar.

AGENDA ITEM 7, PRESENTATION

A. Presentation by Ronal Rygg, Director of United Way Monterey County Chapter regarding 2-1-1 Program and the Community Assessment for Monterey County (CAMC)

Ronald Rygg, Director of United Way Monterey County Chapter, introduced Ms. Kelly Mitchell who will be presenting information with him regarding the Community Assessment Program for Monterey County.

Mr. Rygg reported that the 211 Program provides referral social services to the community 24 hours per day, seven days a week, and is available in 170 languages. Last year, the 211 Program received 896 calls in the 93955 area code. A total of 1,648 requests were received for food and housing assistance. Other needs addressed were for legal assistance, income support, employment referral, and mental health issues. The 211 Program was able to provide information, and direct these callers to the agencies that were available to assist them.

Ms. Kelly Mitchell reported that the Community Assessment for Monterey County is designed to acknowledge community conditions and aspirations of residents to improve their quality of life; focusing on education, income and health. The program involves diverse organizations coming together to solve complex social problems. Ms. Mitchell presented the organizational chart, and defined the roles and duties of each departmental team. She explained the organization's assessment methodology that collects and analyzes data related to education, income, and health. This data is used to evaluate, test conclusions, and prioritize community goals. As depicted in the timeline, the expected date of implementation would begin in January 2015. Ms. Mitchell presented a few ideas of how the Council may become involved, such as volunteering for a Community Engagement Event, spreading the word throughout the neighborhood, providing a meeting place to host forums and focus groups, and to participate in a survey.

Mayor Pendergrass commented that Sand City's Salvation Army also provides assistance to the homeless and needy. He invited the Community Assessment Program to utilize the Council Chambers for any future meetings they have scheduled, and to contact City Staff for its availability. Vice Mayor Carbone added that she is involved with other

cities that address the homeless and would be happy to work with the Community Assessment Program in coordinating outreach.

The Mayor thanked Mr. Rygg and Ms. Mitchell for the informative presentation.

AGENDA ITEM 8, PUBLIC HEARINGS

{Council Members Blackwelder and Hubler stepped down from the dais due to possible conflicts of interests by residing/working within 500' of the subject property}

A. Consideration of City Resolution approving Conditional Use Permit 577 for Raymond Hamilton to utilize a commercial unit at 495 Elder Avenue for Limited Storage of a Personal Car Collection and a Family Art Workshop

Associate Planner Charles Pooler presented an application submitted by Raymond Hamilton to use an existing commercial unit at 495 Elder Avenue for storage of personal collectable automobiles and an artist workshop. The subject property is a multi-unit building which accommodates multiple commercial uses. There are 18 on-site parking spaces with an additional 15 spaces on Elder Avenue. It is estimated that the unit will be occupied between 16 to 20 hours per week for automobile storage and art workshop activities. Activities related to stored vehicles should be restricted to the hours of 7:00 a.m. to 6:00 p.m., Monday through Friday and 10:00 a.m. to 7:00 p.m. on weekends. The applicant estimates that 2 of his vehicles will be stored on-site, with up to 4 vehicles for local auto events. Staff recommends the permit limit the total number of on-site vehicle storage to not exceed 5 at any one time. The applicant does wish to perform part assembly and vehicle upholstery on-site. The proposed assembly use should not pose a problem. Staff recommends the permit prohibit vehicle engine or body work on-site, but allow the vehicle upholstery and limited part assembly work. Family members will be using a section of the unit as an art workshop focusing on painting, graphic art, drawing and digital photography, and it is not anticipated to generate noticeable impacts. Loading/unloading activities will be transportation of the applicant's cars to car events and back. Staff recommends the permit limit the parking of vehicle transport carriers/trailers along Elder Avenue for a period no longer than two hours per week. The limited scale of uses as an artist's workshop, parts assembly, and materials storage should not create a nuisance. Staff recommends approval of the conditional use permit.

There was Council discussion regarding outside storage of vehicles and if it would pose a permit violation. Staff confirmed that vehicles will need to be stored within the building in order to remain in compliance with the City's parking code. Vice Mayor Carbone suggested that the applicant notify the Police Department should they wish to host a special art and/or car show event.

7:40 P.M. Floor opened for Public Comment.

Real Estate Agent, Allison Goss commented on behalf of the property owner that they are fortunate to have Mr. Hamilton express interest in the property. There is not a large inventory of available properties in Sand City for the proposed use. Mr. Hamilton has developed relationships with artists and collectors, and he would be a valued member of the artist community.

The applicant, Mr. Hamilton, commented that he is not a car collector, but does own a variety of cars he brings to auto shows. He will not be performing bodywork on the vehicles and plans to utilize other Sand City businesses for automotive repair services. His wife and daughter are the artists in the family and will be using the art workshop to do some painting. They were able to visit the West End Celebration last year in August and plan to participate in this year's event. The Mayor asked the applicant if he was in agreement with the conditions of the use permit. Mr. Hamilton responded that he was in agreement.

7:44 P.M. Floor closed to Public Comment.

Motion to approve the City **Resolution** by title, approving Conditional Use Permit 577 for Raymond Hamilton to utilize a commercial unit at 495 Elder Avenue for Limited Storage of a Personal Car Collection and a Family Art Workshop was made by Council Member Kruper, seconded by Council Member Carbone. AYES: Council Members Carbone, Kruper, Pendergrass. NOES: None. ABSENT: None. ABSTAIN: Council Members Blackwelder, Hubler. Motion carried.

{Council Members Blackwelder and Hubler returned to the dais}

B. Consideration of City Resolution approving Conditional Use Permit 578 for Red Door Art and Garden Gallery authorizing an Art Gallery and Garden Sales at 860 Tioga Avenue

Associate Planner Charles Pooler presented an application submitted by Gilbert Julian and Ken Holt to use a vacant residential dwelling at 860 Tioga Avenue for an art and garden gallery for display of art and garden products. The subject property was formerly a residential dwelling and located within the South of Tioga planning district targeted for future redevelopment. The applicant intends to use the site for the display and sale of paintings, jewelry, sculptures, and wood work. The outside yard area will offer outdoor garden art, furniture, plants, and sculptures for sale. Hours of operation are intended to be from 10:00 a.m. to 5:00 p.m., Tuesday through Sunday. The site provides two on-site parking spaces. The applicant proposes adding a third parking space along the frontage of the building. Provided the applicant installs the third parking space as shown on the submitted site plan, then parking will meet zoning requirements. Shipments to the location will be minimal, arriving via Federal Express or UPS. The applicant is aware that the subject property is located within the South of Tioga planning district and their application for a use permit is being considered only as an interim use. It is recommended that a termination clause specifying a termination date of

one year with 90-day time extensions thereafter be include as part of permit conditions. Staff recommends approval of the use permit with the conditions/restrictions suggested by Staff.

7:50 P.M. Floor opened for Public Comment.

The applicants Ron Holt and Gilbert Julian, were present to comment on the use permit. Mr. Julian expressed his gratitude to the Council for their support of local artists in Sand City. The location will be used for the display and resale of jewelry, and wood working items. Drought resistance plants will also be available to the public for purchase. Mr. Holt added that they would like to have live music on the first Thursday of each month. The music would be primarily acoustical, slightly amplified with additional instruments and vocal accompaniment. Mr. Holt clarified that there will be no 'rock band' type of music performed.

Associate Planner Pooler commented that the applicant's request for live music was not addressed in the application. The Council discussed possible noise impacts to the surrounding businesses and residents along Tioga Avenue. Mr. Pooler recommended that the use permit allow for acoustical music on-site as long as it does not exceed 45 decibels at the property line, and may be amended to include live music at the Council's discretion.

Mayor Pendergrass commented that the Police Department be notified of any events open to the public.

7:59 P.M. Floor closed to Public Comment.

Council Member Hubler commented on the positive aesthetic improvement of the property and asked the applicants to consider taking part in the Art Committee's future art walk event. Mr. Julian and Mr. Holt expressed their interest and provided Council Member Hubler with their contact information.

The Mayor asked the applicants if they were in agreement with the conditions of the use permit. Mr. Julian and Mr. Holt responded that they were in agreement.

Motion to approve the City **Resolution** as amended, approving Conditional Use Permit 578 for Red Door Art and Garden Gallery authorizing an Art Gallery and Garden Sales at 860 Tioga Avenue was made by Council Member Hubler, seconded by Council Member Kruper. AYES: Council Members Blackwelder, Carbone, Hubler, Kruper, Pendergrass. NOES: None. ABSENT: None. ABSTAIN: None. Motion carried.

AGENDA ITEM 9, OLD BUSINESS

- A. Progress report on Public Works projects, South of Tioga Redevelopment project, Coastal projects, and other Sand City community programs by City Engineer/Community Development Director/City Administrator**

City Engineer Leon Gomez reported that the desalination plant was inoperable for a few days in January due to the inability of the plant to blend down the brine discharge within the permitted limits. The lack of rainfall has caused higher salinity levels in the feed water. Cal-Am has contracted with a consultant to assess the discharge well to determine whether it is impacting the supply wells located at Vista Del Mar. Preparation of the desalination plant's discharge permit will include a request for an increase in the salinity level. If this increase is approved, it would allow for additional flexibility to operate the plant.

There was Council discussion regarding the desalination plants high brine discharge effluent, and the unanticipated drought. The City Administrator advised the Council that Martin Feeney was contracted to prepare the Adaptive Water Management Plan. The administrative draft of the plan would allow the wells to be moved further inland to address the salinity issue. This should be done as soon as possible, and Cal-Am has been contacted regarding the proposed relocation. The Mayor requested that Staff continue working on this issue so the plant can continue normal operations.

City Administrator Steve Matarazzo reported that King Ventures has signed a 49 day waiver with the Coastal Commission to determine if there is a substantial issue regarding the appeal recently filed by the Sierra Club regarding the Collections Project. The substantial issue hearing is scheduled for May in Santa Rosa.

AGENDA ITEM 10, NEW BUSINESS

A. Successor Agency Consideration of Resolution approving Long Range Property Management Plan

The plan involves all the properties as listed, and will be heard collectively as one motion and vote. A straw draw was conducted with members of the Successor Agency who were in conflict. *Successor Agency Members Blackwelder and Kruper stepped down from the dais as a result of the straw draw due to a possible conflict of interest by residing within 500' feet of the subject properties.*

Successor Agency Executive Director, Steve Matarazzo reported that there are basically five properties and some easements the Successor Agency holds in trust from the former Redevelopment Agency. The properties are the Carroll Property, Community Garden, Public Plaza at the Independent, the McDonald Site, and the Tioga Pump Station. Staff recommends that the Carroll Property be transferred to the City since it was purchased with tax exempt bonds for the purpose of providing public parking. This would be a natural transference and would give the City the ability to sell the property at a future time if it so desired. Three parties have expressed interest in the Carroll property. Staff has not received communication from the interested parties on their proposed use for this property. Two values of the property were determined (subdivided vs. not

subdivided) with those amounts depicted on the handout.

8:20 P.M. Floor opened for Public Comment.

On behalf of the Orosco Group, Patrick Orosco apologized to the City Administrator for not submitting a letter of intent regarding the Carroll Property. A draft proposal is pending approval from Don Orosco who is presently in the hospital. The proposal intends to use a portion of the Carroll Property for public parking with an effort to develop the remaining portion located at Contra Costa. The Tioga Property would be incorporated into a larger site for future development.

The City Attorney concurred that the recommendation regarding the Carroll Property for future use as parking, and transference of the property to the City is advisable.

8:30 P.M. Floor closed to Public Comment.

There was consensus of the Successor Agency Members that the following actions be taken regarding each of the properties: the Carroll Property, Community Garden, and the Public Plaza at the Independent be transferred to the City, the Tioga Pump Station be sold to the Orosco Group, and no action be taken regarding the McDonald Coastal site since it is presently under contract.

Motion to approve the City **Resolution** approving the Long Range Property Management Plan (LRPMP) and submitting said Plan for Final Review and Approval to the Sand City Oversight Board and Department of Finance was made by Successor Agency Member Carbone, seconded by Successor Agency Member Hubler. AYES: Successor Agency Members Carbone, Hubler, Pendergrass. NOES: None. ABSENT: None. ABSTAIN: Successor Agency Members Blackwelder, Kruper. Motion carried.

{Council Members Blackwelder and Kruper returned to the dais}

B. Upcoming Meetings/Events

There were no RSVP's from the Council.

AGENDA ITEM 11, CLOSED SESSION

8:31 p.m.

A. City Council /Agency Board to adjourn to Closed Session:

1) To confer with Legal Counsel regarding pending litigation in accordance with Section 54956.9(c) of the Ralph M. Brown Act,

a) *Monterey Peninsula Water Management v. State Water Resources*

Control Board (No. M102101), and related cases

b) *Seaside v. Sand City (No. M120996) and related cross action*

1).1) To confer with Legal Counsel regarding anticipated litigation in accordance with Government Code Section 54956.9(d) of the Ralph M. Brown Act, one case

2) Public Employee Performance Evaluation, pursuant to Section 54957 of the Ralph M. Brown Act, position: City Administrator

3) Consideration of Public Employment (Gov. Code Section 54957(b)(1), Unrepresented Employee: Interim City Administrator Candidate

9:30 p.m.

- B. Re-adjourn to Open Session to report any action taken at the conclusion of Closed Session in accordance with 54957.1 of the Ralph M. Brown Act**

The Council received advice from the City Attorney regarding Item 11A. The Council received a report on Item 11A(2) that the City Administrator has announced his retirement.

AGENDA ITEM 12, NEW ITEM

- A. Consideration of Appointment of City Negotiator for Interim City Administrator Position**

There was consensus of the City Council that Mayor Pendergrass enter into negotiations for the position of Interim City Administrator, and to extend an offer to Kelly Morgan.

AGENDA ITEM 13, ADJOURNMENT

Motion to adjourn the City Council meeting was made by Council Member Hubler, seconded by Council Member Blackwelder to the next regularly scheduled Council meeting on Tuesday, February 4, 2014 at 7:00 p.m. There was unanimous consensus of the Council to adjourn the meeting at 9:32 p.m.



Connie Horca, Deputy City Clerk