

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

Regular Meeting – June 3, 2014
7:00 P.M.
CITY COUNCIL CHAMBERS

Mayor Pendergrass opened the meeting at 7:01 p.m.

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: Kelly Morgan, Interim City Administrator
Jim Heisinger, City Attorney
Leon Gomez, City Engineer
Michael Klein, Police Chief
Charles Pooler, Associate Planner
Connie Horca, Deputy City Clerk

AGENDA ITEM 4, COMMUNICATIONS

A. Written communication distributed to the Council were revised Resolutions for Agenda Items 7A, 7B, and a list of conflicts for tonight's meeting.

B. Oral

7:03 P.M. Floor opened for Public Comment

There were no comments from the Public.

7:03 P.M. Floor closed to Public Comment.

AGENDA ITEM 5, CONSENT CALENDAR

The Consent Agenda consists of routine items for which City Council approval can be taken with a single motion and vote. A Council member may request that any item be placed on the Regular Agenda for separate consideration.

A. There was no discussion of the City **Resolution** authorizing Renewal of City Engineer Services Agreement with Creegan & D'Angelo.

- B. There was no discussion of the City **Resolution** allocating an amount not to Exceed \$10,000 to Fund Additional Animal Control Services within Sand City for Fiscal Year 2014-15.
- C. There was no discussion of the acceptance of the City/Successor Agency Monthly Financial Report, April 2014.
- D. There was no discussion of the City **Resolution** authorizing Renewal of a Maintenance Services Agreement with HOPE Rehabilitation Services.
- E. There was no discussion of the acceptance of the Fort Ord Reuse Authority (FORA) Report, May 2014.
- F. There was no discussion of the City **Resolution** approving a Contract with Pacific Municipal Consultants for Planning Review, and Grant Procurement/Administration Services for Fiscal Year 2014-15 at a cost not to exceed \$50,000.

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

AGENDA ITEM 6, CONSIDERATION OF ITEMS PULLED FROM CONSENT CALENDAR

There were no items pulled from the Consent Calendar.

AGENDA ITEM 7, PUBLIC HEARINGS

{Vice Mayor Carbone stepped down from the dais due to a possible conflict of interest by residing within 500' of the subject property}

- A. **Consideration of Site Plan, PUD Re-Zoning, Tentative Map, Conditional Use Permit, Water Allocation, and CEQA Review for Woodman Development Company's East Dunes Residential Development Project (this item continued from the May 20, 2014 Council meeting)**
 - 1) **Approval of City Resolution to Certify the Initial Study as Complete and Correct and to Adopt a Mitigated Negative Declaration regarding the Bungalows at East Dunes Residential Development Project on Property Fronting Park Avenue, Sylvan, Fell Street, and Ocean View Avenue (APN 011-182-001, 004, 005, 006, 007, 008, 009, 010 & 011)**
 - 2) **Approval of City Resolution to Approve Site Plan Permit 14-02 and Conditional Use Permit 581 for the Bungalows at East Dunes Residential Development Project on Property Fronting Park Avenue, Fell Street, Sylvan and Ocean View Avenue (APN 011-182-001, 004, 005, 006, 007, 008, 009, 010 & 011)**
 - 3) **Approval of City Resolution Approving Tentative Map No. 14-01 with Conditions for the Bungalows at East Dunes Residential Development on Property Fronting Park Avenue, Fell Street, Sylvan and Ocean View Avenue (APN 011-182-001, 004, 005, 006, 007, 008, 009, 010 & 011)**

- 4) **Approval of City Resolution to Approve a Mitigation Monitoring Program for the Bungalows at East Dunes Residential Project on Property Fronting Park Avenue, Fell Street, Ocean View Avenue, and Sylvan (APN 011-182-001-001, 004,005, 006, 007, 008, 009, 010 & 011)**
- 5) **Approval of City Resolution Granting the City Administrator Authorization to Execute a Water Assignment Agreement and Assign 2.182 Acre-Feet of Water from the Sand City Water Entitlement for the Bungalows at East Dunes Residential Development Project on Property Fronting Park Avenue, Sylvan Fell Street, and Ocean View Avenue (APN 011-182-001, 004, 005, 006, 007, 008, 009, 010 & 011)**

Associate Planner Charles Pooler reported that this item was continued from the May 20, 2014 Council meeting. At that time a full presentation was provided to the Council by Staff and Mr. William Silva of Woodman Development. The handouts distributed to the Council include revisions/modifications to the resolutions addressing comments received from the Sanitation District, and the City Engineer's remarks following his review of the Stormwater Management Control Plan for the Bungalows Project. Modifications were made to Agenda Item 7A.1 regarding the Mitigated Negative Declaration and Initial Study Resolution that proposed a change in the language modifying one whereas. The Site Plan Permit Resolution (Item 7A.2) also included changes to certain conditions with strike-throughs that indicate text to be removed, and bold text for language that needs to be added.

Council Member Hubler commented that Condition I.3 of the conditional use permit should have Saturday added. Mr. Pooler concurred with the recommendation.

Mr. Pooler summarized that the Design Review Committee approved the design permit for the project authorizing the intended use of exterior materials, theme, building designs, and color schemes proposed by the applicant. Staff recommends approval of the project with the following actions to include: certifying the initial study, adoption of the site plan permit and conditional use permit, approval of the resolution vesting the tentative map, adoption of the mitigation monitoring program, allocation of water, and rezoning of the project site from CZ to R2-PUD. A zoning map is included for First Reading.

The applicant, Mr. William Silva commented that it was a pleasure to work with Staff and the City Engineer. In regard to the handout distributed to the Council, he mentioned the schedule of the project and would like to see the streets, sidewalks, and gutter work installed in coordination with each phase due to initial capital outlay.

7:11 P.M. Floor opened to Public Comment.

Sand City resident Suzanne St. John commented that her development took a larger risk by constructing bigger homes on larger lots. She expressed her opinion that the developer will not walk away from the project should the Council make him build larger homes equal to the size of the homes already in the area. It would only be fair to the residents

who live there to have homes constructed that are equal to their investments.

Mr. Steve Wilson, a resident of the East Dunes area for 37 years commented that he agrees with Ms. St. John's comments. He advised the Council to heed the comments made by the residents since they were instrumental in electing them to office. The largest home the developer is proposing to build is comparable to the smallest home that Ms. St. John's built several years ago. There is eight feet between these homes and it would be nice to see two larger homes proposed for the development. In conclusion, he petitioned the Council to please consider what the residents have requested.

7:18 P.M. Floor closed to Public Comment.

Mayor Pendergrass invited the developer to respond to the public comments made and indicated that there will be no rebuttal period.

The developer Mr. Silva responded that he hopes the project would prove to be profitable, but does not estimate to make 7 million from the project. That amount is higher than the projected sales price. His project analysis establishes fixed costs for the project, and reducing the number of homes being built would increase his cost 10% to 20%. He would like to build a good project, and he corrected misinformation that was expressed regarding lot sizes. He is not a blow and go builder, and has been a resident of the Peninsula for over 30 years. The project would add value to the property and to Sand City.

Mr. Silva responded to Council Member Hubler's concern regarding the property value of residents who currently own homes in the area. Mr. Silva indicated that a few things affect property values, such as blighted sites, and incomplete subdivision improvements. Single family detached homes should increase property values, and add to the community as a whole.

Associate Planner Charles Pooler added that the Bungalow's project; although not the same, is comparable with the St. John PUD. This project does not have any duplexes due to public comments received. The applicant did adhere to those concerns, and incorporated modifications into his design.

Mayor Pendergrass commented that each project is considered individually and is separate from previous projects. The Bungalows Project will eliminate blight at the East Dunes area, and should increase property value as well as improve the City's overall esthetic appeal. He summarized the history of the desalination plant and its importance in providing water to the City. The construction and operation of the desalination plant has contributed to the City's future redevelopment.

Council Member Kruper remarked that the Council works to facilitate the City's long range plans that was discussed years ago and established by residents who have voted for elected officials. The development of new projects and elimination of blight within the City is a collaborative decision

of residents, staff and council.

Council Member Hubler added that Ms. St. John is a pioneer in the community and has expressed bravery in proposing her development several years ago. He commented that the Council has been fair to both Mr. Silva and Ms. St. John regarding their projects, and understands the concerns expressed by residents. The property values should not be adversely affected by this new project. Council Member Blackwelder added that from a 35 year construction background, the project is consistent with other developments in the area, and is similar to a project in Seaside Florida that has different size homes.

Associate Planner Pooler demonstrated to the Council the reconfiguration of lots, property, and street lines of the proposed project at its location. He recommended that the Council take action on each resolution separately.

- 1) Motion to approve the City **Resolution** by title, as amended to Certify the Initial Study as Complete and Correct and to Adopt a Mitigated Negative Declaration regarding the Bungalows at East Dunes Residential Development Project on Property Fronting Park Avenue, Sylvan, Fell Street, and Ocean View Avenue (APN 011-182-001, 004, 005, 006, 007, 008, 009, 010 & 011) was made by Council Member Kruper, seconded by Council Member Blackwelder. AYES: Council Members Blackwelder, Hubler, Kruper, Pendergrass. NOES: None. ABSENT: None. ABSTAIN: Council Member Carbone.
- 2) Motion to approve the City **Resolution** by title, as amended to Approve Site Plan Permit 14-02 and Conditional Use Permit 581 for the Bungalows at East Dunes Residential Development Project on Property Fronting Park Avenue, Fell Street, Sylvan and Ocean View Avenue (APN 011-182-001, 004, 005, 006, 007, 008, 009, 010 & 011) was made by Council Member Blackwelder, seconded by Council Member Kruper. AYES: Council Members Blackwelder, Hubler, Kruper, Pendergrass. NOES: None. ABSENT: None. ABSTAIN: Council Member Carbone.
- 3) Motion to approve the City **Resolution** by title, approving Tentative Map No. 14-01 with Conditions for the Bungalows at East Dunes Residential Development on Property Fronting Park Avenue, Fell Street, Sylvan and Ocean View Avenue (APN 011-182-001, 004, 005, 006, 007, 008, 009, 010 & 011) was made by Council Member Blackwelder, seconded by Council Member Kruper. AYES: Council Members Blackwelder, Hubler, Kruper, Pendergrass. NOES: None. ABSENT: None. ABSTAIN: Council Member Carbone.
- 4) Motion to approve the City **Resolution** by title, as amended to approve a Mitigation Monitoring Program for the Bungalows at East Dunes Residential Project on Property Fronting Park Avenue, Fell Street, Ocean View Avenue, and Sylvan (APN 011-182-001-001, 004, 005, 006, 007, 008, 009, 010 & 011) was made by Council Member Blackwelder, seconded by Council Member Hubler. AYES: Council Members Blackwelder, Hubler, Kruper, Pendergrass. NOES: None.

ABSENT: None. ABSTAIN: Council Member Carbone

- 5) Motion to approve the City **Resolution** by title Granting the City Administrator Authorization to Execute a Water Assignment Agreement and Assign 2.182 Acre-Feet of Water from the Sand City Water Entitlement for the Bungalows at East Dunes Residential Development Project on Property Fronting Park Avenue, Sylvan Fell Street, and Ocean View Avenue (APN 011-182-001, 004, 005, 006, 007, 008, 009, 010 & 011) was made by Council Member Hubler, seconded by Council Member Kruper. AYES: Council Members Blackwelder, Hubler, Kruper, Pendergrass. NOES: None. ABSENT: None. ABSTAIN: Council Member Carbone

B. FIRST READING: Ordinance of the City Council of Sand City Amending Title 18 of the Municipal Code to Reclassify Certain Property Bounded by Park Avenue, Sylvan, Fell Street, and Ocean View Avenue (APN 011-182-001, 004, 005, 006, 007, 008, 009, 010 & 011) from Heavy Commercial (C-2) to Medium Density Residential Planned Unit Development (R2-PUD) for the Bungalows at East Dunes Residential Project

Motion to approve the **First Reading** of the Ordinance of the City Council of Sand City Amending Title 18 of the Municipal Code to Reclassify Certain Property Bounded by Park Avenue, Sylvan, Fell Street, and Ocean View Avenue (APN 011-182-001, 004, 005, 006, 007, 008, 009, 010 & 011) from Heavy Commercial (C-2) to Medium Density Residential Planned Unit Development (R2-PUD) for the Bungalows at East Dunes Residential Project was made by Council Member Kruper, seconded by Council Member Blackwelder. Roll Call Vote AYES: Council Members Blackwelder, Hubler, Kruper, Pendergrass. NOES: None. ABSENT: None. ABSTAIN: Council Member Carbone. Motion carried.

{Vice Mayor Carbone returned to the dais}

C. FIRST READING: Ordinance of the City Council of Sand City Amending Chapter 2.20 Conflict of Interest Code of the Sand City Municipal Code regarding Identification of Designated Employees and Disclosure Categories by Resolution

City Attorney Jim Hesinger commented that several years ago, the City adopted a Conflict of Interest Code that was a model ordinance based on regulations adopted by the Fair Political Practices Commission. There are two appendices to the code that includes a list of designated positions, and a list of disclosure categories. Over the years, the City has amended the list of designated positions as they have been necessary to add or rename a position. The process of amending these positions by Ordinance requires two readings. The purpose of this Ordinance would allow changes of the existing code by Resolution rather than by Ordinance.

Motion to approve the **First Reading** of the Ordinance of the City Council of Sand City Amending Chapter 2.20 Conflict of Interest Code of the Sand City Municipal Code regarding Identification of Designated Employees and

Disclosure Categories by Resolution was made by Council Member Carbone, seconded by Council Member Kruper. Roll Call Vote AYES: Council Members Blackwelder, Carbone, Hubler, Kruper, Pendergrass. NOES: None. ABSENT: None. ABSTAIN: None. Motion carried.

AGENDA ITEM 8, OLD BUSINESS

A. Progress report on Public Works projects, Successor Agency Oversight Board, South of Tioga 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 produced 24.6 acre feet for the month of May. Staff met with Cal-Am to discuss the strategy for responding to the Coastal Commission's letter regarding the City's application for new desalination wells. Over the next several weeks, the City will be working closely with Cal-Am on various action items in response to that letter. Staff is presently working on the Phase II StormWater Program deliverables that are due by the end June 2014. Those deliverables include emergency spill and response plan, refresher municipal training for Staff, plan review documentation and protocols, regional public education and annual report preparation.

The Monterey Regional StormWater Management Program is in the process of developing a revised cost share proposal for fiscal year 2014-15, which includes monitoring costs for the outfall located at Bay Avenue. This cost will be shared with the City of Seaside as a contributory amount of 80% by Seaside and 20% by Sand City. This would equate to approximately \$6,000-\$7,000 dollars. Sand City's cost as part of the program may increase for the fiscal year due to the City of Marina leaving the program. The positive news is that the Cities of King City, Greenfield, and Soledad are looking at joining the regional group, thereby reducing the cost share for all cities.

Interim City Administrator Kelly Morgan reported that the meeting was attended by two Cal-Am and two Sand City representatives. It was agreed at the meeting that the City Attorney should take the lead role in working with the Coastal Commission.

Mayor Pendergrass requested Staff to contact the Coastal Commission regarding the Collections at Monterey Bay project application. Mr. Morgan commented that Coastal Commission Staff approached him at the hearing and mentioned that they would work on expediting Mr. King's application.

AGENDA ITEM 9, NEW BUSINESS

A. Upcoming Meetings/Events

There were no RSVP's for upcoming meetings/events from the City Council.

AGENDA ITEM 10, CLOSED SESSION

8:10 P.M.

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

1) To confer with Legal Counsel regarding pending litigation in accordance with Government Code Section 54956.9(d)(1):

- 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**
- c) Seaside v. Sand City (King Ventures) (No. M126354)**

8:44 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 a report from the City Attorney and outside legal counsel on item 10A 1(b).

AGENDA ITEM 11, ADJOURNMENT

Motion to adjourn the City Council meeting was made by Council Member Blackwelder, seconded by Council Member Kruper, to the next regularly scheduled Council meeting on Tuesday, June 17, 2014 at 7:00 p.m. There was unanimous consensus of the Council to adjourn the meeting at 8:45 p.m.



Connie Horca, Deputy City Clerk