

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

Regular Meeting – July 15, 2014
7:00 P.M.
CITY COUNCIL CHAMBERS

Mayor Pendergrass opened the meeting at 7:00 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: Kelly Morgan, Interim City Administrator
David Bigger, Acting City Attorney
Leon Gomez, City Engineer
Michael Klein, Police Chief
Charles Pooler, Associate Planner
Linda Scholink, City Clerk

AGENDA ITEM 4, COMMUNICATIONS

A. Written communication distributed to the Council included a list of possible conflicts for the July 15, 2014 meeting, and an update on Agenda Item 5E, requesting that extension for CUP #553 be denied.

B. Oral

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

There were no comments from the Public.

7:03 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 #377, Hartzel Automotive (auto), 510-A California Avenue
- (2) CUP #399, Edgewater Center, (retail/multiple sites), 915, 925 Playa & 2030 California
- (3) CUP #419, Carmel Tile/Doubleday (showroom/storage), 1725 Contra Costa
- (4) CUP #495, Alternator & Starter Exchange (assembly), 352-B Orange Avenue
- (5) CUP #368, Jersey's (food service), 832 Playa Avenue
- (6) CUP 521, Michael Sweeney (storage), 467 Shasta Avenue
- (7) CUP #522, North Bay Rehabilitation (contractor), 701 Redwood Avenue
- (8) CDP 11-09, Rebecca Bernstein (hydrotherapy), 1807-B Contra Costa

- B. There was no discussion of the July 1, 2014 Sand City Council Meeting Minutes.
- C. There was no discussion of the Police Department Monthly Report, June 2014.
- D. There was no discussion of the Public Works Monthly Report, June 2014.
- E. The City **Resolution** approving Time Extensions to October 31, 2014 of Multiple Conditional Use (CUPs 450, 503, 508, 527, 532, 533, 540, 541, 544, 553) to continue as interim uses at their respective locations within the South of Tioga Area was amended to remove references to CUP #553.

The City Attorney brought to the Council's attention that the handout refers to changes regarding item 5E removing CUP #553.

Motion to approve the consent calendar items with amendments to item 5E was made by Council Member Blackwelder, seconded by Council Member Carbone. 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 Ron Pierce of Green Gopher Supply on behalf of the Non-Profit Organization Jacobs Heart for the KIDRAGEOUS Baby Matthew's Golden Gallop Fund Raising Event (10 minutes)**

Green Gopher Supply owner, Ron Pierce made a presentation to the Council on behalf of a fund raising event being sponsored by Jacobs Heart. On July 14, 2010, his family was blessed with another child whom

they named Matthew. During Matthew's 2 month checkup, the doctor expressed concern regarding Matthew's skin color and ordered a blood test for their son. Following the appointment and results of the blood test, they were informed that Matthew's white blood cell count was extremely high. They were soon airlifted by helicopter to the Lucille Packard Children's Hospital at Stanford. At the hospital, they were informed that Matthew had cancer, and that his type of cancer had a cure rate of only 20-30%. Matthew was diagnosed with infantile leukemia and was soon under life support. He proved to be a fighter, and received his first treatment at 2 months old. Matthew was moved to the Ronald McDonald House while undergoing several months of treatment. Further treatment included bone marrow transplants which took the family to Memphis Tennessee. He was able to go home after several months and the family spent each day enjoying life with Matthew. Unfortunately, in 2012 Matthew's body could no longer sustain the harmful effects of the treatment, and lost his forty day battle in ICU. During Matthews's battle, the family was blessed to have Jacob's Heart, an organization that helped the family throughout Matthew's hospitalizations and treatments. He petitioned the Council to support the, KIDRAGEOUS, Matthew's Golden Gallop event. This event would raise much needed funds for families, and members of the community whose children still battle with cancer.

Mayor Pendergrass thanked Mr. Pierce for his courage and the Council will consider a donation to the event. Vice Mayor Carbone inquired when the event would take place, and extended her condolences to Ron, Amy and family. Council Member Hubler who also experienced the loss of a child expressed his sincerest sympathy to Mr. Pierce and family.

The event will take place at the Custom House Plaza on September 14, 2014.

AGENDA ITEM 8, PUBLIC HEARINGS

{Council Members Blackwelder and Hubler stepped down from the dais due to a possible conflict of interest by residing within 500' of the subject property}

A. Consideration of City Resolution approving Conditional Use Permit 582 for Barry Brandt to Convert an Existing 490 Square Foot Office into a Residential Dwelling at 509 California Avenue

Associate Planner Charles Pooler presented an application by Barry Brandt to convert an existing 490 square foot office into a residential dwelling at 509 California Avenue. He depicted the location and surroundings on the Powerpoint for the Council's information. The property has sufficient space to accommodate two on-site parking spaces; however, the code specifies that one of these spaces be covered to satisfy the covered parking requirements. Staff recommends that the requirement for the carport be waived since this is a temporary use with an expiration date. The applicant informed Staff that modifications/repairs made to the structure would conform to acceptable Code standards. The property

consists of 8 lots, and Staff recommends that it be merged into 2 lots. The structure has a water allocation of 0.034 acre feet and is insufficient to accommodate the conversion. A draft resolution is attached to allocate an additional 0.049 acre feet from the City's water entitlement to subsidize on-site water credit to facilitate the project. The property owner informed Staff that the conversion from an office to residential use would be temporary until future development of the property. Staff recommends a five year time limit of the use permit to July 31, 2019 providing for interim use until future development of the site is proposed. The conversion to a residential use would remain consistent with the intended residential development for the East Dunes planning area. Staff recommends approval of the conditional use permit.

In response to Council Member Kruper's question regarding where the East Dunes property begins and ends, Associate Planner Pooler depicted the 'East Dunes' on the map.

7:25 P.M. The floor was opened for public comment.

Property owner Barry Brandt thanked Mr. Pooler for his work and efforts involving the proposed project. Mr. Brandt is fascinated with Sand City and would like to develop two residences in the area with the possibility of expanding to a third residential unit. The Green property was offered for public auction but he was unable to purchase it at the time. In conclusion, Mr. Brandt commented that he does not have a specific plan for the property other than developing the current site to a residential use.

Mayor Pendergrass asked Mr. Brandt if he was in agreement with the conditions of the use permit. Mr. Brandt answered that he was in agreement with permit conditions.

7:30 P.M. Floor closed to public comment.

Motion to approve the City **Resolution** by title, approving Conditional Use Permit 582 for Barry Brandt to convert an existing 490 square foot office into a residential dwelling at 509 California Avenue was made by Council Member Kruper, seconded by Council Member Carbone. AYES: Council Members Carbone, Kruper, and Pendergrass. NOES: None. ABSENT: None. ABSTAIN: Council Members Blackwelder and Hubler. Motion carried.

Motion to approve the City **Resolution** by title, granting the City Administrator authorization to execute a Water Assignment Agreement and assign 0.049 acre feet of water from the Sand City Water Entitlement to Mr. Barry Brandt (Property Owner) accommodating a residential conversion at 509 California Avenue in Sand City was made by Council Member Carbone, seconded by Council Member Kruper. AYES: Council Members Carbone, Kruper, and Pendergrass. NOES: None. ABSENT: None. ABSTAIN: Council Members Blackwelder and Hubler. Motion carried.

B. Consideration of City Resolution approving Conditional Use Permit 583 and Coastal Development Permit 14-03 for Wild Thyme Botanicals for the Manufacturing, Distribution, workshops, and sales of Handmade Soap and Skin Care Products at 1-John Street

Associate Planner Charles Pooler presented an application submitted by Andrea Smith of Wild Thyme Botanicals to utilize a commercial unit at 1-A John Street for manufacturing of handmade soap, natural skin care products, and other 'natural' products. The applicant intends to occupy the southern end of the unit and wishes to open to the public during weekday afternoons for on-site sales. She also proposes to conduct workshops in soap-making, aroma-therapy, and other similar items. The proposed manufacturing, wholesale/retail, storage, and workshop activities are consistent with the mixed-use zoning, and compatible with the neighboring commercial and residential uses. Mr. Pooler further explained the hours of operation for each of the intended uses. The property provides eleven parking spaces and is sufficient to meet the minimum requirement of 3 parking spaces for the intended use. Any potential overflow parking can be accommodated by the adjacent fenced property. The proposed use is not anticipated to generate excessive negative impacts. Loading/unloading activities can be adequately accommodated on-site without interfering with public streets. Evening and weekend classes should not pose a problem provided class sizes are not too large and hours do not extend beyond a late hour. Staff recommends approval of the coastal development and conditional use permit with staff's recommended conditions/restrictions.

7:38 P.M. The floor was opened to public comment.

The applicant Andrea Smith commented that she has been in business since 2001 as a home based business in Pacific Grove. She purchased a home in Marina in which she continued to do business, but has expanded since then. Sand City provides the ideal space and location to expand her business. She expressed her excitement in participating in the West End Celebration and plans to hold her 'grand opening' during that time. All her products are natural, and offers refillable products to the public in keeping with a green sustainable environment.

At the request of Council Member Kruper, Ms. Smith explained the different types of classes she will be offering in soap making, and aromatherapy.

7:41 P.M. Floor closed to public comment.

Motion to approve the City **Resolution** by title, approving Conditional Use Permit 583 and Coastal Development Permit 14-03 for Wild Thyme Botanicals for the manufacturing, distribution, workshops, and sales of handmade soap and skin care products at 1-John Street was made by Council Member Kruper, seconded by Council Member Carbone. AYES:

Council Members Carbone, Kruper, and Pendergrass. NOES: None. ABSENT: None. ABSTAIN: Council Members Blackwelder and Hubler. Motion carried.

{Council Members Blackwelder & Hubler returned to the dais}

AGENDA ITEM 9, OLD BUSINESS

A. Review and Discussion of the 2014 West End Celebration

West End Event coordinator, Stephen Vagnini presented an update to the City Council. He also mentioned that as the Monterey County Tax Assessor, Sand City's assessed valuation has increased 6.4% and it is the first time in six years that this increase has occurred. Sponsorship for the West End Celebration has exceeded last year's monetary donation. Greater participation with local businesses has also occurred, with more food vendors expressing interest in participating. The footprint for the event has expanded, and a stage will be added along Redwood Avenue. Radio and newspaper advertising will be doubled this year and he anticipates an increase in public attendance. This year a six page program in the Weekly will be advertised. A fashion show will take place on Saturday at the Redwood stage that will use recycled and upcycled materials. The Friday night kick-off party will feature Nina Story, a great blues artist who will be joined by Casey Fraser. Mr. Vagnini encouraged the Council to purchase tickets early since last year they were sold out prior to the concert. Proceeds generated from the concert will go towards the festival. He will be meeting with Chief Klein and Staff in a few weeks to go over the logistics of the event.

Council Member Hubler commented that the City is fortunate to have Mr. Vagnini as this year's West End Celebration coordinator. He is appreciative of all the work that Mr. Vagnini does for the event. Vice mayor Carbone wished Mr. Vagnini a happy "belated birthday".

B. Review and Discussion of July 7, 2014 OPR Letter on Sand City General Plan Elements

Interim City Administrator Kelly Morgan reported that the attached letter is to alert the Council that the City will need to respond to the State and assure them that staff will review the General Plan Element, and work to update the plan as necessary. Due to the recession and slow progress in California, there may not be too much to update. The South of Tioga proposed development may need new descriptions with the assistance of the Orosco Group. A letter will be submitted to the State explaining the City's plans for redevelopment within the South of Tioga area. Associate Planner Charles Pooler added that the Housing Element was approved in 2009 and has an expiration date of 2014. The planning department is working with Pacific Municipal Consultants (PMC) to review the Housing Element. Like the General Plan, the Housing Element may need to include the new housing developments (the Bungalows at East Dunes,

and the Garza Mixed-Use Project) that have been approved this year. The Housing Element should require minimal work, and Staff plans to meet with Tad Stearn, PMC's consultant to review the Housing Element. Mayor Pendergrass suggested that with the loss of the redevelopment agency, Staff research what Sand City can do as a charter city.

In response to Council Member Hubler's question whether the City has budgeted for the cost of the Housing Element update, Mr. Pooler responded that the cost was included as part of PMC's contract for fiscal year 2014-15 that was recently approved by the City Council.

C. 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 has been operable since July 9th with an approximate 17-19 acre feet of water being produced. The plant experienced some down time due to pump failure that was replaced by Cal-Am. To remain in compliance with the annual requirements of the Stormwater Program, Staff is preparing a mailer that will go out to all businesses within Sand City. This letter will contain information on illicit discharges, and other pertinent information on Stormwater regulations and requirements. Mr. Gomez also reported on the progress regarding the City's application for the water discharge permit.

Council Member Kruper inquired about the conditional use permit for Monterey Bay Restaurant. Planning Staff will research the issue to find out whether the restaurant has responded to complaints regarding the illicit discharge.

Chief Klein reported that Staff has conducted preliminary research on street sweeping services. There is a company that provides services to the City of Pacific Grove that may fit the needs of Sand City. He further reported on the past street sweeping service and the unlikelihood that Monterey Disposal will continue to provide services to Sand City. Staff is researching the development of an RFP with a company that provides services to the City of Salinas. Chief Klein further reported on the police cars and the condition of the present police department fleet.

Mr. Pooler reported that he received an email from Mr. Silva indicating that he received a letter from the Sanitation District stating that no additional modifications are needed to the existing sewer lines. Mr. Gomez added that he met with Mr. Silva's engineer regarding Stormwater requirements confirming that the project is in compliance with Stormwater guidelines.

Council Member Blackwelder reported that the Personnel Committee has conducted four interviews with possible candidates for the position of City Administrator. The Personnel Committee is scheduled to meet and discuss whether any of the candidates interviewed will be presented to the Council for their consideration.

AGENDA ITEM 10, NEW BUSINESS

A. Upcoming Meetings/Events

The City Clerk confirmed that 3 seats were still available for the 2014 MPCC Business Excellence Awards. Mr. Gomez expressed his interest in attending.

AGENDA ITEM 11, CLOSED SESSION

8:22 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)**

8:28 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 on Closed Session Item 11A1(b) and gave direction to its Legal Counsel.

AGENDA ITEM 12, 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, August 5, 2014 at 7:00 p.m. There was consensus of the Council to adjourn the meeting at 8:30 p.m.



Linda Scholink, City Clerk