

**MINUTES**  
**JOINT SAND CITY COUNCIL AND REDEVELOPMENT AGENCY**

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Regular Meeting – January 19, 2010  
7:00 P.M.  
CITY COUNCIL CHAMBERS

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Mayor Pendergrass opened the meeting at 7:03 p.m.

The invocation was led by Reverend Robert Hellum.

Police Chief Michael Klein led the pledge of allegiance.

Present:      Council Member Blackwelder  
                 Council Member Carbone  
                 Council Member Hubler  
                 Council Member Kruper (excused absence)  
                 Mayor Pendergrass

Staff:          Steve Matarazzo, City Administrator  
                 Jim Heisinger, City Attorney  
                 Richard Simonitch, City Engineer  
                 Michael Klein, Police Chief  
                 Charles Pooler, Associate Planner  
                 Connie Horca, Deputy City Clerk

**AGENDA ITEM 4, COMMUNICATIONS**

- A.      There was no written communication distributed to the City Council.
- B.      Oral

7:05 p.m.      Floor opened for Public Comment.

                 There was no comment from the Public.

7:05 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 on the annual review of the Conditional Use Permits (CUP) and Coastal Development Permits (CDP) listed below.
  - (1) CUP #110, Standard Transmission Service (auto Body), 531 Shasta Avenue
  - (2) CUP # 179, Roy Hubbard (2<sup>nd</sup> Floor Residential), 542 Ortiz Avenue

- (3) CUP #191, Lifeline Food Company (Food Processing), 426 Orange Avenue
  - (4) CUP #238, Just Andy Auto Repair (auto Repair), 465-A Olympia Avenue
  - (5) CUP #344, Thomas Felix (Woodwork Shop), 672-A Dias Avenue
  - (6) CUP #375, J&D Auto (Auto Repair), 1695 Contra Costa
  - (7) CUP #401. Kyle Racing engines (Motorcycle Engine Assembly), 801-B California Avenue
  - (8) CDP #01-01, Monterey Mattress Company (Mattress Manufacturer, Showroom), 1805 Contra Costa
- B. There was no discussion of the Sand City Council Meeting Minutes, December 15, 2009.
- C. There was no discussion of the acceptance of the Public Works Monthly Report, December 2009.
- D. There was no discussion of the acceptance of the Police Department Monthly Report, December 2009.
- E. There was no discussion of the acceptance of the Police Department Annual Report for 2009.
- F. There was no discussion of the City/Redevelopment Agency Financial Report, November 2009.
- G. There was no discussion of the City **Resolution** making re-appointments to the Design Review Committee (Davis, Kruper & Lindberg).
- H. There was no discussion of the City **Resolution** approving a 90-Day Time Extension for CUP #481 allowing Monterey Bay Plumbing to continue their contractor operation as an interim use at 856 Tioga Avenue.
- I. There was no discussion of the City **Resolution** approving a 90-Day Time Extension for CUP #473 for Web Commerce LLC to continue their wholesale/retail operation as an interim use at 865 Fir Avenue.
- J. There was no discussion of the City **Resolution** approving a 90-Day Time Extension for CDP 08-03 for Fit Athletics to continue their Fitness Center/Gym Use as an interim use within an existing building at 880 Tioga Avenue.
- K. There was no discussion of the City **Resolution** approving a 90-Day Time Extension for CUP #450 for Glass Mosaic Tile and Marble as a continuing interim use within an existing building at 1855-B East Avenue.
- L. There was no discussion of the City **Resolution** approving a 90-Day Time Extension for CUP #455 for Glass Mosaic Tile and Marble as a continuing interim use within an existing building at 840 Fir Avenue.
- M. There was no discussion of the City **Resolution** approving a Service Agreement and Budget for the 2010 West End Celebration Event.
- N. There was no discussion of the City **Resolution** authorizing a renewal of a

- O. There was no discussion of the approval of the contribution/donation to the Rancho Cielo Youth Campus for \$200.

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

## **AGENDA ITEM 6, CONSIDERATION OF ITEMS PULLED FROM CONSENT CALENDAR**

There were no items pulled.

## **AGENDA ITEM 7, PUBLIC HEARINGS**

- A. City Administrator Steve Matarazzo presented the 2009-2014 Housing Element and related Negative Declaration Finding. Mr. Matarazzo recommended that the City Resolution adopting the Housing Element Update of the General Plan be continued to the February 2, 2010 City Council meeting and to take action to adopt the negative declaration tonight. The Housing Element was approved in June of 2009, and sent to the California Department of Housing and Community Development (HCD) for their review. Steve Prestwood from Pacific Municipal Consultants (PMC) worked on Sand City's Housing Element to satisfy HCD's requirements. Prior to the Thanksgiving Holiday, Staff was informed that Mr. Prestwood was no longer with PMC. Sand City's Community Development Director arranged a meeting in Sacramento with Mr. James Johnson, HCD's regional representative to discuss the Housing Element and Sand City's redevelopment project area. One significant change in State Housing Law was Senate Bill 2, which requires all cities and counties in California to allow "by right" in at least one zoning district, the construction of homeless shelters based on the need for those shelters in each jurisdiction. Presently, Sand City's homeless shelter allocation would be two beds. Staff intends to pursue the rezoning of the parking lot area behind City Hall, and the desalination facility site to "public facilities" at a future date. It is also recommended that the PF zoning district regulations be amended to allow homeless shelters without the need for a use permit. Another issue of concern is that the R-2 district allows for single family homes and duplexes "by right", and not other types of multi-family housing such as triplexes, apartments, and condominiums. Staff proposes that the Housing Element include a zoning text amendment policy to revise permitted uses in the R-2 district to address the issue.

7:15 p.m. Floor opened for Public Comment.

There was no comment from the public.

7:15 p.m. Floor closed to public Comment.

Motion to approve the City **Resolution** adopting a Negative Declaration related to the Housing Element of the General Plan: 2009-2014 was made by Council Member Carbone, seconded by Council Member Blackwelder. AYES: Council Members Blackwelder, Carbone, Hubler, Pendergrass. NOES: None. ABSENT: Council

Member Kruper. ABSTAIN: None. Motion Carried.

There was Council consensus to move the continuance of the City **Resolution** adopting the Housing Element Update 2009-2014 of the General Plan to the February 2, 2010 City Council meeting.

- B. City Administrator Steve Matarazzo presented a City Ordinance to amend Chapter 18.04 of the Sand City Municipal Code to add certain definitions and Chapter 18.19 to prohibit extreme value retail uses, odd-lot/close out retail uses and single price point retail uses in the C-4 Zoning District and to repeal interim Ordinance 09-02. In May of last year, the City Council adopted an interim ordinance which prohibited "price point and extreme value" retail uses within the C-4 (Regional Commercial) zoning district in Sand City. This includes the vacant Circuit City Store located in Sand City's Edgewater Shopping Center. It has been communicated to Staff that the bank has foreclosed on the property and that DBO has expressed interest in purchasing the property. The interim ordinance 09-02 will expire in April of 2010. Staff recommends that the attached ordinance be included in the C-4 District as a permanent amendment to Sand City's Municipal Code.

7:18 p.m. Floor opened for Public Comment.

There was no comment from the Public.

7:18 p.m. Floor closed to Public Comment.

Motion to approve the First Reading of the City **Ordinance** amending Chapter 18.04 of the Sand City Municipal Code to add certain definitions and Chapter 18.19 of the Sand City Municipal Code to prohibit extreme value retail uses, odd-lot/close out retail uses and single point retail uses in the C-4 Zoning District and to repeal interim Ordinance 09-02 was made by Council Member Carbone, seconded by Council Member Hubler. Roll Call Vote: AYES: Council Members Blackwelder, Carbone, Hubler, Pendergrass. NOES: None. ABSENT: Council Member Kruper. ABSTAIN: None. Motion Carried.

- C. Associate Planner Charles Pooler presented to the Council a City Resolution authorizing the joining of the CaliforniaFIRST Program, and authorizing the California Statewide Communities Development Authority to accept the applications from Property Owners, conduct Contractual Assessment Proceedings and Levy Contractual Assessments within the Municipal Boundaries of Sand City and authorizing related actions. The California State Assembly adopted (AB 811) to help provide financing to property owners who seek to install energy efficient improvements that are permanently affixed to commercial, residential and industrial property. The California Statewide Communities Development Authority (California Communities) established a program known as CaliforniaFIRST, to help implement AB811. Due to the high cost of program implementation, a collaborative effort on a regional scale would bring this cost down. In order to participate, Sand City must join CaliforniaFIRST by resolution and pay a one-time set-up fee, estimated at \$10,000. Monterey County is one of thirteen counties who have prepared a grant application to the California Energy Commission to pay for the CaliforniaFIRST program set-up fees. Property Owners may voluntarily participate for financing once California Communities establishes the

assessment district. Upon receiving municipal approval, property owners may contract with qualified installers. Once projects are verified that they qualify, the County of Monterey pays the contractor for the work. The owner then repays the County of Monterey through a special assessment on their tax bill. The repayment schedule is based on the useful life of the improvements installed. Staff recommends membership in the CaliforniaFIRST Program and the adoption of the attached resolution.

Council Member Carbone asked if this program would qualify for the construction of new buildings.

Mr. Pooler replied that the program is for retrofitting of existing building, and construction of new buildings normally has its own requirements.

Mr. Matarazzo added that no tax assessment will increase unless the property owner wants to participate in the program to install those improvements.

7:27 p.m. Floor Opened for Public Comment.

There was no comment from the Public.

7:27 p.m. Floor Closed to Public Comment.

Motion to approve the City **Resolution** authorizing the joining of the CaliforniaFIRST Program and authorizing the California Statewide Communities Development Authority to accept the applications from Property Owners, conduct Contractual Assessment Proceedings and Levy Contractual Assessments within the Municipal Boundaries of Sand City and authorizing related actions was made by Council Member Carbone, seconded by Council Member Blackwelder. AYES: Council Members Blackwelder, Carbone, Hubler, Pendergrass. NOES: None. ABSENT: Council Member Kruper. ABSTAIN: None. Motion Carried.

D. City Administrator Steve Matarazzo presented the City Ordinance amending Appendix "A" to Chapter 2.20 of the Sand City Municipal Code Revising the List of Designated Positions. The Fair Political Practices Commission (FPPC) requires certain individuals who hold a position to file Form 700 with the FPPC. Sand City's Design Review Committee (DRC) members continue to meet the filing requirements. The attached ordinance adds the Design Review Committee and the Art Committee to the list of designated positions as part of Sand City's municipal code and filing requirements with the FPPC. Staff recommends approval of the attached ordinance.

City Attorney, Jim Heisigner added that the Council members, City Administrator and City Attorney already file on the state level. This list is on the local level, where the Art Committee and Design Review Committee would report on those same forms. This would be an introduction of the first reading of this ordinance.

7:34 p.m. Floor Opened for Public Comment.

There was no comment from the Public.

Motion to approve the First Reading of the City **Ordinance** amending Appendix "A" to Chapter 2.20 of the Sand City Municipal Code revising the list of designated positions was made by Council Member Blackwelder, seconded by Council Member Carbone. Roll Call Vote, AYES: Council members Blackwelder, Carbone, Hubler, Pendergrass. NOES: None. ABSENT: Council Member Kruper. ABSTAIN: None. Motion Carried.

## **AGENDA ITEM 8, OLD BUSINESS**

A. City Engineer Richard Simonitch welcomed himself back from vacation, and wished everyone a Happy New Year. He reported that a majority of improvements have been made with regard to the desalination plant. Cal-Am has pulled together a letter and comprehensive punch list, items which CDM has been able to take care of. Creegan & D'Angelo has been out at the beach wells addressing items of concern in preparation for a meeting with the Department of Public Health (DPH) to walk through the Clean in Place (CIP) Process. This process involves how the desalination plant will be cleaned every year. On Thursday, January 28, DPH will do a final walk through of the desalination plant. After the walk through DPH should be ready to sign the operation permit. This will mean that Cal-Am will be able to connect to the system in the street, start delivering water and the four week testing will begin. If all goes well, and under schedule, Cal-Am should be able to take over the operation of the desalination plant some time in March.

The 2010 Excellence in Engineering Award is being awarded to the City of Sand City by the American Council of Engineering Companies (ACEC). The President of Creegan & D'Angelo will be accepting this award on behalf of the City of Sand City. Another Energy Efficiency Rebate may be awarded to Sand City for the selection of the variable frequency drives at the feed well pumps. This allows us to vary the speed of the pumps which provides energy efficiency. The rebate is estimated at \$5,000-\$8,000 dollars.

To remain in compliance with the Storm Water Management, Sand City is developing with the Regional Board, low impact design parameters and hydro modification parameters. These are design elements that perspective developers will need to consider in their designs to better implement and to manage storm water run-off. This will be mandated by the State. A full presentation to the Council and exactly what that means to the City's planning department will be scheduled for a future Council meeting.

Mayor Pendergrass commented that Sand City will serve as example for future criteria in the construction of other desalination plants. Staff is looking into awards from the California Redevelopment Agency and the Helen Putnam Award. He also mentioned that this will be Sand City's 50<sup>th</sup> year anniversary. The City would like to make this a special event, and he has met with Dierdre Bascou for ideas in making this a memorable occasion. The Mayor distributed to the Council an example for the 50<sup>th</sup> anniversary logo. The date for the Annual Bar-B-Que is usually set for the weekend before Memorial Day.

City Administrator Steve Matarazzo reported that he and Mr. Heisigner would like to meet with Peter Douglas and Charles Lester of the Coastal Commission about Ed Ghandour's project, and what Commission Staff might accept at the former Loan Star site. The Coastal Commission denied the Monterey Bay Shores Ecoresort Project back in December, and the City, along with Mr. Ghandour needs a better understanding of what their building envelope would look like. As a matter of diplomacy the Coastal staff needs to be aware that Sand City has done everything to compromise, beginning with the 1996 MOU and continuing with successful projects such as the bike path; making our coastal zone presentable. Mr. Matarazzo will inform the Council via email as to the date of any future meeting.

There has been communication throughout the Monterey Peninsula about consolidating services to economize City budgets, particularly regarding Fire Service consolidation. The City of Monterey is heading up a committee to see if service can be improved upon and also to save cities money. The Chief of Police and Mr. Matarazzo have been attending some of these meetings. The City of Seaside is strongly pushing to complete the process by the end of this fiscal year due to their current fiscal dilemma. If consolidation should happen, Sand City would like it to be led by the City of Monterey who has proven to be an exemplary agency to work with. The last contract negotiations benefited Sand City by reducing our total annual cost for fire services. The Council will be updated on the progress of the proposed consolidation in future Council meetings.

Last year the dumpster issue had been addressed via a letter to the residents and businesses within Sand City. This letter stated that the dumpster's needed to be removed from the sidewalks or they would be cited. There was a good response to this letter; however a few owners have failed to comply. Staff has spoken with Waste Management and the property owner to remedy this issue, and to find a viable solution. Once a code enforcement officer is hired, he will need to regulate the dumpsters, and be sensitive to the nuances of dumpster placement and timing.

## **AGENDA ITEM 9, NEW BUSINESS**

- A. Mayor Pendergrass reminded the Council of the Monterey Peninsula Chamber of Commerce luncheon on Wednesday, January 20. There were no additional RSVP's to upcoming events.

## **AGENDA ITEM 10, CLOSED SESSION**

7:57 p.m.

- A. The City Council /Agency Board adjourned to Closed Session to confer with Legal Counsel regarding pending litigation in accordance with Section 54956.9(c) of the Ralph M. Brown Act:

- 1) *CalAm v. Seaside*
- 2) *State Water Resources Control Board Order WR 2009-0060*
- 3) *Monterey Peninsula Water Management v. State Water Resources*

- Control Board (No. M102101)*  
4) *CalAm v. State Water Resources Control Board*  
5) *Security National Guaranty, Inc. v. California Coastal Commission*

8:32 p.m.

B. The City Council/Agency Board readjoined 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.

No action was taken on items 1, 2, 4 & 5. For item 3, the Council authorized the City Attorney to file an application for appellate writ.

#### **AGENDA ITEM 11, ADJOURNMENT**

Motion to adjourn the City Council meeting was made by Council Member Blackwelder, seconded by Council member Hubler, to the next regularly scheduled Council meeting on February 2, 2010 at 7:00 p.m. There was consensus of the Council to adjourn the meeting at 8:33 p.m.



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Connie Horca, Deputy City Clerk