

MINUTES

JOINT SAND CITY COUNCIL AND REDEVELOPMENT AGENCY

Regular Meeting – February 3, 2009
CITY COUNCIL CHAMBERS
7:00 PM

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

Invocation was led by Reverend Carl Kelleher

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
Jim Heisinger, City Attorney
Richard Simonitch, City Engineer (absent)
Michael Klein, Police Chief
Linda Scholink, Director of Administrative Services/City Clerk

AGENDA ITEM 4, COMMUNICATIONS

- A. There were no written communications distributed to the City Council this evening
- 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 January 20, 2009 City Council Meeting Minutes.
- B. There was no discussion of the City **RESOLUTION** Approving a 90-Day time Extension of Conditional Use Permit 481 allowing Monterey Bay Plumbing to continue their Contractor Operation as an interim use at 856 Tioga Avenue
- C. There was no discussion of the City **RESOLUTION** approving a 90-Day

Time Extension of Coastal Development Permit 08-02 for Fit Athletics to continue their Fitness Center/Gym use as an interim use within an existing building at 880 Tioga Avenue.

- D. There was no discussion of the City **RESOLUTION** Approving a Service Agreement and Budget for the 2009 West End Event.
- E. There was no discussion of City/Redevelopment Agency Financial Report for December 2008.
- F. There was no discussion of the City **RESOLUTION** Authorizing a Financial Consulting Agreement with Annette Yee & Company.
- G. There was no discussion of the City **RESOLUTION** Adopting Policies Governing the Development, Operation, and Maintenance of the Sand City Website.
- H. There was no discussion of the City/Redevelopment Agency Treasury Report for December 2008.
- I. There was no discussion of the City Donations/Contributions to the Monterey Scottish Games & Celtic Festival for \$500.00 and North Monterey County High School, Ty Lazzarino for \$250.

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

- A. The City Administrator reported to the City Council that he had met with the Coastal Commission staff, Ed Ghandour, and Tom Roth for most of the day on Friday regarding the Monterey Bay Shores Eco-resort. He had concerns regarding the tone of the meeting, and that the Coastal Commission continues to voice water concerns. He had another meeting today with Ed who agreed to use the 90 acre feet of water or less and donate the remaining water to the "public trust". He stated that Ed will need a lot of public support to get this project approved.

The Mayor reported about the Water District meeting last Thursday, where over 100 people attended in support of the Monterey Bay Shores Eco-resort; and Vice Mayor Carbone was in attendance and spoke in favor of the project. There were not enough voting members in attendance; therefore the item was continued to the February 26th meeting.

AGENDA ITEM 8, NEW BUSINESS

- A. The City Administrator presented the background on the joint resolution being considered this evening. The City of Sand City was depending upon the Department of Water Resources (DWR) to provide the gap funding that was previously approved for \$2,900,000 (Proposition 50 bond monies) to help fund the desalination project. The City has entered into contractual agreements to complete the desalination project within the projected time frame. The DWR notified the City that it is suspending payment of approximately \$2,000,000 of the City's grant monies until further notice. The Sand City Redevelopment Agency has a balance in the housing fund that will not be used for approximately 2 years due to the housing crisis that is affecting the State of California. This temporary transfer of funds would be used for a cash flow emergency. Once the State approves a budget and the bonds can be issued, the State will begin to release funds. We currently have about 1 million of invoices that have been submitted to the State, and we are waiting for reimbursement.

The Mayor reported to the City Council that the Budget/Personnel Committee had reviewed and recommended approval to the City Council. He also referred to the letter from the DWR that updated the status of our funding agreement, indicating that they were unable to specify when disbursements would resume. The City Administrator recommended approval of the Joint Redevelopment Agency/City Resolution. The City Administrator said he is expecting the State to forward the payments before the end of June, but there are no guarantees.

- 7:20 P.M. The Floor was Opened for Public Comment.
There were no comments.
- 7:20 P.M. The Floor was Closed to Public Comment.

Motion to approve the Joint Redevelopment Agency/City **RESOLUTION** Authorizing Temporary Financing of the Sand City Water Supply Project, with Funding Provided by Redevelopment Agency Account Number 1003 for a Period of Up to Two (2) Years was made by Agency Board/Council Member Blackwelder, seconded by Agency Board/Council Member Hubler. AYES: Agency Board/Council Members Blackwelder, Carbone, Hubler, Kruper and Pendergrass. NOES: None. ABSENT: None. ABSTAINED: None. Motion Carried.

- B. The City Administrator explained to the Council that every 5 years or so, cities are required to update their General Plan Housing elements. The City's Housing Element was last updated in 2002, and will expire in 2009. It is important to have it updated to meet new State standards addressed in housing law since the last element adoption process. Housing element certification by the State Department of Housing and Community Development (HCD) is a prerequisite in receiving certain grant funding, including the Planning and Technical Assistance (PTA) grants the City has received in the past.

The fiscal year 2008-2009 budget includes funding for the housing element update. The City of Sand City has contracted with Pacific Municipal Consultants (PMC) for the last 14 years. PMC staff is well versed with recent changes to State law affecting housing elements, and is capable of preparing the update at a reasonable cost. There was Council discussion regarding Senate Bill 2 that was enacted in late 2007; which requires, among other mandates, that cities must identify a zoning district or districts where emergency shelter areas are allowed as a permitted use without a conditional use or other discretionary permit being required.

The Council felt that due to the location of the Salvation Army and the City's involvement with Community Human Services for a City the size of Sand City we have already met our obligations. The City Administrator was asked to do some additional research on this Senate Bill. The City Administrator recommended approval of the resolution.

Motion to approve City **RESOLUTION** Approving a Service Agreement with Pacific Municipal Consultants (PMC) to prepare the 2007-2014 Housing Element Update and Environmental Clearance at a cost not to exceed \$25,519 was made by Council Member Blackwelder, seconded by Council Member Carbone. AYES: Council Members Blackwelder, Carbone, Hubler, Kruper and Pendergrass. NOES: None. ABSENT: None. ABSTAINED: None. Motion Carried.

- C. The City Engineer was not able to attend the meeting tonight. The City Administrator began the discussion on the acceptance of the partial right-of way dedication to be added to Tioga Avenue to accommodate better access to the adjoining parcel. This was one of the old Calabrese parcels. The City Engineer previously said that widening of the Right of Way would be needed for any commercial use on the site.

7:40 P.M. The Floor was Opened for Public Comment.

Peter Taramina, (Property Owner; Cypress Pacific Investments): reported to the Council that he was one of four owners of the property under discussion. This dedication would then allow a wider driveway for development, and this would help with the concerns that Caltrans has with the property being used for commercial development. It will also make it easier for them to request an encroachment permit.

Michael Morris, (Property Owner): stated that he lives right across the street from the driveway on Tioga Avenue and it is a very busy street. Any development into this parcel is going to require a left hand turn lane, he believes.

7:45 P.M. The Floor was Closed to Public Comment.

There was Council discussion to amend #1 of the resolution, and add additional language and requirements regarding a record of survey.

Motion to approve **Resolution** of the City of Sand City accepting the dedication of a partial right-of-way along Tioga Avenue from the fee title owners of APN 011-011-020 for the purpose of providing better access to said property was made by Council Member Blackwelder, seconded by Council Member Hubler. AYES: Council Members Blackwelder, Carbone, Hubler, Kruper and Pendergrass. NOES: None. ABSENT: None. ABSTAINED: None. Motion Carried.

- D. The City Clerk requested responses for the upcoming Events and Meetings.

AGENDA ITEM 9, CLOSED SESSION

7:50 P.M.

- A. The **City Council/Agency Board** adjourned to Closed Session to confer with Legal Counsel regarding existing litigation in accordance with Section 54956.9 of the Ralph M. Brown Act (2 cases)

- 1) The Center for Biological Diversity v. Dirk Kempthorne.et.al
- 2) Palazolo vs. Sand City

8:05 P.M.

The **City Council/Agency Board** Readjourned 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

1. The City Attorney gave a report to the City Council
2. The City Attorney received direction from the City Council

AGENDA ITEM 10, 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 February 17th, 2009 at 7:00 p.m. There was unanimous consensus of the Council to adjourn at 8:05 p.m.



Linda K. Scholink, City Clerk