

MINUTES
JOINT SAND CITY COUNCIL AND REDEVELOPMENT AGENCY

Regular Meeting — April 21, 2009
7:00 P.M.
CITY COUNCIL CHAMBERS

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

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 {excused absence}
 Council Member Kruper
 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. Written communication: A memorandum from the City Attorney regarding the Housing Element Update (Agenda item 8A) in relation to State Law SB2 was distributed to the Council.

B. Oral

7:03 p.m.Floor opened for Public Comment

 There was no comment from the Public

7:03 p.m.Floor closed for 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 on the following conditional use permits and coastal development permit.

- (1) CUP #188, Performance Automotive (Auto Body Shop), 531 Elder Avenue
 - (2) CUP #216, Integrity Automotive Machine (Machine Shop), 371 Orange Avenue
 - (3) CUP #217, Ross Roofing (Open Storage), 1795 California Avenue
 - (4) CUP #246, Inter-City Manufacturing Inc. (Manufacturing), 501 Redwood Avenue
 - (5) CUP #253, Barry Hartzell Automotive (Auto Repair), 510 & 520 California Avenue
 - (6) CUP #451, Pacific Grove Millworks & Glass (Manufacturing), 637 Ortiz Avenue
 - (7) CUP #472, Morgan's Café (Coffee shop), 1725 Contra Costa Street
 - (8) CDP 07-02/CUP #484, Ultimate Auto Connection (Auto Broker), 1815-E Contra Costa Street
- B. There was no discussion of the Fort Ord Reuse Authority (FORA) Board Meeting, April 2009.
- C. There was no discussion of the Police Department Monthly Report, March 2009.
- D. There was no discussion of the Public Works Monthly Report, March 2009.
- E. There was no discussion of the Community Human Services JPA Allocation for FY 2009/10 request for \$2,774.
- F. There was no discussion of the City/Redevelopment Agency Financial Report, March 2009.
- G. There was no discussion of the donation/contribution to the Monterey County Fair, 7th District Ag Association - \$500.

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

AGENDA ITEM 6, CONSIDERATION OF ITEMS PULLED FROM CONSENT

CALENDAR

There were no items pulled.

AGENDA ITEM 7, PRESENTATION

- A. Mayor Pendergrass acknowledged Officer Jeff Bushnell as the 2008 Sand City Police Officer of the Year and Nancy Fletcher as the 2008 Support Services Person of the Year. Sand City is privileged to have supportive and hardworking employees on the Police Department staff who exemplify dedication above and beyond the call of duty.

Police Chief Klein thanked the Council for their support, as indicative of their presence at the awards ceremony honoring Officer Bushnell and Ms. Fletcher.

Vice Mayor Carbone presented a bouquet of flowers to Nancy Fletcher for her supportive role within the Police Department.

- B. Associate Planner Katie Axt, from the Association of Monterey Bay Area Governments (AMBAG) presented the Monterey Bay Regional Blueprint Program. This program evaluates current trends related to population increases and demographic shifts within the area to develop a preferred land use scenario. The Blueprint Program also provides a forum for ongoing discussions and coordination between local jurisdictions related to issues of regional significance. The benefits of the Blueprint Program is that it establishes a foundation for working relationships and the necessary framework to implement State Senate Bill (SB) 375. It also allows grant competitiveness, and introduces a shift from housing element cycles from 5-year updates to 8-year updates. The first year's accomplishments of the Blueprint Program is the regional participation in the Forecast Technical Advisory Committee (FTAC) which resulted in the preparation of a 2008 Forecast of Population, Housing and Employment projections for the Monterey, San Benito and Santa Cruz counties. The primary goals for the program are to broaden agency education, further the development of the Visualization Platform, increase Public Outreach workshops, and to strengthen staff collaboration with local agencies in the Blueprint scenario development.

City Administrator Steve Matarazzo added that Sand City will have no problem meeting the land use Blueprint goals, and the AMBAG Planner agreed.

- C. The presentation by Elizabeth O'Malley and David Wilkinson of Fine Art Base, a nonprofit organization for emerging artist, was moved to a future Council meeting at their request.

AGENDA ITEM 8, PUBLIC HEARING

- A. Steve Prestwood, from Pacific Municipal Consultants (PMC), presented a report on the update to Sand City's Housing Element, emphasizing upon California State requirements and the inclusion of new goals and policies to meet those requirements. State law requires housing elements be updated every five years, and be reviewed and approved by the California Department of Housing and Community Development (HCD). The housing element is one of seven required elements of a City's General Plan, and is to reflect a communities housing needs and challenges, and outlining the policies to achieve housing goals. Having a State Approved Housing Element provides access to State grant funds. The overall purpose of the Housing Element is to present a comprehensive set of goals to meet housing needs, establish policies related to housing, and quantified objectives for implementing those policies. This Housing Element update will include a housing needs assessment based upon established Regional Element Needs Allocation (RHNA) for Sand City.

Mayor Pendergrass commented that Sand City is presently participating in homeless services and the Salvation Army's drop-in center located within Sand City should assist in meeting this requirement of the Housing Element. Sand City also pays a pro-rata share for various community services within the community.

Vice Mayor Carbone gave Mr. Prestwood additional information regarding Sand City's participation in the Community Human Services (CHS) Program.

City Administrator Steve Matarazzo commented that the Monterey Peninsula's largest constraint towards providing adequate housing is a lack of a water supply. Sand City's biggest accomplishment during the housing element period was creating a water supply which will be mentioned in the housing element report. This will satisfy the requirement that Sand City provide 120 housing units over the next 5 years, should the economy improve. Another factor which helps the affordability issue that the Housing and Community Development (HCD) may or may not appreciate is the real estate market which is doing poorly, dropping housing prices 30-40%. Water, mortgage rates, and the real estate price slump, which will improve, are all positive factors for future housing growth.

Mayor Pendergrass added that these are very unique and precarious times, and one great element is the water supply project which Sand City has accomplished.

Mr. Prestwood continued his presentation stating that Sand City's 2007-2014 Regional Housing Needs Assessment (RHNA) allocation is 120 new housing

units distributed across 5 standard income categories from extremely low, to above moderate income levels. There was a 30.9 % increase of Sand City's median household income within the last 8 years, and a 17.3% increase within Monterey County's median household income. The quantified objective is the production of housing units expected during the RHNA period, which includes the number of units expected through housing development and through City programs from 2009-2014. In conclusion, the Public Review Draft of the Housing Element Update should be ready some time in May, and finalized in June of 2009.

Council member Blackwelder asked how Sand City performed during the last five years and did Sand City meet all of the criteria as required in the housing element?

Mr. Prestwood commented that the final numbers will be included in the Housing Element Update.

Mr. Matarazzo added that there is still one program which needs to be implemented. Sand City accomplished having enough land zoned at appropriate housing densities and eliminated water constraints. The previous production numbers were not met due to the lack of water availability. When the economy improves, Sand City should be in the position to meet the requirements for the Housing Element.

7:46 p.m. Floor opened for Public Comment

There was no comment from the Public

7:47 p.m. Floor Closed to Public Comment

City Administrator Steve Matarazzo requested that the Public Hearing for the Housing Element Update be continued to the May 5th 2009 City Council meeting.

Motion to continue Sand City's Housing Element Update, with emphasis on California State requirements and inclusion of new goals and policies was made by Council member Blackwelder, seconded by Council member Kruper. AYES: Council members Blackwelder, Carbone, Kruper, Pendergrass. NOES: None. ABSENT: Council member Hubler. ABSTAIN: None. Motion Carried.

AGENDA ITEM 9, OLD BUSINESS

- A. City Engineer Richard Simonitch reported that the tentative date for well testing is scheduled for the week of May 6, 2009. P.G. & E is expected to have power available to Tioga Avenue and Bay Street by then. The current progress at the desalination plant involves uploading software, enabling the contractors to test the block wells and complete the water test conditions for salinity.

P.G. & E. has begun their design for relocation of the poles on Elder Avenue. Public Works has filed a reimbursement claim to P.G. & E. for trenching work to be done for the power pole on Shasta Avenue.

Public Works staff prepared a presentation for the Local Engineers Club at the Seaside Council Chambers, and led a tour of the desalination plant immediately following that presentation.

City Administrator Steve Matarazzo reported that Sand City has been awarded the P.G. & E. grant funding for the desalination plant, however the plant needs to be fully operational before those funds are released.

A Coastal Commission hearing is scheduled for May 7 in San Francisco regarding the Monterey Bay Shores project. Staff is requesting that the Council keep that date open.

Mayor Pendergrass commented that the construction of the desalination plant is a large accomplishment for a small City. Staff has invited the Governor of California to attend the grand opening celebration probably to be held in August 2009.

8:02 P.M. Floor opened for Public Comment

Mr. Steve Wilson approached the Council requesting how much of the desalinated water the City will actually receive before it is pumped into the mains?

City Engineer Richard Simonitch responded that water from the treatment plant must be blended with Cal-Am's water to meet quality standards for public use. He added that water use west of Fremont Boulevard will be using this blend due to water pressure within the Cal-Am system.

Mr. Wilson thanked the City Council and Staff for the excellent job they have done in bringing the desalination plant to Sand City.

8:08 P.M. Floor closed to Public Comment.

AGENDA ITEM 10, NEW BUSINESS

- A. The Deputy City Clerk brought to the Council's attention the upcoming meetings and events. There were no RSVP's. Mayor Pendergrass announced Sand City's 49th Annual Barbeque is to be held on May 30, 2009.
- B. City Administrator Steve Matarazzo included the attached article "A Voyage into the Strange World of California Municipal Finance", by

Michael Coleman, for information only.

- C. Associate Planner Charles Pooler presented conceptual renderings for a monument sign design at the Sand City Desalination Treatment Facility. Included are two material and color concepts, each design incorporating the building's materials and colors allowing for design consistency. The two options presented are 1) blue corrugated metal backing and 2) off-white plaster backing. Staff recommends Council review and consensus on the design so that construction can be expedited.

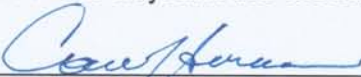
The Council discussed and reviewed the options available with the choice to remain consistent with the City's overall esthetic appeal. There was Council consensus in favor of the corrugated metal backing design.

AGENDA ITEM 11, CLOSED SESSION

- A. The City Council did not adjourn to closed session to confer with Legal Counsel regarding existing litigation in accordance with Section 54956.9 (a) of the Ralph M. Brown Act, *The Center for Biological Diversity v. Dirk Kempthorne et al*.
- B. There was no reportable action taken.

AGENDA ITEM 12, ADJOURNMENT

Motion to adjourn the City Council Meeting was made by Council Member Blackwelder, seconded by Council Member Carbone to the next regularly scheduled Council meeting on May 5, 2009 at 7:00 p.m. There was unanimous consensus of the Council members present to adjourn the meeting at 8:15 p.m.



Connie Horca, Deputy City Clerk