

MINUTES
JOINT SAND CITY COUNCIL AND REDEVELOPMENT AGENCY

CITY COUNCIL CHAMBERS
REGULAR MEETING, September 19, 2006
7:00 P.M.

Mayor Pendergrass opened the meeting at 7:02 p.m.

Invocation was led by Reverend Snyder

Police Chief Klein led the Pledge of Allegiance

Present: Council Member Blackwelder
Council Member Carbone
Council Member Hubler
Council Member Morris
Mayor Pendergrass

Staff: Kelly Morgan, City Administrator
J. Michael Klein, Police Chief
Richard Simonitch, City Engineer
Connie Horca, Deputy City Clerk
Steve Matarazzo, Community Development Director
Jim Heisinger, City Attorney

AGENDA ITEM 4, COMMUNICATIONS

- A. Written communications distributed to the Council included NPR-Western Voters Weigh Shift in Property Rights, SB 1206 (KEHOE) Redevelopment articles, (Item 8F) and MCBC 1st Annual Presidents Dinner, Interim Inc. 4th Annual Hoedown, AMBAG Desal Workshop and Community Partnership for Youth meeting announcements, (Item 8H)
- B. The Deputy City Clerk made corrections to the agenda, (item 7C) should read property at **Orange** Avenue, and (item 8A), Bay **Street** Area.

7:05 P.M. Floor opened to Public Comment

There was no comments from the Public

7:06 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. 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.
 - (1) CUP #310, Sal Balboa/Bay Door & Supply Company (Retail), 755 Redwood Avenue
 - (2) CUP #371, McDonald's Refrigeration (Refrigeration Service), 605 California Avenue
 - (3) CUP #385, Sally's Beauty Supply (Retail), 828 Playa Avenue
 - (4) CDP #95-07, Giustiniani Masonry (Warehouse), 698 Ortiz Avenue

- B. There was no discussion of August 15, 2006 Minutes

- C. There was no discussion of Police Department Report, August 2006

- D. There was no discussion of Public Works Department Report, August 2006

- E. There was no discussion of City/Redevelopment Agency Financial Reports, June 2006

- F. There was no discussion of Fort Ord Reuse Authority FORA Agenda & August 11, 2006 Action Minutes

- G. There was no discussion of City **RESOLUTION** Authorizing Acceptance of an Allocation from the Supplemental Law Enforcement Services Fund (SLESF) and Appropriation of those funds for Fiscal Year 2006-2007

- H. There was no discussion of City Contributions/Donation to
 - 1. Project Open Hand for \$150
 - 2. American Diabetes Association for \$300

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

AGENDA ITEM 6, CONSIDERATION OF ITEMS PULLED FROM CONSENT CALENDAR

There were no items to consider.

AGENDA ITEM 7, OLD BUSINESS

- A. City Administrator Kelly Morgan presented the **SECOND READING**: Ordinance of the City of Sand City Adding Chapter 9.27 to the Sand City Municipal Code Prohibiting Smoking On Beaches, and Certain Public Rights-of-Way. This ordinance generally prohibits smoking on the beaches and designated rights-of-way, allowing the beaches to be free of cigarette butts and improving of the beaches overall appearance.

7:08 P.M. Floor Opened to Public Comment

There was no comment from the Public

7:09 P.M. Floor closed to Public Comment

Mayor Pendergrass commented that upon approval of the Second Reading of the ordinance, a news release will go out to the press.

Motion to approve **SECOND READING**: Ordinance of the City of Sand City Adding Chapter 9.27 to Sand City Municipal Code Prohibiting Smoking on Beaches, and Certain Public Rights of Way was made by Council Member Carbone, seconded by Council Member Hubler. Roll Call Vote AYES: Council Members Blackwelder, Carbone, Hubler, Morris, Pendergrass. NOES: None. ABSENT: None. ABSTAIN: None. Motion Carried.

7:11 P.M. {Agency Member Morris stepped down from the dais} 500' rule

- B. Community Development Director Steve Matarazzo presented a brief report on Redevelopment Agency **RESOLUTION** Authorizing a Ninth Amendment to the Exclusive Negotiating Agreement (ENA) with DBO Development, now doing business as "The Orosco Group" for Redevelopment of the area known as "South of Tioga". The proposed project has been extended numerous times and the developer has indicated that a residential project is being considered for this area. This type of urban development would make a significant urban design statement within Sand City. Staff recommends extending the extension of the Exclusive Negotiating Agreement.

7:13 P.M. Floor Opened to Public Comment

Patrick Orosco (DBO Development) reported that this proposed project has been in negotiation for several years and has required a large amount of funds. Retail possibilities are exhausted on a regional scale and the concept of a residential development is now being considered. With the upcoming holidays and consultant meetings, additional time would be needed to submit applications. There are many components of the application process that need to be done including, zoning change, site plan review, right of way abandonment and condominium mapping, which takes into account the large

amount of work involved in a very tight time frame. The expected timeline for submitting a formal application is scheduled for January. According to Joan Lamphier, Environmental Impact Consultant, and based on her feedback a full twelve months will be needed to prevent DBO from coming to the council to request another time extension once again. The construction date will be pushed back due to the amount of work required. It is doubtful that the application process can be accomplished within the nine month period proposed by the Planning Staff, and DBO is requesting an extension for a twelve month period to September 18, 2007.

Mr. Orosco handed out a project timeline to the Council for review.

Council Member Blackwelder commented that what DBO is endeavoring to accomplish is a complicated project, and an extension would be advisable.

There was Council consensus to delete the June 20, 2007 deadline and extend the Exclusive Negotiating Agreement with DBO Development to September 18, 2007.

There was no further comment from the public.

7:26 P.M. Floor Closed to Public Comment

Motion to approve Agency **RESOLUTION** Authorizing a Ninth Amendment to the Exclusive Negotiating Agreement (ENA) with DBO Development, now doing business as "The Orosco Group" for Redevelopment of the area known as "South of Tioga" as amended was made by Agency Member Blackwelder, seconded by Agency Member Carbone. AYES: Agency Members Blackwelder, Carbone, Hubler, Pendergrass. ABSENT: None. ABSTAIN: Agency Member Morris. Motion Carried.

7:27 P.M. {Agency Member Morris returned to the dais}

C. Community Development Director Steve Matarazzo reported on the expiration of Coastal Development Permit 05-02 and Conditional Use Permit 458 regarding John Avery's temporary use of property at 490 Orange Avenue (APN 011-271-014). Mr. Avery came into the office and made a verbal request for an extension of his conditional use permit.

City Attorney, Jim Heisinger commented that the fact this matter was considered and the reason for placing it on the agenda is to bring to Council's attention that Mr. Avery's permit expires tonight as of midnight. No formal request by Mr. Avery has been made for the extension of his Conditional Use Permit. Oral notice was given to Mr. Avery on September 14, 2006 that his permit will expire.

There was Council consensus that the Conditional Use Permit will not remain effective and Mr. Avery will be notified of its expiration.

- D. Community Development Director, Steve Matarazzo gave an update on his trip to Eureka regarding the Coastal Commission's postponement of the Bike Trail Lights issue. There was an 8-2 vote to continue the bike trail lights permit application to the December meeting due to the public safety issue and local interest in the project. Council members & public safety officials are recommended to attend. The Collections project on the McDonald Site is progressing slowly due to the coastal erosion issue.

City Engineer, Richard Simonitch reported that Creegan & D'Angelo received the signed contracts for the Cape Seal project. A pre-construction meeting will be scheduled at City Hall some time next week. It should take approximately 3 days for all the streets to have the Cape Seal done and the work completed. It was suggested that advanced notice needs to be given to the Police Department and a 72 hour notice to the residence of Sand City before the project begins.

Mayor Pendergrass commented that all the details can be worked out with the Chief of Police to provide the most effective way in arranging the flow of traffic for both resident's and business owners in the City. The Council Chamber lighting project is scheduled for consideration at the October 3, 2006 Council Meeting.

AGENDA ITEM 8, NEW BUSINESS

- A. City Engineer, Richard Siminotch reported on the Coastal Access-Parking Plan for The Bay Street Area in Sand City in accordance with Coastal Development Permit Condition for the Sand City Water Supply project. Mr. Simonitch referred to the plan pointing out the details of where the placement of bike racks, benches, parking lot and restroom facility will be located at the proposed project area.

City Administrator, Kelly Morgan commented that the City has a \$220,000 Parks Grant which can be allocated for this project. It would be advisable to have a project plan that is well thought out. Additional funding would be needed to complete all proposed elements of the plan.

Mayor Pendergrass reported that at his last Waste Management Board Meeting, he had a chance to speak with Ken Gray, State Parks Representative, and he was in favor of the concept of the Coastal Access Parking Plan for the Bay Street Area.

Further discussion revolved around the specific placement of the restroom, and accessibility to the parking spaces on the parking lot, and how it will affect the flow of traffic.

City Administrator Morgan reviewed the estimate of probable construction

costs for the site work. He suggested that Community Development Director Matarazzo take this to the Coastal Commission staff and inform them that Sand City would start construction on this project as soon as possible, and try to include these costs in the desalination project funding. Additional agreements with the US Fish and Wildlife Service and State Parks would be required.

There was general Council consensus to fund all elements of the access plan provided the desalination project moves forward and the agreement between all relevant parties can be achieved.

- B. City Attorney, Jim Heisinger presented the **FIRST READING**: of City Ordinance Amending Chapter 2.20 of the Municipal Code of the City of Sand City Regarding Conflict of Interest. Due to the revised titles of staff positions and newly designated staff positions, it has been necessary to amend the List of Designated Positions to conform to the Political Reform Act. It is recommended that council approve these revised titles.

City Administrator Morgan stated that periodic review of the Conflict of Interest Code and list of designated positions are done to satisfy the requirements of the state and does not affect the City Council.

Council Member Morris raised some questions about the different disclosure categories. This information will be provided at the second reading of the ordinance.

Motion to approve **FIRST READING**: City Ordinance Amending Chapter 2.20 of the Municipal Code of the City of Sand City Regarding Conflict of Interest was made by Council Member Morris, seconded by Council Member Hubler. Roll Call Vote. **AYES**: Council Members Blackwelder, Carbone, Hubler, Morris, Pendergrass. **NOES**: None. **ABSTAIN**: None. Motion Carried.

- C. City Attorney, Jim Heisinger reported on Seaside Basin Watermaster 2006 & 2007 Budgets and Sand City's Share of those budgets. The Watermaster Board presented two Administrative Budgets prepared by Mr. Evans, the former Finance Director of the City of Monterey. The Administrative Budget proposed for the year 2006, \$100,000. Sand City's share would be 2.6% (\$2,600). For the year 2007, the projected Administrative Budget is proposed at \$164,000 with no change to Sand City's proportionate share.

Mayor Pendergrass stated that the 2.6 % is a reasonable budget amount for Sand City.

City Attorney Heisinger commented that at the next Watermaster meeting the board will consider the 2007 budget. The issue is if Sand City will pay the 2.6% of whatever the proposed budget is and if Seaside proposes to increase other participants proportionate share.

City Administrator Morgan replied even if the budget were to increase to

\$200,000, Sand City's share would be \$5,200. It is beneficial that Sand City continue its membership until the water issues are resolved.

Council is in agreement that they are moving in the right direction, and will retain membership with the Watermaster Board, and that the pro-rata cost is reasonable.

- D. Mayor Pendergrass reported that he attended several classes and met with other colleagues during the 2006 Annual League of California Cities Conference. There were several interesting sessions with the business meeting involved in voting on resolutions.

Council Member Hubler expressed interest that a group of coastal cities would like to form a coastal caucus, allowing them to network with other coastal cities to discuss basic issues. A form was available to sign for cities who expressed interest in this caucus. Also, the Mayor of Santa Barbara was interested in what Sand City is doing with our desalination project and Council Member Hubler reported that his participation in the Ethics Training was also very informative.

Council Member Blackwelder attended the " Building Better Communities" session and how to get the public involved. The session introduced creative ways on how to get the public to participate in disaster preparedness. The report of neighborhood watch programs proved to be very effective for most cities. It would be beneficial for Sand City to have other community programs that would allow residents the ability to network with one another.

Council Member Carbone reported on the Public Art session and the process that the City of San Diego had experienced. There was also a very interesting and informative session regarding day laborers, the controversies surrounding the issue, and how some communities have responded by developing day labor centers.

- E. Community Development Director, Steve Matarazzo reported on improving noise regulation. Noise was mentioned as an issue at the January meeting, and staff has reviewed effective ways to control noise, especially in the West End District of Sand City. City administration had requested Waste Management to change its hours of operation to determine what is feasible. Beginning in August of 2006, Waste Management finds that later pick-ups starting at 7:00 a.m. to be feasible, and will continue the pick up time until otherwise directed by the City.

It was the general consensus of the Council that its current regulations on noise were adequate for the time being.

- F. City Administrator, Kelly Morgan reported on Proposition 90, Government Acquisition, Regulation of Private Property, Initiative Constitutional Amendment. There is an effort in all the western states to include measures to limit eminent

domain which gives the power of local, state and federal governments to take private property for a public use as long as government compensates the property owner. This effort is primarily financed by groups outside of the State. The League of Cities is very concerned about this Proposition, with a number of groups forming to oppose this Proposition; including the California Chamber of Commerce and several other environmental groups. This proposition, if passed would severely limit local government's ability to regulate land use and eliminate urban blight.

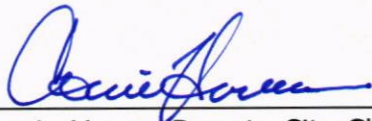
- G. Mayor Pendergrass commented on the regularly scheduled Council meeting for November 7, 2006. Given the need to staff the polling drop off location at Sand City City Hall, it would be advisable to cancel the November 7 Council meeting since it would pose staffing problems due to the hours involved to staff the drop off box for ballots.

There was Council consensus to cancel the November 7 meeting.

- H. The Deputy City Clerk brought to the Council attention the upcoming meetings and reminded them to please turn in their receipts and credit cards from the Annual League of California Cities Conference.

AGENDA ITEM 9, ADJOURNMENT

Motion to adjourn the meeting was made by Council Member Blackwelder, seconded by Council Member Hubler to the next regularly scheduled Council meeting on October 3, 2006. There was unanimous consensus of the City Council to adjourn the meeting at 9:05 p.m.



Connie Horca, Deputy City Clerk