

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

---

CITY COUNCIL CHAMBERS  
REGULAR MEETING, OCTOBER 17, 2006  
7:00 P.M.

---

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

Invocation was led by Reverend Snyder

Police Chief Michael 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  
Steve Matarazzo, Community Development Director  
Jim Heisinger, City Attorney  
Mike Bittner, Assistant City Engineer  
Connie Horca, Deputy City Clerk  
Charles Pooler, Associate Planner

**AGENDA ITEM 4, COMMUNICATIONS**

- A. Written communications distributed to the Council was a revised City RESOLUTION approving an application for funding and the execution of a related grant agreement from the Community Development Block Grant - Agenda Item 7C(2), and a preliminary work schedule for the Sand City Water Project.
- B. Oral Communications

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

Lori Chepi, Sand City Resident, commented that she lives on Oceanview Avenue and is requesting some stop signs or yield signs to be placed on Fell and Oceanview Avenue.

Mayor Pendergrass directed her request to the Chief of Police, Michael Klein, who will look into the issue. Also, he publicly thanked those in the audience who serve in our military for their outstanding service to our country.

7:07 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 October 3, 2006 Minutes
- B. There was no discussion of Monthly Police Department Report, September 2006
- C. There was no discussion of Monthly Public Works Department Report, September 2006
- D. There was no discussion of City/Redevelopment Agency Financial Reports, August 2006
- E. There was no discussion of approval of **City RESOLUTION** Honoring Phyllis Grillo-Weinbrenner as the Professional Women's Network of the Monterey Peninsula's 2006 Business Woman of the Year
- F. There was no discussion of City Contributions/Donations for
  - 1. Food Bank for Monterey County - \$600

Motion to approve 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. Motion Carried.

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

There were no items.

## AGENDA ITEM 7, PUBLIC HEARINGS

- A. Associate Planner, Charles Pooler, presented a City RESOLUTION Approving an Amendment of Site Plan Permit 05-06 and Design Permit 05-07 for Dan Clark to Modify the Site Plan Design to Incorporate the Reciprocal Easement Design Concept of the City's Urban and Parking Implementation Plan. This item was recommended for continuance to the November 21, 2006 City Council meeting.

7:07 p.m. Floor opened for Public Comments and there were no speakers.

7:08 p.m. Floor closed to Public Comment.

There was Council consensus to continue this agenda item to the November 21, 2006 City Council Meeting.

**7.09 P.M. {Council Members Blackwelder & Hubler stepped down from the dais due to a possible conflict of interest by residing within 500'}**

- B. Associate Planner, Charles Pooler, presented a City RESOLUTION approving Conditional Use Permit 477, allowing a Stone Sculptor Studio at 1720 Contra Costa Street, Unit A. This application was submitted by Jean-Luc Preti for approval to operate a stone sculptor workshop within a 900 square foot portion of the above mentioned building. Mr. Preti intends to use the unit for fabrication of a custom design specialty stone products related to historical architecture, figurative sculptures and statues, interior and exterior ornaments and garden features and landscaping. He will be using equipment such as a small electric router, grinder, sander, air compressor (to be contained within a sound absorption box), a dust collector, along with hand chisels and a hammer. The hours of operation for shipment activities and sculpting/manufacturing will be between 8:00 a.m. to 5:00 p.m. Monday through Friday and 10:00 a.m. to 5:00 p.m. on Saturdays. These hours are to ensure the use is compatible with the residential segment of the mixed-use community. Staff recommends approval of the conditional use permit allowing the limited scale 1-man specialty stone sculpting workshop at the subject property.

Council Member Morris asked Mr. Pooler if there will be any possibility that the intended use of the building will be incompatible with the neighborhood, and if it is the best place for this type of use. He suggested that the use permit have a three-year clause for future review.

Mr. Pooler suggested the change to be added to condition #3 to read: **Due to the transitional nature (from light industrial to mixed residential use) of the West End District in which the proposed use is to be located, Conditional Use Permit 477 shall remain effective for a period of three (3) years from the date of approval. Following this three year period, this business use**

**shall be subject to a public hearing and re-evaluation of its land use compatibility, based on the neighborhood context existing at that future time.**

Vice Mayor Carbone asked if parking would be an issue, and if the loading/unloading zone for the business would pose a potential problem with the current traffic.

Mr. Pooler commented that the parking should not be a problem since there is parking available for the applicant's vehicles and at the adjacent property. Loading/unloading would be limited to trucks delivering materials for the business.

7:22 p.m. Floor opened to Public Comment

Mayor Pendergrass asked Mr. Preti, the applicant, if he is in agreement with the conditions of the permit.

Mr. Preti commented that he was, although his concern is with the roll up doors, since he needs the natural sunlight for some of his work, which will involve the use of the router, grinder and hammer. He would prefer not to work all the time with the doors closed.

Mr. Pooler referred to recommended condition 14 of the permit which states that the applicant will keep the doors of this unit closed during use of power tools or other substantive noise generating activity.

Further discussion involved the level of noise and the possibility of adding a skylight to the building to allow for natural sunlight. Mr. Pooler showed some examples of the kinds of power tools that will be used for the business.

Dan Clark commented that Jean Luc has done some excellent work for his property and that his main concern is that he would not want to cause any problems by working with the doors partially rolled up to allow for natural sunlight.

Community Development Director, Steve Matarazzo suggested eliminating the sentence involving the closed door. If it should become a problem with the acoustical report, the engineer would suggest that a skylight be put in and the doors remain closed.

Roy Meadows, business owner, addressed the council with the concern that the property is located at a hazardous corner for pedestrians, with trucks parked on sidewalks, which does not allow the public any accessibility. In regard to the applicant's use permit, he has no concern with its approval.

7:33 p.m. Floor closed to Public Comment

Mayor Pendergrass suggested that the pedestrian accessibility issue be considered at the next Council meeting as part of the agenda.

Motion to approve **City RESOLUTION** approving Conditional Use Permit 477 allowing a Stone Sculptor Studio at 1720 Contra Costa Street, Unit A by title, as amended was made by Council Member Carbone, seconded by Council Member Morris. AYES: Council Members, Carbone, Morris, Pendergrass. NOES: None. ABSENT: None. ABSTAIN: Council Members Blackwelder & Hubler. Motion Carried.

**7:39 P.M. {Council Members Blackwelder & Hubler returned to the dais}**

- C. City Administrator, Kelly Morgan made a presentation for Council's consideration of Grant Application Development Block Grant (CDBG) Program to Provide Gap Financing for the Sand City Water Supply Project, stating that there are two resolutions before the council this evening.

Community Development Director, Steve Matarazzo, reported that he was contacted by the Housing Community Development Department (HCD) in Sacramento about this potential opportunity, which relates back to the 2003 Housing Element of the General Plan that was approved by the State. The State Housing Department offered to assist in finding additional funding for the desal water plant. Through the CDBG grant, Sand City has a good chance of acquiring funds of \$1 million dollars for the project, which combined with the Prop 50 funding guaranteed from the State of California would help to defray the cost of the desal project. The grant is part of a Federal program administered by the State and those funds can be matched to help provide the gap financing in implementing the Sand City water project. November 3, is the deadline for submitting the grant applications. As part of the grant application requirements, HCD requires the City Council and Redevelopment Agency (RDA) to make a commitment to include the funding sources for the desalination plant in its application and resolutions approval.

City Administrator Kelly Morgan, pointed out page 76, which shows the current August 2006 bank balances. In the CDBG application, Sand City needs to show the \$6.5 million can be covered by the City. If the City and Redevelopment Agency wanted to finance this project, the \$2.6 million could be drawn from the Agency LAIF and Agency Housing Accounts. With a COP type financing package, the financing costs can be kept to a minimum, reducing the overall cost of the project. There are ample funds in the Redevelopment Agency account.

Council Member Morris asked that if by taking action on this project, would Sand City have remaining funds to finance other redevelopment projects such as infrastructure. It would be feasible to find other means to finance this project. If we are a part of Cal-Am, can Sand City charge for water hookup fees?

Mayor Pendergrass commented that it depends on the cooperation of the Water Management District, who has hookup fees even though Cal-Am does not have hookup fees, since they presently have no water to sell.

City Administrator, Kelly Morgan interjected that Sand City's business approach is to get the project financed, get it built and then resume negotiations with Cal-Am regarding some sort of business relationship.

Council Member Morris stated that business deals fall through. Are we going to have this desalination plant sitting there for several years that we can not use?

City Attorney, Jim Heisinger commented that the project cost assumes that there will be a connection to the Cal-Am system. The action being asked is to demonstrate that the City can come up with the full \$6.5 million dollars remaining to complete the project. The Council and Agency are not being asked to spend the \$6.5 million at this point. At some point in the future, assuming that the CDBG grant is awarded and Sand City is ready to build the facility, and spend the \$6.5 million, then the contracts, plans, and equipment purchases will come back to the Council and the Council will have to make a decision. At that point the Council will then decide to spend the \$6.5 million to complete the project.

City Administrator, Kelly Morgan replied that we are not spending the money, but Sand City is committing the funds in order for the CDBG grant application to be as competitive as possible.

Council Member Hubler simply stated that in other words Sand City may not get the grant unless we can show that we can back it up. He asked if it would be tough to find customers on a temporary basis knowing that they can only purchase the water for a temporary amount of time?

Mayor Pendergrass commented that Sand City has many solid options with the intent to pursue them. We need to take the steps to obtain more grant funding to make the project happen. The big plus is that the City has obtained funding from the State and was ranked second in the top three for the Prop 50 funding of \$2.9 million. The primary goal is to obtain additional water. There is no other foreseeable water project proposed for the area. The Council is encouraged to go forward with these resolutions.

Motion to approve Redevelopment Agency **RESOLUTION** authorizing and committing Redevelopment Agency funding for the Sand City Water Supply Project (SCWSP) by title, was made by Agency Member Blackwelder, seconded by Agency Member Hubler. AYES: Agency Members Blackwelder, Carbone, Hubler, Morris, Pendergrass. NOES: None. ABSENT: None. ABSTAIN: None. Motion Carried.

Motion to approve City **RESOLUTION** approving an application for funding and the execution of a related grant agreement from the Community Development Block Grant, General Allocation Component with a focus on Public Works, by title, as

amended 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. Motion Carried.

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

- A. Mike Bittner, Assistant City Engineer reported on the cape seal road improvement project within Sand City. The project will be completed on Sunday with adequate manpower and equipment. From his estimation they have done a good job.

Community Development Director, Steve Matarazzo reported that he has been in contact with the biologist and a lighting consultant who is working on the City's defense regarding the bike trail lights. The consultant will be working with the biologist to see what the optimum level of illumination would be to those lights and still provide bicycle safety and if necessary they may recommend a partial shield to keep the lights off the dunes. Mike Zander our biologist has inspected the bike trail lights and saw no biological impact with the lights, but he did mention that spikes can be put on the lights to keep predators (crows) away.

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

- A. City Attorney, Jim Heisinger presented the **SECOND READING** of City Ordinance Amending Chapter 2.20 of the Municipal Code of the City of Sand City Regarding Conflict of Interest, with no change to the existing ordinance.

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

- B. Community Development Director, Steve Matarazzo presented the water allocation request by Al Saroyan regarding possible mixed-use development in West End District stating that Mr. Saroyan has withdrawn his request.
- C. City Administrator, Kelly Morgan reported on the review of Proposed/Pending Development Projects in Marina & Seaside. There are numerous large project proposals in these two Cities which would change and affect the entire Monterey Peninsula. These proposed projects will greatly effect the economic mass of the Monterey Peninsula leaving Sand City as the center of this new enlarged commercial base. The University Village, Marina Heights, Cypress Station and Cypress Knolls are a few of the strategic housing developments the City of Marina is currently working on. The City of Seaside is currently working

on several major projects which include the Auto Center Remodeling, Broadway-Fremont City Center Project, and the Broadway-Del Monte- Canyon Del Rey revitalization.

- D. Deputy City Clerk, Connie Horca brought to the council's attention the upcoming events and meetings.

**AGENDA ITEM 10, ADJOURNMENT**

Motion to adjourn the meeting was made by Council Member Morris seconded by Council Member Hubler to the next regularly scheduled Council meeting on November 21, 2006. There was unanimous consensus of the City Council to adjourn the meeting at 8:29 p.m.



\_\_\_\_\_  
Connie Horca, Deputy City Clerk