

MINUTES
JOINT SAND CITY COUNCIL AND REDEVELOPMENT AGENCY
City Council Chambers
Regular Meeting-June 7, 2005

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

Reverend Snyder led the invocation

Police Chief Klein led the Pledge of Allegiance

Present: Council Member Jerry Blackwelder
Vice-Mayor Mary Ann Carbone
Council Member Hubler
Council Member Morris
Mayor Pendergrass

Staff: Kelly Morgan, City Administrator
Steve Matarazzo, Community Development Director
J. Michael Klein, Police Chief
Jim Heisinger, City Attorney
Stan Kulakow, City Engineer
Linda Scholink, City Clerk
Charles Pooler, Associate Planner

AGENDA ITEM 4, COMMUNICATIONS

The Mayor requested that item 8D be heard before 8A

- A. Additional written communication distributed to the City Council this evening included changes to the conditions of the Combined Development Permit, (Item 7C), and a letter dated June 6, 2005 to the Council from DBO Development regarding the ENA with DBO, "South of Tioga", (Item 8A), along with some revised conditions.
- B. The floor was opened at 7:06 p.m. There were no comments from the public. The Mayor thanked the Chief of Police and April Acuna for their participation in the City's 45th birthday barbeque. He also expressed a special thank you to Fred Crocker and his presence will be missed by all.

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 #377, Hartzel Automotive (Auto Training Center/Offices), 560 California Avenue
- (2) CUP #399, Edgewater Center (Regional Commercial Center), Playa & California Avenues
- (3) CUP #419, Carmel Tile & Marble Company (Wholesale), 1725 Contra Costa
- (4) CDP #97-05, Monterey Bay Restaurant Equipment (Wholesale), 325 Elder Avenue

B. There was no discussion of the of May 3, 2005 Minutes

C. There was no discussion of the monthly Fort Ord Reuse Authority (FORA) Report, May

D. There was no discussion of the monthly City/Redevelopment Agency Financial Report, ~~April~~ 2005

- E. 1. There was no discussion of the City **Resolution Authorizing Renewal of the Agreement for Vehicle Maintenance and Fuel Services with the City of Monterey**
2. There was no discussion of the City **Resolution Authorizing Renewal of the Street Sweeping Agreement with the City of Monterey**

F. There was no discussion of the City **Resolution Authorizing Renewal of a Service Agreement with Pacific Municipal Consultants**

G. There was no discussion of the City **Resolution Supporting Assembly Concurrent Resolution (ACR 29) Increasing Education of the ADA and Increasing Access for the Disabled**

H. There was no discussion of the City **Resolution Supporting AB 20 Protecting the Civil Rights of the Disabled**

Motion to approve Consent Calendar was made by Council Member Carbone, seconded by Council Member Blackwelder. AYES: Council members Blackwelder, Carbone, Pendergrass, Hubler and Morris. NOES: None. ABSENT: None. ABSTAINED: None. Motion Carried.

AGENDA ITEM 6, CONSIDERATION OF ITEMS PULLED FROM CONSENT CALENDAR

No items.

AGENDA ITEM 7, PUBLIC HEARINGS:

- A. Associate Planner Pooler presented the Staff Report and **Resolution Recommending Approval of Conditional Use Permit 460 Authorizing a Limited Scale Weight Training Facility at 625-C California Avenue.** The use permit application submitted by Matt Lemarque, is to operate a private gym training facility within a 1,904 foot portion of an existing commercial building located at 625-C California Ave. This will be personal 1-on-1 weight training on an "appointment only" schedule. Hours for the private training will be from 8:00 a.m. to 6:00 p.m., Mondays, Wednesdays, and Fridays. The applicant also requests the facility be open to members of his power-weight lifting team for individual self-training throughout the week during the same hours. There have been complaints in the past about noise and vibration due to the heavy weights hitting the ground. The applicant ordered new 3/4-inch thick mats and has spoken to the team members to rectify that situation. The property has adequate water allocation to accommodate the proposed use. Staff recommends three of the onsite spaces be required and reserved for parking. Staff recommended approval of the conditional use permit.

7:13 p.m.

Floor Opened for Public Comment

MARK LEMARQUE (Applicant): Agreed with staff's recommendations and conditions, and is willing to do what is necessary to make everyone happy.

7:16 p.m.

Floor Closed to Public Comment

Motion to approve Resolution by title only was made by Council Member Carbone, seconded by Council Member Hubler. AYES: Council Members Blackwelder, Carbone, Pendergrass, Hubler and Morris. NOES: None. ABSENT: None. ABSTAINED: None. Motion carried.

- B. Associate Planner Pooler, presented the Staff Report and **Resolution Recommending Approval of a Cumulative 16,424 Square Foot Building Addition of the Target Store Building at 2040 California Avenue.** The application was submitted by Pacific Land Services, representing the Target Corporation, for expansion of the Target store in the Edgewater Shopping Center. Target proposes two expansions. The first is a 1,198 square foot addition at the front for a

pharmacy, and the second is a 15,226 square foot addition for increased retail stock space. The 10,600 square foot existing garden center will be removed. Therefore, the net square footage of the addition is only 5,824 square feet. The property has existing on-site water credit that has been confirmed with the Water District staff. Staff finds the proposed building additions acceptable, and recommended approval of the Site Plan Permit, as conditioned.

7:32 The Floor was Opened for Public Comment

CHRIS LONG, (Pacific Land Services Representative for Target): He expressed his appreciation of staff, and stated that this Target store is doing very well. Target is coming to their stores that are doing well and upgrading them. It's kind of a rearrangement of priorities by removing the garden center. They will also incorporate the ADA upgrades with parking and pathway standards. Part of the addition will be for a pharmacy. He is in agreement with the conditions.

7:39 Floor Closed to Public Comment

Motion to approve **Resolution** by title only was made by Council Member Carbone, seconded by Council Member Morris. AYES: Council Members Blackwelder, Carbone, Pendergrass, Hubler and Morris. NOES: None. ABSENT: None ABSTAINED: None. Motion Carried.

(Due to a possible conflict of interest by residing within 500' of the project area, Council members Hubler and Blackwelder abstained and stepped down from the dais)

C. The Community Development Director presented the Staff Report and Recommendation of **Resolution Approving a Coastal Development Permit, Conditional Use Permit, and the Site Plan approval of a mixed-use redevelopment project located at 625 Elder Avenue by Design Center LLC.** The Redevelopment of the property will require demolition of existing dilapidated structures. The property consists of approximately 2.68 acres in the center of the West End District. The first phase is a proposed 80,000 square foot building with retail and office on the first and second floors. The development calls for 30 rental apartments, 10 of which will be at "affordable rents," as specified in the DDA, on the third and fourth floors. The main building is proposed as a steel-framed structure, designed by Saroyan Masterbuilders of Sand City. Mr. Saroyan has enhanced the architecture of the building, and will be addressing that tonight. Required parking for the 30 apartments and commercial space is 140 spaces and the proposed site plan provides 155 spaces. Staff has a number of conditions dealing with landscaping and pedestrian access. One of the recommendations addresses the pedestrian access on Ortiz be coordinated with the West End Design study. Staff also recommends a master list of retail and office uses as part of permit approval, which is in the packet as Exhibit C. Staff views these uses as residentially compatible, which is our main concern. In conclusion, this is a great project, and will be a catalyst for redevelopment in the West End District. Staff recommended approval.

The City Engineer reported on the added condition under Building/Engineering to cover the storm water percolation and the onsite drainage. He reviewed item 3 of the draft Permit, requiring a tract map be prepared by a registered civil engineer or licensed land surveyor prior to issuance of building permits. He stated that they would work with the applicant.

7:32 The Floor was Opened for Public Comment

AL SAROYAN, (Applicant), expressed some concerns on the water allocation, the parking, and the landscaping conditions. He feels that they have more than the required parking without taking into consideration the parking available in the TAMC right of way. Other than those issues he feels the conditions are fine. He then reviewed all the plans with the Council.

7:39 The Floor was Closed to Public Comment

The Community Development Director responded to the Mayor regarding amendments to the conditions as requested by the applicant.

Motion to approve **Resolution of the City Council of Sand City Approving a Combined Development Permit (Use Permit, Coastal Development Permit, Site Plan for Design Center Mixed Use Project at 625 Elder Avenue** by title only as amended was made by Council Member Carbone, seconded by Council Member Morris. AYES: Council Members Carbone, Pendergrass and Morris. NOES: None. ABSENT: None. ABSTAIN: Council members Hubler and Blackwelder. Motion Carried.

(Council members Hubler and Blackwelder returned to the dais)

AGENDA ITEM 8, OLD BUSINESS:

This item was taken out of order as noticed at the beginning of the meeting.

(Due to a possible conflict of interest by residing within the 500' foot rule Agency member Morris stepped down from the dais)

- A. The City Administrator reported on the Redevelopment Agency **RESOLUTION Authorizing a Seventh Amendment to the Exclusive Negotiating Agreement (ENA), with DBO Development for Redevelopment of the area known as the SOUTH of Tioga**". He reported that the current ENA on this project expires June 15, 2005 and it is scheduled for consideration tonight to extend it. We have been in discussion with Mr. Orosco and feel that we have worked out our concerns and issues. Staff recommended that the Redevelopment Agency consider extending the ENA again.

DON OROSCO, (Developer), passed out additional information to the Council.

He updated the Council on the evolution of the project. He stated that the advancement of Fort Ord, is now impacting and influenced by other development on the Peninsula. Extension of the ENA will provide sufficient time to refine a plan that is illustrated in the handout. This is a balancing act between retail and residential, influenced by water availability. He requested a 1-year time extension.

7:53 p.m. The Floor was Opened to Public Comment.

No Comments

7:54 p.m. The Floor was Closed to Public Comment.

Staff filled in the date of the extension on the resolution to June 20,2006. The City Attorney struck recital G from the agreement.

Motion to approve by title only, as amended, was made by Agency Member Pendergrass, seconded by Agency Member Blackwelder. AYES: Agency Member Blackwelder, Carbone, Blackwelder, Pendergrass and Hubler. NOES: None. ABSENT: None. ABSTAINED: Agency Member Morris. Motion carried.

(Agency member Morris returned to the dais)

AGENDA ITEM PUBLIC HEARINGS 7:

D. Associate Pooler presented the Staff Report and **Resolution of the City Council of Sand City Approving Site Plan 05-05 Recommending Renovation of Property at 880 Tioga Avenue for Beverages & More**, for the development and re-zoning approvals for a renovation of an existing 9,600 square foot commercial building located at 880 Tioga Avenue. The proposed use is a specialty retail store selling wine, beer, spirits, and food for off-site consumption. The renovation and re-use project incorporates an adjacent parcel where an existing residential dwelling will be demolished to accommodate improved parking and vehicle access to the project. Renovation of the property will include the removal of existing concrete pavement and existing landscaping. The project should eventually integrate into a final design for the South of Tioga Redevelopment area; however, no final site plan for the entire redevelopment area is available to staff at this time. Both zoning designations are consistent with the City's General Plan land use designation. The existing loading area along the California Avenue frontage is problematic in terms of truck access utilizing this area. Staff has included several landscaping recommendations. The parking, as designed, has a depth of 17-feet; however, City code requires a depth of 19-feet. Therefore, these spaces should be increased to 19-feet. On-site water credit is adequate to accommodate the proposed renovation and use of the property. Staff recommended approval of the Site Plan Permit and also re-zoning Ordinance for first reading, to re-zone the property from "Manufacturing" to "Regional Commercial".

The Community Development Director explained that Beverages and More is under contract with DBO Development, and is on a short timeline to get this project approved. If the Council desires, Staff can look at these revised

modifications tonight, and go over them point by point. Hand outs were passed out to the Council, by Pat Kelly of DBO Development. The Council reviewed conditions 1,6, 8,12, 13,15, 17,19, and 28. Due to the Council not receiving this information prior to the meeting, a recess was called for additional review time.

8:14 p.m. Recess

8:30 p.m. Meeting Reconvened and Opened for Public Comment

PATRICK KELLY (Representative for DBO Development): We have taken into account the items brought up by your City's Community Development Director and discussed them with Beverages and More, and feel that these conditions can be worked out. DBO is excited about this project, and feels that this building will be a showcase for that corner. Because of the narrow setback on Afton we cannot include the canopy elements, but we can do the arch treatment.

DON OROSCO (Developer): I would like to address the truck delivery issue. BevMo has no receiving after 4:00 p.m. as a Company policy. They do not allow deliveries between 12 noon and 1:00 p.m. during the lunch hour. There are usually 6-10 deliveries per day on Tuesday, Wednesday, Thursday and Friday. Discussion continued about the delivery entrance on California. Don addressed issues brought up regarding the delivery of merchandise and the location of the deliveries. The placement of sidewalks and landscaping was discussed. They reviewed and revised condition # 6, which the Community Development Director read to the Council for their approval. Mr. Orosco continued to explain that Beverages and More has a high volume of sales per square foot. They are number 2 in the State for wine sales. They are expecting to open by October 15th, 2005, so they are able to start sales and take advantage of the holiday season. If approved today, they will initiate drawings tomorrow. The Community Development Director stated that condition # 28 could be eliminated and the other conditions be re-numbered.

MIKE (representative from Beverages and More): He passed out pictures to the Council. He reported that they have 49 stores in California and will be opening their 50th store in August in Orange County. They offer approximately 3,000 different wines, 1,200 different spirits and 600 different types of beers and hand rolled cigars. They offer real soda or specialty soda's. About 49% of their customers are women, they don't consider themselves a liquor store. We don't sell malt liquors, screw cap wines, pints, single beers, pornography, cigarettes, newspapers or lottery tickets, nothing that could cause any type of loitering. Weekly hours are 10:00 am -9:00 p.m., Saturdays 9:00 a.m.-9:00 p.m., and Sundays 10:00 a.m.-7:00 p.m. Minors are not allowed in the store without an adult. We are known as the Nordstrom of beverage sales. We are in agreement with the conditions.

9:02 p.m. Public Hearing Closed to Public Comment

The City Attorney explained that there were two actions before the Council this evening. One is the Resolution approving the Site Plan, and the other action item is the Ordinance Re-zoning the Property from Manufacturing to

Regional Commercial, making the zoning consistent with the General Plan. The City Attorney requested an added condition to the permit, which states, "this permit will not become effective until an ordinance changing the zoning designation on the site from M to C-4 becomes effective".

Motion to approve by title only **Resolution of the City Council of Sand City Approving Site Plan 05-05 Authorizing Renovation of Property at 880 Tioga Avenue for Beverages & More** as amended was made by Council Member Blackwelder, seconded by Council Member Hubler. AYES: Council Members Blackwelder, Carbone, Pendergrass, Hubler and Morris. NOES: None. ABSENT: None. ABSTAINED: None. Motion Carried.

FIRST READING: **an Ordinance of the City of Sand City Amending Title 18 of the Municipal Code to Reclassify Certain Property from Manufacturing (M) to Regional Commercial (C-4)** was presented by Community Development Director Matarazzo.

Motion to approve first reading of the Ordinance, by title only, as amended was made by Council Member Carbone, seconded by Council Member Morris. Roll call vote-AYES: Council Members Blackwelder, Carbone, Hubler, Morris, Pendergrass. NOES: None. ABSENT: None. ABSTAIN: None. Motion carried.

AGENDA ITEM 8, OLD BUSINESS

- B. The City Engineer reported the City received a \$170,000.00 check this week from Caltrans for the grant on the bike trail lighting for \$170,000. That almost closes the book on that project. The next project he anticipates working on is the parking behind City Hall. In about a month we should have plans and specifications for the City Council to authorize, advertise and go out for bid.

The Community Development Director reported that he is working on the water distribution permit for the Water District to review. The City Administrator reported that City staff met with Cal-Am to start possible business negotiations regarding the water project.

AGENDA ITEM 9, NEW BUSINESS

- A. Sand City Cost-Sharing regarding the Storm Drain 90" Outfall located at the End of Bay Avenue, within the Coastal Zone, was continued due to additional information being requested.

- B. City **RESOLUTION Authorizing Certain Salary Adjustments and Other Personnel Actions for Sand City Employees.** Council Member Blackwelder, (Chair for the Budget Committee), reported that the Budget Committee has had a number of meetings. Council Member Morris and I are in agreement that we both appreciate the staff, and all the hard work and effort they have done for the City. The Garret report was insufficient to make a decision and recommendation. We felt that it should be brought forward to the Council; and in my opinion, it should be brought forward in the form.

of a resolution. My feeling is the previous budget committee had set an outline on how to find an appropriate way to advance the salaries. We did that survey. What the City Administrator has put in the resolution is a fair and reasonable increase, and should be approved. The only purpose in continuing the 3 % @ 60 PERS benefit is to do some additional research and possibly put a cap on the contribution from the City. This benefit has already been approved by the Council.

Council member Morris stated he agreed with Council member Blackwelder. We certainly appreciate our staff, and they do a great job. The 3% @ 60 was not in the Garret report, and not included in the equation or the analysis. He was requested to include the PERS calculations in the Garret report, and he did not do that. We agree on the wages, but need additional information on the 3% PERS.

Motion to approve Resolution by title only was made by Council Member Blackwelder, seconded by Council Member Morris. AYES: Council Member Blackwelder, Carbone, Hubler, Morris and Pendergrass. NOES: None. ABSENT: None. ABSTAINED: None. Motion carried.

- C. Upcoming Events/Meetings-Information was provided in the packet.

AGENDA ITEM 10, CLOSED SESSION:

- A. The City Council adjourned to Closed Session to confer with legal counsel regarding existing litigation pursuant to §54956.9(a) of the Ralph M. Brown Act (1 case) - CalAm Water v. Seaside, Sand City et al.
- B. Re-adjourned 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. The City Council gave direction to the City Attorney.

AGENDA ITEM 11, ADJOURNMENT:

- A. Motion to adjourn was made by Council Member Blackwelder, seconded by Council Member Hubler, to the next regularly scheduled City Council meeting on June 21, 2005, 7:00 p.m. There was unanimous consensus of the City Council to adjourn at 9:48 p.m.



Linda K. Scholink, City Clerk