

MINUTES
JOINT SAND CITY COUNCIL AND REDEVELOPMENT AGENCY
City Council Chambers
Regular Meeting -March 16, 2004
7:00 PM

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

There was no invocation.

Girl Scouts Troop #2035, with Troop Leader Denise Cooper, led the Pledge of Allegiance.

Present: Vice-Mayor Mary Ann Carbone
Councilmember Craig Hubler
Councilmember Todd Kruper
Mayor David Pendergrass

Absent: Councilmember Jerry Blackwelder

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

AGENDA ITEM 4, COMMUNICATIONS:

- A. The additional written communications distributed to the City Council this evening was an "offer to purchase" and deposit check from Roy Woods for the John Street property purchase (item 10-B).
- B. The floor was opened at 7:04 p.m., but there were no oral communications from the public. Girl Scouts Troop #2035 distributed cookies to the City Council.

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 Councilmember may request that any item be placed on the Regular Agenda for separate consideration.

- A. There was no discussion of the March 2nd Minutes.

- B. There was no discussion of the Monthly Police Department Activity Report, February.

Motion to approve Consent Calendar was made by Councilmember Carbone, seconded by Councilmember Hubler. AYES: Councilmembers Carbone, Hubler, Kruper, Pendergrass. NOES: None. ABSENT: Councilmember Blackwelder. ABSTAIN: None. Motion carried.

AGENDA ITEM 6, CONSIDERATION OF ITEMS PULLED FROM CONSENT CALENDAR:

No items.

AGENDA ITEM 7, PRESENTATION(S):

- A. The presentation of a City Resolution Honoring Sergeant Dale Allen, Sand City Police Officer of the Year for 2003 was made by Mayor Pendergrass (continued from the March 2nd meeting).
- B. Presentation by Bill Reichmuth, Transportation Agency for Monterey County (TAMC) on regional traffic impact fee and related transportation funding options. They are independent, not a County agency. TAMC bought the railroad right-of-way from Castroville to Monterey; they finance a percentage of Monterey-Salinas Transit; they provide bicycle and pedestrian facilities for the public. Tonight's presentation was to explain the methodology and purpose of a proposed traffic impact fee, recommended to be applied to all new development within TAMC's jurisdiction. This new fee will be collected to defray the cost of regional traffic improvements needed to enhance or maintain the regional transportation system to an adequate level of service. TAMC estimates \$1.4 billion will be required over the next 20 years to finance all of their projects. There are no priorities within the proposed list of projects, but may rest on the easiest to do, especially where TAMC or CalTrans owns the right-of-way. Mr. Reichmuth will return in the future with a proposal for a Joint Powers Authority (JPA) to be considered by the City Council for membership. Funds from the 1/2-cent sales tax (if approved in November by the voters) will be divided through the JPA for use in their individual agencies. He told of the advantages of being a "self-help county" to receive State and Federal grant funds and how to leverage these funds.

AGENDA ITEM 8, PUBLIC HEARING(S):

- A. Associate Planner Pooler presented the Conditional Use Permit and Site Plan application submitted by Electrical Distributors regarding an existing commercial warehouse building at 425 Orange Avenue (011-238-011, 012 and 015) for use as a distribution site, offices and inventory storage. The project qualifies as a categorical exemption under State CEQA Guidelines,

Section 15301 and is within a non-coastal Planned Mixed-Use zoning district; and corresponding **City RESOLUTION**. The Design Review Committee (DRC) considered the project last week and recommendations were made to the architect for the Site Plan. The concrete tilt-up building will remain, with exterior modifications to include a glass storefront, awning and paint. The 2-story office structure will be demolished and replaced with landscaping and parking. Parking arrangements, landscaping and business hours were discussed. An Owner Participation Agreement will be necessary for the Shasta Avenue frontage improvements.

7:55 P.M. Floor Opened for Public Comment

DARRYL HAWKINS (Architect): This family-owned business has been in operation since 1948, and are currently leasing a building on Del Monte Blvd in Monterey. The family is looking to buy property and expand their business. He was pleased with the comments from the DRC and the extra landscaping requirements will make this a more attractive building.

As the Arts Committee Chair, Mr. Kruper would like to meet with the property owner to discuss the possibility of a mural to be painted on their building. The owner confirmed that all supplies will be kept in an enclosed area of their property. Community Development Director Matarazzo amended the driveway aisle width minimums from 22' to 24' to be consistent with the General Plan.

CHET LEHMAN (Owner): He confirmed that the transfer trucks usually deliver at approximately 10:00 a.m. daily, and there will be no problems for nearby residents.

8:04 P.M. Floor Closed to Public Comment

Motion to approve Resolution by title only, as amended, was made by Councilmember Hubler, seconded by Councilmember Kruper. AYES: Councilmembers Carbone, Hubler, Kruper, Pendergrass. NOES: None. ABSENT: Councilmember Blackwelder. ABSTAINED: None. Motion carried.

- B. Associate Planner Pooler presented the Conditional Use Permit application by Fred Cimoli (dba Glass Mosaic Tile & Marble) to use a 5,300 sq ft portion of a commercial building at 1855 East Avenue (portion of APN 011-135-014) to operate a manufacturing shop. The project qualifies as a categorical exemption under State CEQA Guidelines, Section 15301 and is within a non-coastal Manufacturing (M) zoning district; and corresponding **City RESOLUTION**. There will be ten employees, of which five are installers and are only at the subject property in the morning. The division of parking spaces between the Sanctuary Rock Gym and this business were discussed. There was also discussion of the noise that is expected to be generated from this

type of use. The applicant has been informed that this building is located within the South of Tioga redevelopment project area, and this is an interim one-year permit only with the option of 90-day extensions at Council's discretion.

8:11 P.M. Floor Opened for Public Comment

EMILE CIMOLI (Applicant): This is a family run business and they would appreciate this opportunity for their company. They are currently located in Fort Ord. The collected sludge from their business will be placed into a dumpster along with regular trash. This is done on a periodic basis dependent on how much work is generated. All materials and tools will be contained indoors.

MICHAEL BASCOU (Sanctuary Rock Gym): He is very concerned about the level of noise that will be generated by this company, especially without any additional soundproofing. There is a similar business next door (CL Frost) that also generates considerable noise. He was not informed about sharing the parking spaces and has concerns about this arrangement.

8:22 P.M. Floor Closed to Public Comment

Associate Planner Pooler pointed out that the permit addresses some of these concerns. The original Rock Gym application mentioned shared parking and Mr. Pooler was hoping his proposal would accommodate both parties. Noise issues were discussed further and the applicant agreed to cease using their saw at 2:00 p.m. (the time the Rock Gym opens) on a daily basis. A correction, change, and addition was made to the permit (#6 and #10) to cover the issues discussed.

Motion to approve Resolution by title only, as amended, was made by Councilmember Carbone, seconded by Councilmember Kruper. AYES: Councilmembers Carbone, Hubler, Kruper, Pendergrass. NOES: None. ABSENT: Councilmember Blackwelder. ABSTAINED: None. Motion carried.

AGENDA ITEM 9, OLD BUSINESS:

- A. City Attorney Heisinger led the discussion on the City of Cerritos' pending lawsuit against the State of California. This lawsuit challenges the state's ability to take even more money from cities. To date, there are 31 charter cities and 7 general law cities associated with this lawsuit. Ultimately this case will go to the appellate court and possibly the supreme court. The City of Cerritos would like each party to donate \$16,000 towards share-of-costs that would entitle a city to have a seat on the committee. There are indications that this lawsuit will not effect the State's ability to issue bonds.

Motion to approve a \$2,000 donation for share of costs and to prepare a resolution for the April 6th Council meeting was made by Mayor Pendergrass, seconded by Councilmember Hubler. AYES: Councilmembers Carbone, Hubler, Kruper, Pendergrass. NOES: None. ABSENT: Councilmember Blackwelder. ABSTAIN: None. Motion carried. It was stipulated by the City Attorney that a resolution needs to be approved at the next meeting for this contribution.

- B. Progress report on Public Works projects, City water project, and other Sand City community programs by City Engineer/Community Development Director/City Administrator. City Engineer Kulakow said that the civic center work is progressing. The City has the ability to receive another STIP grant in four years that will enable work to continue along California Avenue. In response to a question, Mr. Kulakow said that he has been trying to contact the City of Seaside to adjust the lights on Contra Costa/Del Monte. Councilmember Carbone asked the City Engineer to contact PG&E to replace some of the extinguished street lights on Playa Avenue near the shopping center. Mayor Pendergrass directed staff to research the ability to amend the Highway 1 exit sign to reflect California Avenue (in Sand City), not just Fremont Avenue (in Seaside). Staff to investigate the possibility of having a tiled Sand City logo on the Highway 1/Tioga overpass. In response to a question by the Mayor, Mr. Kulakow said the remaining work on the bicycle trail is proceeding slowly, and he expects to start installing the lights by the end of 2004. In response to a request by Councilmember Kruper, Mr. Kulakow will investigate the dead trees along California Avenue. Councilmember Kruper acknowledged the Sand City, Seaside and Marina Mayors for obtaining petition signatures to protect local sales tax revenues from the State. Further to a request by the City Council, Mr. Kulakow is not able to obtain the hydrogeologic report from the Water Management District until it is officially released.

AGENDA ITEM 10, NEW BUSINESS:

- A. Executive Director Morgan presented the Redevelopment Agency **RESOLUTION Authorizing Agreement for Exclusive Authorization to Lease the Campos Property (APN 011-243-002 & 006)**. Based on a TAMC appraisal of the fair market value of property near the railroad right-of-way (8¢-10¢ per foot), it would be in the best public interest for the Agency to lease the Campos property on an interim basis. This could equate to \$2,500 per month, or \$30,000 per year. Pete Ericksen of BT Commercial would be the agent, and it has been made clear to him that a Coastal Development Permit would be required from a tenant. An Agency report is required, noticed twice for public comment prior to leasing.

PETE ERICKSEN (Realtor): This property is in a salt-spray area and it will be difficult to get a "high end" tenant. He agrees that the property will be kept

clean and may be a good use for a landscaper. He requests the weeds be removed from the property and to see if there is a water spicket on site so a client could have a mobile office.

Motion to approve Resolution, by title only, was made by Agency member Carbone, seconded by Agency member Hubler. AYES: Agency members Carbone, Hubler, Kruper, Pendergrass. NOES: None. ABSENT: Agency member Blackwelder. ABSTAINED: Motion carried.

[Due to residing within 500' of the project site, Councilmembers Blackwelder, Hubler and Kruper have a conflict of interest and had to draw straws to retain a quorum. As a result of that drawing and due to the absence of Councilmember Blackwelder, only Councilmember Hubler abstained and left the dais.]

- B. City Administrator Morgan led the discussion relating to an offer to purchase Sand City property on upper John Street (APN 011-177-009) and request to abandon the John Street right-of-way (ROW). Since 1997 the City has been trying to negotiate a deal with Mr. Roy Woods on this property. Recently Mr. Woods announced there will not be a sale of his property/Dr. Kay property to the City. He has prospective buyers for his property holdings in Sand City and they too, do not want to sell the Dr. Kay site. Mr. Woods made a purchase offer of \$100,000 for the upper John Street property owned by the City, and provided a \$50,000 deposit check for escrow. City Attorney Heisinger said the City has to declare this as excess property for sale and make the first offer to the County to buy for low income housing. There is no water available on this site. Mr. Heisinger gave a history of this property which was originally grant deeded by the City of Seaside in 1968. There is a deed restriction for any property improvements which must be approved by Seaside. There is an approximately 3100' wedge of this property that is outside of the easements and not encumbered by the deed restrictions. All this information was supplied to Mr. Woods years ago in the title report which mentions Seaside's involvement due to utility easements. It remains to be seen if Mr. Woods will accept a condition of sale to build a parking area on upper John Street.

Motion to direct staff to work on conditions of sale for escrow on the property was made by Councilmember Carbone, seconded by Councilmember Kruper. AYES: Councilmembers Carbone, Kruper, Pendergrass. NOES: None. ABSENT: Councilmember Blackwelder. ABSTAIN: Councilmember Hubler. Motion carried.

[Councilmember Hubler returned to the dais.]

- C. Upcoming events and/or meetings was discussed and included the Coastal Commission reception in Monterey tomorrow evening at Adventures by the Sea.

AGENDA ITEM 11, CLOSED SESSION:

- A. 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 (3 cases) -
- (1) CalAm Water v. Seaside, Sand City et al (Monterey County Superior Court Case No. M66343)
 - (2) Security National Guaranty, Inc. (Case No. 03-55847-NM)
 - (3) Coos County v. Department of the Interior (U.S.D.C. Case No. 02 CV 6128 HO)
- B. Redevelopment Agency adjourned to Closed Session to confer with real property negotiator, pursuant to §54956.8 of the Ralph M. Brown Act:
- (1) George Wilson properties at the ends of Shasta and Elder Avenues (APN 011-236-011, 012, 013, 020, 022, & 025)
 - (2) Redevelopment Agency - King Ventures agreement on McDonald coastal property (APN 011-012-011 & 002)
- C. 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.

A (1): CalAm Water v. Seaside, Sand City et al (Monterey County Superior Court Case No. M66343) - information only, no action taken.

A (2): Security National Guaranty, Inc. (Case No. 03-55847-NM) - update only, no action taken.

A (3): Coos County v. Department of the Interior (U.S.D.C. Case No. 02 CV 6128 HO) - Amicus brief must be filed by April 7th. Council consensus to retain the services of Tom Roth and prepare a contract resolution to be considered at the next Council meeting.

B (1): Wilson Property - information only, no action taken.

B (2): McDonald Coastal Property/King Ventures - information only, no action taken.

AGENDA ITEM 12, ADJOURNMENT:

- A. Motion to adjourn was made by Councilmember Kruper, seconded by Councilmember Hubler, to the next regularly scheduled City Council meeting on April 6, 2004, 7:00 p.m. There was unanimous consensus of the Council to adjourn at 9:43 p.m.



Debra Taylor, City Clerk