

**MINUTES**  
**JOINT SAND CITY COUNCIL AND REDEVELOPMENT AGENCY**  
**City Council Chambers**  
**Regular Meeting - April 20, 2004**  
**7:00 PM**

---

Mayor Pendergrass opened the meeting at 7:00 p.m.

There was no invocation.

Police Chief Klein led the Pledge of Allegiance.

Present: Councilmember Jerry Blackwelder  
Vice-Mayor Mary Ann Carbone  
Councilmember Todd Kruper  
Mayor David Pendergrass

Absent: Councilmember Craig Hubler

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. Additional written communications distributed to the City Council this evening included a letter from Ross Roofing on the South of Tioga project (8-A); revised Real Property Purchase and Sale Agreement for John Street property (9-B); CSUMB open house and Big Sur Arts Initiative community update (9-C).
- B. The floor was opened at 7:03 p.m., but there were no oral communications from the public. Mayor Pendergrass commended the Arts Committee for the photographic exhibit by Kurt Jensen and reception held last Friday. The exhibit will be open to the public until mid-May.

**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 April 6<sup>th</sup> Minutes.
- B. There was no discussion of the City **RESOLUTION Declaring May 2004 as Clean Air Month in Sand City.**
- C. There was no discussion of the monthly Police Department Activity Report, March.
- D. There was no discussion of the City **RESOLUTION Authorizing and Designating the Monterey Regional Waste Management District to File a Grant Application and to Receive and Expend Department of Conservation City/county Payment Program (SB 332) Funds on Behalf of the City of Sand City.**

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

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

No items.

**AGENDA ITEM 7, PUBLIC HEARING(S):**

*[Due to residing within 500' of the project area, Councilmembers Hubler, Kruper and Blackwelder have a possible conflict of interest. A straw draw was held 6/18/02 with Kruper and Blackwelder abstaining. Due to the absence of Councilmember Hubler, another straw draw was held this evening to maintain quorum. As a result of that drawing, Councilmember Blackwelder abstained and left the dais.]*

- A. Associate Planner Pooler presented the Conditional Use Permit #419 amendment by Kim Keefer of Carmel Stone Imports to allow the establishment of a fenced storage yard at the rear of their leased building located at 1725-C Contra Costa Street (portion of APN 011-177-024), and corresponding **City RESOLUTION**. The subject property is within a non-coastal Planned Mixed-Use (MU-P) zoning district and the project qualifies as a categorical exemption under State CEQA Guidelines, Section 15301. The fence will run 10' along the property's Ortiz Avenue frontage and extend back another 10' to the corner of the adjacent building (L-shaped). A second fence will close off the storage area between the two buildings to enclose a total of 640 sq ft. Fencing materials/design to be approved by City staff.

7:06 P.M. Floor Open for Public Comment

ROBBIE ROBINSON (Applicant/Business Owner): They need a staging area to unbundle and briefly store heavy slabs of marble. It would be unsightly without a fence which also serves as security. He agrees to the conditions of the permit.

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

Councilmember Carbone confirmed the fencing will be along Ortiz, and will not interfere with deliveries he receives on Redwood Avenue.

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

*[Councilmember Blackwelder returned to the dais.]*

- B. Associate Planner Pooler presented the Coastal Development Permit by Phillip Nicholson of NPM Inc., to construct a fenced storage yard within the railroad right-of-way behind the applicant's business located at 1637-B Del Monte Blvd, Seaside. The project is located within a non-appealable Coastal Manufacturing (CZ-M) zoning district, and the project qualifies as a categorical exemption under State CEQA Guidelines, Section 15301. The applicant will store equipment, materials, and two company vehicles. The request is for a 50' encroachment into the railroad for a width of 33' enclosing roughly 1,650 sq ft. Staff is recommending the fence design to be consistent with the Cardinale fence, as further modified. The permit will be for a 2-year term with possible extensions.

7:12 P.M. Floor Open for Public Comment

PHILLIP NICHOLSON (Applicant): He needs access at the rear, and he will only use this area for personal vehicle storage/parking. City Administrator Morgan pointed out that Mr. Wilson already has a lease with TAMC at the adjoining property (at the rear) which may be fenced off in the future barring access to this applicant's storage area. Therefore the access will have to be from the south side of this leased area

DAVID DELFINO (TAMC): He has not worked out the access issue/lease with this applicant. The applicant asked for a continuance.

7:20 P.M. Floor Closed to Public Comment

City Council consensus to continue this item to the May 4<sup>th</sup> meeting.

- C. Associate Planner Pooler presented the Coastal Development Permit #03-03 amendment by Cardinale Automotive Group to expand their fenced storage yard into the railroad right-of-way behind the applicant's business located at 1667 Del Monte Blvd, Seaside. The project is located within a non-appealable Coastal Manufacturing (CZ-M) zoning district, and the project qualifies as a categorical exemption under State CEQA Guidelines, Section 15301. The original permit was approved August 2003 and amended in February 2004. The applicant is requesting another amendment of their permit to expand the length of their storage area within the right-of-way from 300' to 500'. The encroachment cannot exceed 50' in depth. The proposed amendments to the permit were itemized.

7:25 P.M. Floor Open for Public Comment

JOSEPH CARDINALE (Applicant): He has not yet signed a lease with TAMC, and is working things out with other property owners.

DAVID DELFINO (TAMC): He was told that Mr. Cardinale had already worked out an agreement with the other property owner.

DAVE NEWTON (Adjacent Seaside business owner): It seems there has been a misunderstanding and he feels he can work it out between TAMC and Mr. Cardinale.

TIM RASIC (Cardinale): He wants to do a land swop with the Newton business. It is a time sensitive issue because they are about to break ground on the remodel of the dealership. Newton is a good neighbor and he does not want to upset them, so Cardinale will work with the Newton business and TAMC to solve any issues.

DOUG NEWTON (Adjacent Seaside business owner): He came to the City eight months ago to arrange this type of storage behind his business, and was not able to get a lease at that time. They would like a fair shot at this storage area behind their business and hopes to work it out with Cardinale. He requested a postponement until things are negotiated.

7:31 P.M. Floor Closed to Public Comment

City Attorney Heisinger pointed out that several applicants have come in for a permit before they have a lease or possessory interest signed by TAMC. TAMC needs to make these decisions before an application comes before the City Council.

City Council consensus to continue this item to the May 4<sup>th</sup> meeting.

- D. Associate Planner Pooler presented the Conditional Use Permit application by Pacific Grove Millworks & Glass Inc. to utilize a 6,000 sq ft building located at 673 Ortiz Avenue (APN 011-197-014) to establish a manufacturing shop with showroom and office, and corresponding **City RESOLUTION**. The project qualifies as a categorical exemption under State CEQA Guidelines, Section 15301. A dust collector will be used on site, and there will be one company vehicle stored within the building. Hours of operation will be 8:00-5:00 Monday through Friday, and any Saturday work will be 10:00-5:00. The property's 50' width can provide five parking spaces within the 20' setback facing Ortiz Avenue. Parallel parking against the building on Redwood Avenue can provide two more spaces. The shed will be removed for parking and to make the frontage more attractive. All shipments and deliveries will enter and exit the building from Redwood Avenue. The Owner Participation Agreement (OPA) was discussed and modified.

7:39 P.M. Floor Open for Public Comment

ALAN DAOUD (Property Owner): Had some questions answered on the OPA. The reference to pothole repair was removed (condition #21), but paying for half-street improvements remains. The costs will be prorated to all property owners along the street when the entire street is paved. Mayor Pendergrass said that the City must stay consistent with all property owners regarding OPA's.

VERNE GRETSKY (Applicant): The parking requirements mean the shed has to be removed which he wanted to use as a showroom. He confirmed that an internal parking space will be provided on the layout of his plans (condition #6).

MR. DAOUD: Agrees to the modified permit, as discussed, and will donate the shed building to the City if needed.

7:46 P.M. Floor Closed to Public Comment

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

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

- A. Progress report on Public Works projects, City water project, South of Tioga redevelopment project, and other Sand City community programs by City Engineer/Community Development Director/City Administrator. Mayor Pendergrass reported that staff met with DBO today regarding the status of the South of Tioga project. A letter from Ross Roofing on the South of Tioga

project was distributed this evening. There was City Council consensus to modify the original draft letter to DBO and Home Depot to be faxed and mailed by tomorrow.

City Engineer Kulakow gave an update on the civic center work he met with the contractor and subcontractor and they will finish the plaza wall as designed. He has some concerns about the condition of some of the newer streets, and would like to add crack seal and slurry by next fiscal year before the street conditions worsen. In response to a request by Mayor Pendergrass, Mr. Kulakow will meet with the Park/California Avenue street contractor to work out some problems that have occurred on the finished streets. Community Development Director Matarazzo reported the draft Environmental Impact Report (EIR) for the desal plant will be publically distributed within two weeks. There is a 45-day response period, a response to comments received (final EIR). Mr. Matarazzo reported on a recent desalination conference he attended in Santa Barbara with the City Attorney.

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

- A. City Attorney Heisinger presented the City **RESOLUTION Authorizing Engagement Letter for Legal and Biological Services by Law Offices of Thomas D. Roth Related to the Snowy Plover De-listing Process**. There is a meeting scheduled on May 4<sup>th</sup> for the de-listing proponents (for example, Morro Bay) to discuss legal efforts, costs, etc. The costs for this work will be Sand City's contribution. City Administrator Morgan said there is a \$50,000 annual budget for outside legal expenses, and to date only \$6,700 has been spent. Staff will do a mid-year adjustment to \$20,000 which should cover this new contract. There is an estimated \$10,000 investment in the overall costs to Sand City.

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

*[Due to a possible conflict of interest by residing within 500' of the project area and based on a straw draw from 8/21/01, Councilmember Blackwelder and Hubler must abstain. Councilmember Blackwelder abstained and left the dais, Councilmember Hubler was absent.]*

- B. City Attorney Heisinger presented the City **RESOLUTION Approving a Real Property Purchase and Sale Agreement (for John Street Lots, APN 011-177-009)**. An updated Purchase and Sale Agreement was distributed this evening. Mr. Heisinger gave a history of the property, appraisals and prior proposals with Roy Woods over the last several years. A first right of refusal to purchase this property for low to moderate income

housing must be made available to the County and certain local agencies. The order of events to finalize this document will be to have Mr. and Mrs. Woods sign the Purchase and Sale Agreement, notify the local agencies/county, and vacate the street prior to closing escrow. Councilmember Kruper's biggest concern about vacating lower John Street is access for emergency vehicles. Mr. Heisinger assured Mr. Kruper that access, public safety, and maintenance will be addressed.

Motion to approve Resolution, by title only, including amendments to the agreement, was made by Councilmember Carbone, seconded by Councilmember Kruper. AYES: Councilmembers Carbone, Kruper, Pendergrass. NOES: None. ABSENT: Councilmember Hubler. ABSTAIN: Councilmember Blackwelder. Motion carried.

*[Councilmember Blackwelder returned to the dais.]*

- C. Upcoming events/meetings - handouts were give to Council this evening. Mayor Pendergrass announced that the annual BBQ for the City's birthday will be on May 15<sup>th</sup>, 12:00-2:00.

**AGENDA ITEM 10, 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 (4 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)
  - (4) City of Cerritos, et al v. State Board of Equalization et al (Case No. RG04144275)
- 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) Terry Ream properties between Ortiz and Elder Avenues (APN 011-232-021, 022, 027)
  - (3) Sand City properties at upper John Street (APN 011-177-009) and request to abandon John Street right-of-way
- 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)* - Re-authorized the City Attorney to sign the stipulated judgment.

A (2): *Security National Guaranty, Inc. (Case No. 03-55847-NM)* - not discussed.

A (3): *Coos County v. Department of the Interior (U.S.D.C. Case No. 02 CV 6128 HO)* - not discussed.

A (4): *City of Cerritos Lawsuit (plover)* - not discussed.

B (1): *Wilson Property* - not discussed.

B (2): *Ream Properties* - not discussed.

B (3): *John Street Properties* - Discussed under item 9-B.

#### **AGENDA ITEM 11, ADJOURNMENT:**

- A. Motion to adjourn was made by Councilmember Blackwelder, seconded by Councilmember Kruper, to the next regularly scheduled City Council meeting on May 4, 2004, 7:00 p.m. There was unanimous consensus of the Council to adjourn at 8:54 p.m.



---

Debra Taylor, City Clerk