

MINUTES
JOINT SAND CITY COUNCIL AND REDEVELOPMENT AGENCY
City Council Chambers
Regular Meeting - June 1, 2004
7:00 PM

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

There was no invocation.

Police Chief Klein led the Pledge of Allegiance.

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

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

AGENDA ITEM 4, COMMUNICATIONS:

- A. There were no additional written communications distributed to the City Council this evening.
- B. The floor was opened at 7:03 p.m., but there were no oral communications from the public.

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. 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 May 18th Minutes.
- C. There was no discussion of the Monthly Fort Ord Reuse Authority (FORA) Report, May.
- D. There was no discussion of the City **RESOLUTION Authorizing Extension of an Agreement for Police Backup Services Between the City of Seaside and the City of Sand City.**
- E. There was no discussion of the Monthly City/Redevelopment Agency Financial Report, April.
- F. There was no discussion of the City **RESOLUTION Authorizing Renewal of a Service Agreement with Pacific Municipal Consultants for Planning Services.**
- G. There was no discussion of the City **RESOLUTION Authorizing Renewal of the Street Sweeping Agreement With the City of Monterey And Rescinding Former Sand City Resolution SC 04-41.** The previous resolution was rescinded due to a reduction in rates for this service, compared to the previous years.
- H. There was no discussion of the City **RESOLUTION Authorizing Third Extension of a Service Agreement for Civic Center Planning and Preliminary Design Studies with David Martin, AIA.** A new fiscal year contract is for an amount not to exceed \$15,000.

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

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

No items.

AGENDA 7, PUBLIC HEARING(S):

- A. Community Development Matarazzo presented the Coastal Development Permit application 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, and related **City RESOLUTION**. *[continued from April 20th meeting]* The applicant has a signed lease with the property owner (TAMC). There was some discussion of the fence design, in part because the future Robinette site will look down on this property which generated an amendment to Condition #9. Staff would prefer one master plan for the railroad right-of-way to include landscaping. City Administrator Morgan recommended a Sand City business license be obtained by the applicant, and a condition of approval was added to that effect.

7:09 P.M. Floor Open to Public Hearing

DAVE DELFINO (TAMC representative): They do have a signed lease with the applicant. [The applicant was not present this evening.]

7:10 P.M. Floor Closed to Public Hearing

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

- B. Community Development Director Matarazzo 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 167 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. *[continued from April 20th meeting]*. Mr. Cardinale still does not have a lease with TAMC and a representative called today asking for a continuance.

7:12 P.M. Floor Open to Public Hearing

No comments.

7:13 P.M. Floor Closed to Public Hearing

Motion to continue this item to the June 15th meeting was made by Councilmember Carbone, seconded by Councilmember Blackwelder. AYES: All members. NOES: None. ABSENT: None. ABSTAIN: None. Motion carried.

- C. Community Development Director Matarazzo presented the Coastal Development Permit application by the City of Seaside Public Works Department to establish new landscaping, replace irrigation, install a pathway, and construct four decorative walls within a 25' encroachment of the railroad right-of-way in Sand City, extending from the Fremont Blvd and Monterey Road intersection at the Highway One on/off ramps to the Sea Lamp Inn at 2201 Del Monte. The project is within a Coastal Manufacturing (CZ-M) zoning district and qualifies as a categorical exemption under State CEQA Guidelines, Section 15303, and related **City RESOLUTION**. After some discussion, a minor correction was made to Condition #12 - View Preservation. In summary, Mr. Matarazzo stated the project would benefit the "gateway" to both cities.

7:20 P.M. Floor Open to Public Hearing

TIM O'HOLLORAN (Engineer, City of Seaside): In response to a question by Council, he confirmed that there will be a granite veneer on the 3'-high wall which is decorative rather than purely retaining purposes.

7:23 P.M. Floor Closed to Public Hearing

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

- B. **SECOND READING: Ordinance of the Sand City Council Amending Various Sections of the Sand City Local Coastal Program (LCP) Implementation Plan and Related Sections of the Zoning Ordinance (Title 18 of the Municipal Code) Per Coastal Commission LCP Amendment 1-03** was presented by Community Development Director Matarazzo. In March, the Coastal Commission approved the Sand City General Plan and related zoning ordinances as they relate to the coastal zone. The City has six months to act upon suggested modifications in order to receive Coastal Commission certification (final approval). Commission staff has offered to compile the amendments and revise the LCP, accordingly. The first public hearing was held at the April 6th City Council meeting and a 42-day notice must be circulated prior to final approval of the Local Coastal

Plan Amendments. All local business owners were notified of the proposed land use and zoning changes, and met with staff in mid-April.

7:26 P.M. Floor Open to Public Hearing

No comments.

7:27 P.M. Floor Closed to Public Hearing

Motion to approve second reading of the Ordinance, by title only, was made by Councilmember Carbone, seconded by Councilmember Hubler. Roll call vote - AYES: Councilmembers Blackwelder, Carbone, Hubler, Kruper, Pendergrass. NOES: None. ABSENT: None. ABSTAIN: None. Motion carried.

AGENDA ITEM 8, OLD BUSINESS:

- A. Progress Report on South of Tioga redevelopment project status, generally located between Tioga and East Avenues, and between California Avenue and Merle Street was given by proposed developer, Don Orosco. He still has had no word from Home Depot, so he is personally moving on with the alternative project and presented some design concepts to the City Council. DBO has hired San Francisco based company, BAR Architects, who worked on the award winning "Santana Row" mixed use project in San Jose. Mr. Orosco distributed samples of their work and some preliminary designs for the South of Tioga project area. He is encouraged to have a more pedestrian approach to retail shopping which works well with the mixed use concept advocated by the City. There was some discussion of the proposed housing (apartments and homes), views (including the future East Dunes project), water, parking, and project phases. In response to a question by Councilmember Kruper, Mr. Orosco said 20% affordable housing will be proposed for the apartment stage of the plan. Signage will be an important issue and may require a creative tower element. The Monterey Fish Company had some title issues so the sale has not been completed (providing 12.08 acre feet of water), and they have a current tenant in arrears with the rent; he will meet with Mediterraneo on Wednesday regarding relocation; he is working with the City of Marina and CSUMB on land to building ratios for Ross Roofing relocation which should take 30 days to resolve; the Afton and Tioga Avenue residents should be accommodated soon.
- B. City Administrator Morgan gave a progress report on the de-listing of the snowy plover. According to attorney Tom Roth, the Coos Bay legal firm missed the filing date for the lawsuit appeal in Oregon. U.S. Fish & Wildlife did not grant an extension for additional comments on the de-listing process;

however, it was indicated that further scientific information would be accepted.

- C. City Engineer Kulakow gave an update on the civic center improvement project. Mr. Kulakow distributed the contractor's schedule for completing the work. It is estimated the entire job will be completed by mid/end July or early August. Penalties may be imposed if the schedule lags behind. The "micro top" coating seems to be working on the decorative wall. The location for the City logo is 8" off center on the California Avenue wall and should be correct by the contractor. They are working with Granite Rock to get the correct concrete. Councilmember Kruper asked how long the micro top would last, and if there was a warranty. Mr. Kulakow said he will work out an arrangement for that issue.
- D. Progress report on Public Works projects, City water project, and other Sand City community programs by City Engineer/Community Development Director/City Administrator. Community Development Director Matarazzo expects the release date for the desal draft EIR to occur in mid-June. The Department of Health Services indicated the City will need a permit for a desal facility and they are requesting a drainage study. Mayor Pendergrass announced that CalAm Water will be updating the Sand City Council on the Moss Landing desal proposal at our July 6th meeting. City Attorney Heisinger said he is working with Creegan + D'Angelo on the desal project and will be working on a business plan to determine if CalAm wants to build, design and operate the Sand City desal facility.

AGENDA ITEM 9, NEW BUSINESS:

- A. City Administrator Morgan led the discussion of a possible sales tax ballot measure and other fund-raising proposals. Sand City is in the same financial condition as other cities, and must either decrease expenditures or increase revenues to not incur a deficit. A number of agencies are proposing a tax measure on the November ballot. City Attorney Heisinger reminded Council that Proposition 218 states it is either a general tax or special tax (for libraries, schools, etc.) and must go to the voters for approval. Councilmember Kruper asked if the State can take these new taxes? Mr. Heisinger gave a qualified "no," as this tax would be imposed under a different statute. Mr. Morgan gave examples from the City of Santa Cruz's fiscal emergency ballot measure for increased sales tax - which was passed by the voters. The City Councilmembers gave independent opinions on this issue. Councilmember Blackwelder asked if these new taxes would effect the tax sharing with the City of Seaside? Mr. Heisinger said he would research this issue.
- B. City Administrator Morgan presented the City **RESOLUTION Approving Second Amended and Restated Joint Powers Agreement Relating to the Monterey Bay Area Self-Insurance Authority and Endorsing the**

Updated Bylaws. The organization is changing the name from Monterey Bay Area Insurance Fund and adopting new bylaws.

Motion to approve Resolution, by title only, was made by Councilmember Kruper, seconded by Councilmember Blackwelder. AYES: All members. NOES: None. ABSENT: None. ABSTAIN: None. Motion carried.

- C. Upcoming Events/Meetings included attendance to the September League of California Cities conference in Long Beach and the annual Monterey Peninsula Chamber business awards.

AGENDA ITEM 10, CLOSED SESSION:

- A. City Council to adjourn 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) Cal-Am Water v. Seaside, Sand City et al
 - (2) Security National Guaranty, Inc. (Case No. 03-55847-NM)
 - (3) Coos County v. Department of the Interior (U.S.D.C. Case No. CV 6128 HO)
 - (4) City of Cerritos, et al v. State Board of Equalization et al (Case No. RG04144275)

- B. 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) - update only, no action taken.


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

A (3): Coos County v. Department of the Interior (U.S.D.C. Case No. 02 CV 6128 HO) - information only, no action taken.

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

AGENDA ITEM 11, ADJOURNMENT:

- A. Motion to adjourn was made by Councilmember Blackwelder, seconded by Councilmember Hubler, to the next regularly scheduled City Council meeting on June 15, 2004, 7:00 p.m. There was unanimous consensus of the Council to adjourn at 9:21 p.m.



Debra Taylor, City Clerk