

**MINUTES**  
**JOINT SAND CITY COUNCIL AND REDEVELOPMENT AGENCY**  
**City Council Chambers**  
**Regular Meeting - December 2, 2003**  
**7:00 PM**

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

Reverend David Kast led the invocation.

Police Chief Klein led the Pledge of Allegiance.

Present: Councilmember Jerry Blackwelder  
Vice-Mayor Mary Ann Kline  
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  
Charles Pooler, Associate Planner

**AGENDA ITEM 4, COMMUNICATIONS:**

- A. The additional written communications distributed to the City Council this evening included a revised resolution on the Tioga Coastal Development Permit (8-D), and an item for Closed Session (10-A-2).
- B. The floor was opened at 7:05 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 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 permit conditions.

- (1) CUP #186, Gene's Import Auto Body (Auto Body), 581-A Shasta Avenue
  - (2) CUP #236, Gene's Import Auto Body (Auto Body), 534 Shasta Avenue
  - (3) CUP #286, Gene's Import Auto Body (Roof Sign), 531-A Shasta Avenue
  - (4) CUP #374, Worley Iron Works (Metal Art Fabrication), 337 Olympia Avenue
  - (5) CUP #394, D'Motorsports (Auto/Machine Manufacturing), 477 Redwood Avenue
  - (6) CUP #422, Richard Garza (Plumbing/Heating Contractor), 351 Orange
  - (7) CUP #423, Pat Pagnella dba Universal Heated Hoses (Light Manufacturing), 353 Orange Avenue
  - (8) CUP #424, Jeff Cecilio (Office/Storage), 373-A Dias Avenue
  - (9) CUP #425, Gerard Mattimoe dba Glastonbury Inc. (audio/video production equipment rental), 495-A Elder Avenue
  - (10) CDP#01-05, Vito Gustianni (Storage Yard), 698 Ortiz Avenue was considered under agenda item 8-A.
- B. There was no discussion of the November 18, 2003 Minutes.
- C. There was no discussion of the monthly Fort Ord Reuse Authority (FORA) Report, November.
- D. There was no discussion of the monthly City/Redevelopment Agency Financial Report, October.
- E. There was no discussion of the City **RESOLUTION Authorizing Second Extension of a Service Agreement for Civic Center Planning and Preliminary Design Studies with David Martin, AIA.**
- F. There was no discussion of the City and Redevelopment Agency Quarterly Treasury Report, September.

Motion to approve Consent Calendar, except item 5-A-10, was made by Councilmember Kline, seconded by Councilmember Kruper. AYES: All Councilmembers. NOES: None. ABSENT: None. ABSTAINED: None. Motion carried.

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

No items.

**AGENDA ITEM 7, PRESENTATION(S):**

- A. Mayor Pendergrass presented the City Resolution to Sand City Police Officer Mary Hostetler, upon her return from serving her country in Iraq. The City also gifted her a framed photograph by Tim McFaddan, a Christmas gift from Mr. and Mrs. Pendergrass, and a memento book by Debra Taylor. Ms. Hostetler returned the City flag which flew over one of the Presidential palaces in Iraq and travelled with her throughout her tour of duty, and a framed set of photographs depicting locals wearing City gifts and sites where the flag was flown. Mary Hostetler received a standing ovation from the City Council, staff, and public.
- B. Presentation by John McMahon (President/CEO), Monterey County Convention & Visitors Bureau (MCCVB) with overview of their first quarter report. MCCVB has received great support from Sand City without much prompting. In the past, Sand City has contributed \$3,000 towards promoting tourism, which equates to more jobs, tax dollars, and Transient Occupancy Taxes (TOT). Mr. McMahon gave statistics on expenditures, TOT, and market share of occupancy. He hopes for continued support from the City.

**AGENDA ITEM 8, PUBLIC HEARING(S):**

- A. Associate Planner Pooler presented the Coastal Development Permit renewal/amendment application by Vito Giustiniani for the storage yard within the railroad right-of-way behind his building at 698 Ortiz Avenue (ANP 011-233-010). This permit amendment qualifies as a categorical exemption under state CEQA Guidelines, Section 15301, and is within a non-appealable Coastal Manufacturing (CZ-M) district; and corresponding City **RESOLUTION Approving an Amendment and Extension of Coastal Development Permit 01-05 for Vito Giustiniani to Allow the Storage Yard a 50-Foot Encroachment of the Railroad Right-of-Way for an Extended Two Year Period**. Mr. Giustiniani's CDP was issued in December of 2001 and is up for renewal. The Transportation Agency for Monterey County (TAMC) has acquired ownership of the railroad right-of-way since that time. TAMC staff has been coordinating with Sand City staff regarding short- and long-term planning of this rail line and are willing to allow storage yards on

an ongoing, temporary basis. The current use of Mr. Giustiniani's yard has not had any detrimental impacts to the neighborhood. The expanded encroachment to 50-feet beyond the allowed 15-feet has not created a nuisance.

7:29 P.M. Floor Open to Public Comment

Mr. Giustiniani could not be here this evening and provided a letter for the record accepting all conditions as listed. There were no comments from the public.

7:30 P.M. Floor Closed to Public Comment

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

*[Due to a possible conflict of interest by residing within 500' of the project area, Councilmember Blackwelder abstained, due to a possible conflict of interest Councilmember Hubler abstained, and both members left the dais.]*

- B. Associate Planner Pooler presented Conditional Use Permit amendment application by Steve Avila at 549 Elder Avenue (APN 011-232-026) to allow the division of an existing residential unit into two dwelling units within a mixed use building. The project qualifies as a categorical exemption under State CEQA Guidelines, Section 15303 and is within a non-coastal Planned Mixed-Use (MU-P) zoning district; and corresponding City **RESOLUTION Approving Conditional Use Permit 441 to Amend and Replace Conditional Use Permit 280 Allowing for the Division of One Existing Residential Dwelling into Two Dwellings at 549 Elder Avenue in Sand City**. The owner proposes to convert the existing dwelling into a 3-room 970 sq ft apartment, and a 670 sq ft studio unit. The single lower level commercial unit will remain for his contractor business, and is a continuation of use from the previous commercial occupant, Baptista Construction. The existing residential garage on the lower level can provide four regulation sized parking stalls in tandem arrangement. The roll-up door is 14' wide and is not sufficient for this parking configuration; and use of the commercial unit will also have to be restricted to storage and accessory office in order for the site to have ample commercial parking. Staff recommends that all parking be arranged as two parking spaces, side by side, and widen the garage opening to a minimum of 20'. Parking spaces outside the roll-up door be designated as residential parking in tandem formation. The two remaining outside spaces fronting the commercial unit and stairwell should be designated for use by the commercial tenant only (Condition #5). Use of the commercial unit will also have to be restricted to storage and accessory office in order for the site to have ample commercial parking. Low-flow devices

and removal of the utility sink and dishwasher will provide the additional water credits necessary to provide for the second dwelling.

7:34 P.M. Floor Open to Public Comment

STEVE AVILA (Applicant): He feels it is unnecessary to widen the 14' garage doorway due to structural concerns and added project expense. Other than that, he agrees to all conditions of the permit.

Community Development Director Matarazzo said that this will no longer be a single-family residence, therefore he would like a deed restriction added to the CUP to maintain parking in the garage, not storage. After discussion it was determined the garage doorway could be widened to 18', not 20'.

7:39 P.M. Floor Closed to Public Comment

Motion to approve Resolution, by title only, and amended Conditional Use Permit, was made by Councilmember Kline, seconded by Councilmember Kruper. AYES: Councilmembers Kline, Kruper, Pendergrass. NOES: None. ABSENT: None. ABSTAIN: Councilmembers Blackwelder, Hubler. Motion carried.

*[Councilmember Hubler returned to the dais.]*

*[Due to a possible conflict of interest by residing within 500' of the project area, Councilmember Blackwelder continued to abstain.]*

- C. Conditional Use Permit and Site Plan application by Steve Mickel on behalf of Mr. Daoud, at 1676 Contra Costa (APN 011-236-018) to allow the division of an existing warehouse building into several smaller commercial units was presented by Community Development Director Matarazzo. The project qualifies as a categorical exemption under State CEQA Guidelines, Section 15303 and is within a non-coastal Planned Mixed-Use (MU-P) zoning district; and corresponding City **RESOLUTION Approving Conditional Use Permit 442, and Site Plan Permit 03-02 Allowing the Remodeling and Change of Use for the Warehouse Building Located at 1676 Contra Costa Street.** Staff encourages this type of use as it replaces a moving company (and related problems). Staff presented the draft parking plan to Mr. Mickel to see what could be accomplished. Staff wants to ensure new businesses and uses are compatible with future plans of the West End area. Metal awnings will be added to the facade. There was some discussion of outside storage and staff determined that those decisions would be made by the City Council on a case-by-case basis on this project site. City Engineer Kulakow stated the streets also need to be improved by the property owner (half-street improvements).

7:47 P.M. Floor Open to Public Comment

MR. DAOUD (Applicant): He has three potential uses for this building, one of which is a wine distributor who only has a truck come once a week on average. Roll-up door use would be for occupant deliveries, not as a storefront. Mr. Matarazzo said there could be a cost-sharing agreement between Mr. Daoud and the Redevelopment Agency for street improvements due to the limited nature of development proposed. Councilmember Kruper has concerns about the Contra Costa Street roll-up door, new parking and pedestrian access in the future.

7:56 P.M. Floor Closed to Public Comment

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

*[Councilmember Blackwelder returned to the dais.]*

- D. Consideration of time extension of Coastal Development Permit 01-04 for the King Ventures coastal inn project, located on a 1.15 fenced vacant parcel along Tioga Avenue and Highway One (ANP 011-011-020) was presented by Community Development Director Matarazzo. Due to a letter received from King Ventures after the agenda packet was copied and distributed, a revised resolution was distributed because King Ventures has transferred their interest in this site back to the Calabrese Trust; and City **RESOLUTION Approving an Extension of Coastal Development Permit 01-04 for the Calabrese Trust Coastal Inn Project on a 1.14 acre Parcel Located at the Northeast Intersection of the Tioga Avenue Overpass and Highway One Freeway Corridor (APN 011-011-020)**. King Ventures purchased 20 acre feet from the Monterey Fish Company and established an on-site well. Condition #27 will change regarding water credit issues.

8:08 P.M. Floor Open to Public Comment

MIKE ALBOV (Calabrese Trust Co-Trustee): They support the extension and amendment being proposed.

8:10 P.M. Floor Closed to Public Comment

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

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

*[Due to a possible conflict of interest by residing within 500' of the project area, Agency member Blackwelder abstained and left the dais.]*

- A. Agency Attorney Heisinger presented the Redevelopment Agency **RESOLUTION Authorizing the Agency to Enter into a Second Extension of the Exclusive Negotiating Agreement with Design Center LLC for Redevelopment of the Area Known as the Robinette Site**. The ENA expires on December 16<sup>th</sup> and due to cancellation of the next meeting, this item had to be considered this evening. Discussions have been held about utilizing part of the site for parking, and the architects are currently working on this issue. A minor change was made to the first resolve of the resolution.

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

*[Agency member Blackwelder returned to the dais.]*

- B. Progress report on Public Works projects, City water project, South of Tioga project, other redevelopment projects, and other Sand City community programs by City Engineer/Community Development Director/City Administrator. City Engineer Kulakow reported there will be pre-construction meetings with the landscaping contract (Earthworks Paving) for the civic center improvements. It may be possible to start the project prior to years end. The City Engineer and Police Chief have determined the striping needs within the City which is estimated at \$4,830. The thermal plastic will be used on this job when there is dry weather.

Community Development Director Matarazzo said that some of the Proposition 40 park grant funds (\$220,000) may help offset costs for the civic center plaza/landscaping improvements. Staff is awaiting an opinion from the office of Parks & Recreation. Mayor Pendergrass asked about the status of the Shurgard/Slutterback water credit issue. City Attorney Heisinger said that Shurgard is in violation of their use permit and he is working with Associate Planner Pooler in drafting a stern letter requesting the necessary information to proceed on this matter.

## **AGENDA ITEM 10, NEW BUSINESS:**

- A. Notice of upcoming meetings/events included a reminder of the December 5<sup>th</sup> tree lighting ceremony (with Santa and Mrs. Claus), and the December

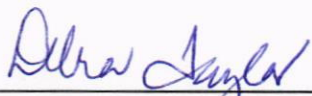
12<sup>th</sup> awards banquet honoring 25 years of public service by Mayor Pendergrass.

**AGENDA ITEM 11, 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 (2 cases) -
  - 1) *CalAm Water v. Seaside, Sand City et al*
  - 2) *Security National Guaranty, Inc. (Case No. 03-55847-NM)*
  
- B. City Council/Redevelopment Agency adjourned to Closed Session to confer with real property negotiator(s) pursuant to §54956.8 of the Ralph M. Brown Act to consider acquisition of Monterey County parcel in Sand City on Tioga Avenue (APN 011-122-005).
  
- 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: Report only, no action taken.
  - A-2: Report only, no action taken.
  - B: City Council/Redevelopment Agency gave authorization to staff to enter into negotiations with Monterey County on acquiring the Tioga Avenue property.

**AGENDA ITEM 12, ADJOURNMENT:**

- A. Motion to adjourn was made by Councilmember Kruper, seconded by Councilmember Kline, to the next regularly scheduled City Council meeting on January 6, 2004, 7:00 p.m. There was unanimous consensus of the Council to adjourn at 8:47 p.m. As previously reported, due to a lack of quorum the December 16, 2003 meeting is cancelled.

  
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Debra Taylor, City Clerk