

MINUTES
JOINT SAND CITY COUNCIL AND REDEVELOPMENT AGENCY
City Council Chambers
Regular Meeting - January 15, 2002
7:00 PM

Mayor Pendergrass opened the meeting at 7:04 p.m.

There was no 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
J. Michael Klein, Police Chief
Jim Heisinger, City Attorney
Stan Kulakow, City Engineer
Debra Taylor, City Clerk
Charles Pooler, Associate Planner
April Wooden, Planning Consultant

AGENDA ITEM 4, COMMUNICATIONS:

- A. There were no additional written communications distributed to City Council this evening.
- B. The floor was opened at 7:05 p.m. but there were no oral communications.

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 permits.

- (1) CUP #110, Standard Transmission Service (Auto Body), 531 Shasta Avenue
 - (2) CUP #179, Roy & Jeanne Hubbard (2nd Floor Residential), 542 Ortiz Avenue
 - (3) CUP #191, Lifeline Food Company (Food Processing), 426 Orange Avenue
 - (4) CUP #238, Just Andy Auto Repair (Auto Repair), 465-A Olympia Avenue
 - (5) CUP #241, Monterey Fish Company (Open Storage), 841 Fir Avenue
 - (6) CUP #289, Luciano Antiques (Retail Sales), 679 Redwood Avenue
 - (7) CUP #344, Richard Yant (Woodwork Shop), 672-A Dias Avenue
 - (8) CUP #375, J&D Auto (Auto Repair), 1695 Contra Costa
 - (9) CUP #401, Kyle Racing Engines (Motorcycle Engine Assembly), 801-B California Avenue
 - (10) CDP #00-01, Monterey Mattress Company (Mattress Manufacture/Showroom), 1805 Contra Costa
- B. There was no discussion of the December 4, 2001 Minutes.
 - C. There was no discussion of the monthly Police Department Activity Reports, November & December 2001.
 - D. There was no discussion of the monthly Fort Ord Reuse Authority Report, December 2001.
 - E. There was no discussion of the monthly City/Redevelopment Agency Financial Reports, November 2001.
 - F. There was no discussion of the City **RESOLUTIONS Honoring Monterey Peninsula Chamber of Commerce Community Award Winners**
 - (a) Mayor Jerry Smith, Public Official of the Year Award Recipient
 - (b) Robert DeVoe, Robert C. Littlefield Award Recipient
 - (c) Bert Cutino, Citizen of the Year Award Recipient
 - G. There was no discussion of the City **RESOLUTION Approving the Assignment of the Solid Waste Collection and Disposal Agreement from United Waste Systems, Inc. to USA Waste of California, Inc.**

- H. There was no discussion of the City **RESOLUTION Making Re-Appointments to the Design Review Committee** (Davis Jr., Hubbard, Lindberg). These re-appointments will be for a term of two years, expiring January 2004.
- I. Approval of Redevelopment Agency RESOLUTION Authorizing a Time Extension of Six Months to July 22, 2002 for Pedro Blas of Water Reservation as Outlined in Resolution RA 01-02 Regarding 0.404 Acre-Feet of Water Credit was considered under agenda item 6.
- J. There was no discussion of the progress report on the County of Monterey Department of Emergency Communications accomplishments for 2001.
- K. There was no discussion of the Sand City Arts Committee Minutes, October 2001.
- L. There was no discussion of the City **RESOLUTION Supporting Proposition 42, the Transportation Congestion Improvement Act**. Presently, sales taxes collected by the state on the sale of gasoline are for use by state government. Prop 42 will require these sales taxes to be used only for transportation improvements. Cities and counties will receive 40% of the revenue with the remaining 60% going toward state highway improvements.
- M. Concurrence of Sand City's response to AMBAG's November 30, 2001 letter requesting an additional contribution for continuing litigation regarding the North Coyote Valley Development and EIR. The City does not wish to contribute another \$500 for overall litigation costs. A letter will be sent to AMBAG.
- N. There was no discussion of the League of California Cities annual conference resolutions that were approved in Sacramento, December 2001.
- O. There was no discussion of the City **RESOLUTION Appointing Members to the Sand City Arts Committee**. Due to a vacancy on the board, it is necessary to maintain an active membership so that the Committee can be effective in promoting the arts in Sand City. With Council concurrence, the Arts Committee board would consist of the following individuals: Greg Hawthorne, Heinz Hubler, Brian Gingerich, Todd Kruper (Chair), and Debra Nielsen. Their term will expire January 2003.

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

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

- D. Due to a possible conflict of interest by residing within 500' of the project area, Agency members Blackwelder, Hubler and Kruper drew straws to determine which members would abstain from participating in this agenda item. As a result of that drawing, Agency members Hubler and Kruper abstained and left the dais. There was no discussion of the Redevelopment Agency **RESOLUTION Authorizing a Time Extension of Six Months to July 22, 2002 for Pedro Blas of Water Reservation as Outlined in Resolution RA 01-02 Regarding 0.404 Acre-Foot of Water Credit.**

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

[Agency members Hubler and Kruper returned to the dais.]

AGENDA ITEM 7, PRESENTATION(S):

- A. On behalf of the City Council and Police Chief, Mayor Pendergrass presented the Governor Gray Davis Commendation and State of California Senate Certificate of Recognition to Police Officers Vito Graziano and Dan Charlton. Police Chief Klein explained the incident where both officers participated in the rescue of a woman who had an accident in Seaside and was trapped in her vehicle that was partially submerged in Roberts Lake.

AGENDA ITEM 8, PUBLIC HEARING(S):

- A. **SECOND READING: Ordinance Amending Planned Unit Development (PUD) Standards Established by Ordinance 98-07 Regarding Certain Property (APN 011-186-040) and Self-Storage Facility Project** (Shurgard Storage) was presented by Associate Planner Pooler. The first reading of the ordinance for this project on 718 California Avenue was on December 4, 2001. The overall project was first approved by the City in 1998. A reversionary clause was incorporated at the December 4th meeting, which requires a reversion of the zoning designation back to the original "M - Manufacturing" zoning or a new mixed-use zoning if the project did not commence construction by April 21, 2002, which is the expiration date of the building permit. The project site is currently in the demolition phase.

7:14 P.M. Floor Open for Public Comment

No comments, and the applicant was not present.

7:15 P.M. Floor Closed to Public Comment

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

- B. Associate Planner Pooler presented the Coastal Development Permit (CDP) application by Sam Linder of Monterey Jaguar for the establishment of a fenced storage yard within the Union Pacific railroad right-of-way, behind 1711 Del Monte Blvd. The project qualifies as a categorical exemption under state CEQA Guidelines, Section 15301 and is located within a non-appealable Coastal Manufacturing (CZ-M) zoning district. The applicant proposes to erect a chain-link fence around a 14,600 square foot area of the railroad right-of-way to store approximately 30 vehicles. The yard will encroach 25' into the railroad right-of-way for a length of 548' and will be surfaced with a double-chip seal for dust control. Access to the yard will be from the applicant's car sales lot on Del Monte Avenue in Seaside. This permit is conditioned to expire within two years and continued use of this yard would require a new discretionary permit review and approval by Council. A deletion was made to Condition #13, and Condition #7 was reworded so that lights may be installed subject to review of the Planning Department.

City Administrator Morgan emphasized the reason for this public hearing is due to Coastal Act regulations. There is a 200' strip of land east of Highway One and a 100' strip on each side of the railroad right-of-way and is part of the railroad main transportation corridor. The City is required to comply with these coastal regulations and procedures.

7:20 P.M. Floor Open for Public Comment

SAM LINDER (Applicant): He plans to store new vehicles and vehicles waiting to be serviced. Union Pacific granted him a 2-year easement 18-months ago. His construction costs are estimated at \$120,000 and it will be a few months before the lot will be in use. He would appreciate a 3-year permit from the City. In response to a question by Councilmember Kline, he said they plan to install a few flood lights that will be attached to the nearby existing building. The lot will back up to an existing warehouse in Sand City.

GREG HAWTHORNE (Property Owner): Why doesn't he consider erecting a wood fence instead of cyclone fencing which would be more eye appealing and won't cost that much more. In response, Mr. Linder said he would be happy to get a quote from Don Chapin for a temporary wooden fence. In response to a question from Mr. Hawthorne, Mr. Linder said there is a warehouse structure behind them, and is not a real visual corridor.

7:25 P.M. Floor Closed to Public Comment

Associate Planner Pooler said that Condition #6 allows the flexibility to erect a wooden fence. Staff recommended lighting not be installed so it would not encourage transients or individuals to congregate. The Planning Department will need to approve any suggested light fixtures and will include a consultation with the Police Department. In response to a comment by City Engineer Kulakow, City Administrator Morgan said the leased area should not interfere with any proposed rail use.

Motion to approve Coastal Development Permit (CDP #02-01) as amended, was made by Councilmember Kline, seconded by Councilmember Hubler. AYES: All Councilmembers. NOES: None. ABSENT: None. ABSTAIN: None. Motion carried.

C. Consultant April Wooden presented the updated Sand City 2002 General Plan, and related documents:

- (1) City RESOLUTION Adopting the 2002 Sand City General Plan Update for All non-coastal Properties within the Planning Area and Deferring Adoption for Those Areas within the Coastal Zone, and Certifying the Associated Negative Declaration
- (2) FIRST READING: Ordinance Amending Title 18, Various Sections, of the Sand City Municipal Code to Add the Planned Mixed-Use (MU-P) District Regulations and Remove the Heavy Commercial (C-2) and Heavy Commercial/Coastal Zone (CZ/C-2) District Regulations

The public review period for the General Plan closed on December 31, 2001, and the Environmental Initial Study/Negative Declaration closes tonight.

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

STEPHANIE CODY (Resident): What is a General Plan?

GARY PATTON (LandWatch): The General Plan for any city is their constitution. He agrees with Ms. Wooden that this is an exciting plan, especially the mixed-uses of business/residential in Old Town. However, he does have a problem with the Environmental Analysis. He wants coastal and non-coastal lands to be integrated into one document. Commercial development impacts have not been fully examined/explored in the Negative Declaration. It is proposed that the commercial areas in Sand City will expand over 700%. Thumbs up on the revitalization of Old Town, but he wants a full realization of the impacts from commercial business.

City Administrator Morgan responded to the above comments. The General Plan is like a constitution - setting policies and goals for land uses within the City. LandWatch wants to integrate the General Plan and the Local Coastal Plan (LCP), and it is the City's intent to update the LCP in the future. Coastal

plans would require an Environmental Impact Report (EIR), meetings, negotiations, etc. and takes a much longer time to adopt than a General Plan. This in turn would delay land use plans. Community Development Director Matarazzo (absent this evening) has clearly indicated that staff will meet with Land-Watch or any other organization to discuss the General Plan and any concerns. Mayor Pendergrass commented that 75%-80% of the City's coastal area has been designated for habitat and open space.

PETE ERICKSEN (Commercial real estate broker): The General Plan is an exciting concept with lots of things we haven't thought of before. He has concerns with on-site parking and loading/unloading requirements.

CHRIS MANN (Granite Rock): Is the map current, because they thought their zoning would be Manufacturing, not Mixed-Use?

ROY WOODS (Property owner): He will be a worthy adversary if on-site parking requirements are not addressed. You have got to have it to succeed. It can no longer be ignored. Ordinances will have to be enforced. If there is no legal on-site parking available now, the City cannot ignore it for the future.

GREG HAWTHORNE (Property owner): The new General Plan is great, and he is already participating in this program. Pay attention to things like Sam Linder wanting to put up a cyclone fence. Mr. Hawthorne wants things to look good and these "just warehouses" have to look good in the future, so concentrate on the aesthetics.

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

Consultant April Wooden re-announced that the public comment period for the Negative Declaration is now closed. She recommends continuing the public hearing on the General Plan to the February 5th meeting when the Community Development Director will be present. In response to an earlier question, a General Plan is basically a road map for the future (maps, graphs, etc.) with policies that will help keep the Plan on track and provide a day to day reference tool to accomplish goals.

City Administrator Morgan said that City staff and the City Council is well aware that parking is an issue now and in the future. Parking deficiencies on existing properties will take a strong effort from Council, staff and property owners to address problems. City staff will try and help to make some parking available. The City cannot be fully responsible to correct the situation and will be calling on existing property owners to assist in working this out. The City will do what it can according to fiscal ability in a given fiscal year. The "old warehouse" referred to earlier this evening by Mr. Linder and Mr. Hawthorne is actually 718 Redwood that has already been

rehabilitated. Things are changing in Sand City at a rapid rate. Mayor Pendergrass discussed the LandWatch issue regarding commercial development. There will be new commercial development, but no decisions have been made yet - it is part of Old Town. In Policy 2.3.1 regarding Granite Rock, the reference to helping them relocate should be stricken from the document. The City is still waiting for a submittal for their new plant (Policy 2.3.2). The City Council concurred with the updates to the General Plan. A renaissance has already begun in Sand City. The 718 Redwood property has had a great transformation, street work has continued, revenue to the City is going back into streets, tree planting, etc. Mixed-use is already in the works in the Old Town revitalization effort as exhibited on Ortiz Avenue by Greg Hawthorne. Sand City has fought tooth and nail to make progress, including revenue-sharing with the City of Seaside (over \$1million to date). This new General Plan provides a good 15-year vision for Sand City's future - and the future is bright. On February 5th the City Council will entertain final approval of the General Plan. Comments on the General Plan can be accepted up to that date, but not the Negative Declaration. On motion of the City Council the public hearing on the Negative Declaration was closed.

There was City Council consensus to continue the first reading of the Zoning Ordinance related to the General Plan update, Resolution, and the public hearing on the General Plan to February 5, 2002.

AGENDA ITEM 9, OLD BUSINESS:

- A. Due to the absence of Community Development Director Matarazzo, the City **RESOLUTION Authorizing a Contract with David J. Powers & Associates to Complete an Environmental Impact Report (EIR) for Sand City Water Supply Project** was continued to February 5, 2002 by consensus of the City Council.
- B. Progress report on Public Works projects, City water project, Project Study Report, pending development projects and other Sand City community programs was made by City Engineer/Community Development Director/City Administrator. City Engineer Kulakow reported that work continues on the desal project. City Administrator Morgan reported that the City Engineer and Police Chief inspected the bicycle trail lighting and noted some vandalism. Staff is working on finalizing that final phase of the work. Mr. Kulakow said that ten lights were broken by throwing rocks through the ventilation hole at the top of each light. Staff is researching alternative covers.

AGENDA ITEM 10, NEW BUSINESS:

[Due to residing within 500' of the project area, Councilmembers Blackwelder, Hubler and Kruper had to draw straws to determine who would abstain. As a result of that drawing,

Councilmembers Blackwelder and Hubler abstained, stepped down from the dais and joined the audience.]

- A. Discussion of encroachment permit policy regarding on-street parking was led by Associate Planner Pooler. Tomorrow the Design Review Committee (DRC) is considering a design by Dan Cort on the old Couroc building on Contra Costa/Ortiz. Design modifications also address sidewalks and parking. The parking area redesign will require a further encroachment of parking into the public right-of-way in exchange for safer pedestrian access adjacent to the building. An encroachment permit will be required. The plan does have concerns for staff - backing out from a parking space onto the street is not usually encouraged. There are stop signs nearby to slow traffic. Parking is at a premium, and staff wants the improvements to the pedestrian walkway. A planter box will allow for two trees that will break up the 150' stretch of property and will help with aesthetics.

City Engineer Kulakow said this is only a temporary solution. One condition of approval is that the applicant is encouraged to implement a parking area for the building and staff is unsure if this will accommodate enough spaces. Active participation by property owners and the City will be necessary to improve the parking situation. City Administrator Morgan reported that Dan Cort has been very interested in working with the City to acquire the Dr. Kay/Roy Woods property for additional parking that would benefit his building. Further discussions will depend on the outcome of Council direction to staff after Closed Session this evening. In response to a question by Councilmember Kline, Mr. Pooler said that storage of trash bins will be discussed with the DRC tomorrow. Councilmember Kline asked if there will be any liability to the City with the encroachment? City Attorney Heisinger replied that staff will condition the encroachment permit to include a hold-harmless clause. Mr. Morgan reminded everyone that this is not an overall site plan, just the idea of an encroachment into the public right-of-way. The City will need creative solutions to help with parking. A good, attractive, functional design will make a good project. This proposed sidewalk by Mr. Cort would greatly help with pedestrian movement. Mayor Pendergrass agreed with staff recommendations. The encroachment permit will address any liabilities. In response to a question by Councilmember Kruper, Mr. Pooler said that perpendicular parking allows the maximum amount of spaces. Angled parking is more driver-friendly but there is a trade-off on reduced parking spaces. The stop signs at each end of the block will provide a modicum of built-in safety. An encroachment permit could always be modified or not renewed.

[Councilmembers Blackwelder and Hubler returned to the dais.]

AGENDA ITEM 11, CLOSED SESSION:

- A. The City Council/Redevelopment Agency adjourned to Closed Session to confer with real property negotiator, in accordance with §54956.8 of the Ralph M. Brown Act:

- (1) To discuss possible purchase of property for redevelopment purposes, portion of APN 011-191-001 (Harper property)

[Due to a possible conflict of interest by residing within 500' of the project area (agenda item 11-A-2), Council/Agency members Blackwelder, Hubler and Kruper drew straws to determine participation. As a result of that drawing Council/Agency members Hubler and Kruper abstained, and left the room.]

- (2) To discuss pending negotiations on the Roy Woods/Dr. Kay property (APN 011-177-012 & 028) and upper John Street lots (APN 011-177-009)

[Council/Agency members Hubler and Kruper returned to the dais.]

(Note: Agenda Item C was discussed ahead of Item B)

- B. To confer with legal counsel regarding pending and existing litigation for flood damages in accordance with the Ralph M. Brown Act:

[Due to a possible conflict of interest by residing within 500' of the project area (agenda item 11-B-1 & 2), Council/ Agency members Blackwelder, Hubler and Kruper drew straws to determine participation. As a result of that drawing Council/Agency members Blackwelder and Kruper abstained, and left the meeting for the remainder of Closed Session.]

- (1) Section 54956.9(a), lawsuits entitled Colton Heating & Sheet Metal, Inc. v. City of Sand City, City of Seaside, and Does 1-10. (Case No. M56419 Superior Court, Monterey)
- (2) Burkleo Roofing, Inc. v. City of Seaside, City of Sand City, and Does 1-20 (Case No. M55861 Superior Court, Monterey); and in accordance with §54956.95 of the Ralph M. Brown Act regarding insurance liability

- C. To confer with legal counsel regarding pending litigation (SNG v. Coastal Commission) in accordance with the Ralph M. Brown Act §54956.9
- D. The City Council/Redevelopment Agency readjusted 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, as follows:

- A-1: No action taken on Harper property.
- A-2: Council gave further direction to real property negotiator on the Woods property.
- B-1: No action taken on Colton Heating lawsuit.
- B-2: No action taken on Burkleo Roofing lawsuit.
- C. No action taken on SNG issue.

AGENDA ITEM 12, ADJOURNMENT:

- A. Motion to adjourn was made by Councilmember Hubler, seconded by Councilmember Kline, to the next regularly scheduled City Council meeting on February 5, 2002, 7:00 p.m. There was unanimous Council consensus of the remaining Council/Agency members to adjourn at 10:00 p.m.



Debra Taylor, City Clerk