

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

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

Reverend David Martin led the invocation.

Police Chief Klein led the Pledge of Allegiance.

Present: Councilmember Jerry Blackwelder
Councilmember Craig Hubler
Councilmember Todd Kruper
Mayor David Pendergrass

Absent: Vice-Mayor Mary Ann Kline

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

AGENDA ITEM 4, COMMUNICATIONS:

- A. Additional written communications distributed to City Council this evening included a revised agenda to include the addition of item 5-F (Cargill v. Metropolitan Water District Amicus Brief); memorandum from Associate Planner Pooler on the 2001 annual diversion rate acceptance by CIWMB; May 6th City Attorney memo, April 16th Meyers Nave letter, authorization of representation on the Cargill amicus brief (item 5-F); Exhibit A map on 443 Orange Avenue lot merger (item 7-C); two Herald news articles on State taxes and spending cuts (item 9-A); and confidential memo from Executive Director on the King DDA (item 10-C).
- B. The floor was opened at 7:05 p.m. for oral communications from the public, but there were no comments. There was unanimous consensus of the City Council to add Item 5-F (Cargill v. Metro Water District) to the Consent Agenda because of the time deadline to respond to this request.

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 #72, Sealife Supply (Raising Marine Fish), 740 Tioga Avenue
 - (2) CUP #248, John's Auto Repair (Auto Repair), 1857 East Avenue
 - (3) CUP #364, Neff Mill & Cabinet (Woodshop), 527 Redwood Avenue
 - (4) CDP #91-06, Party Wholesale (Retail Store), 880 Tioga Avenue
 - (5) CDP #93-05, Monterey Cabinet & Woodworking (Carpenter Shop), 409 Ortiz Avenue
 - (6) CDP #94-02, American Movers Inc. (Moving Company), 783 Redwood Avenue
 - (7) CDP #96-02, Roy Meadows (Mobile Home), 658 Ortiz Avenue
 - (8) CDP #96-03, Mark's Barn (Auto Repair), 654 Ortiz Avenue
 - (9) CDP #00-03, Jack Lee (Metal Workshop), 531-B Orange Avenue
- B. There was no discussion of the monthly Fort Ord Reuse Authority (FORA) Report, April.
- C. There was no discussion of the City **RESOLUTION Declaring May 2002 as Clean Air Month.**
- D. There was no discussion of the City **RESOLUTION Calling for November 5, 2002 General Municipal Election.** Seats open for this November election will be for Mayor Pendergrass and Councilmembers Blackwelder, Hubler. Candidate packets will be available starting Monday, July 15th through August 9th.
- E. There was no discussion of the proposed Request for Proposals for the Robinette site development.

- F. The agenda had been revised to include this item due to time constraints on participation. There was no discussion on participating in the amicus brief on the *Cargill v. Metropolitan Water District of Southern California*. There were a number of handouts distributed this evening.

Motion to approve Consent Calendar was made by Redevelopment Agency/Councilmember Blackwelder, seconded by Agency/Councilmember Hubler. AYES: Council/Agency members Blackwelder, Hubler, Kruper, Pendergrass. NOES: None. ABSENT: Council/Agency member Kline. ABSTAINED: None. Motion carried.

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

No items.

AGENDA ITEM 7, PUBLIC HEARING(S):

[Due to a possible conflict of interest by residing within 500' of the project area, Councilmember Blackwelder abstained. He left the dais and joined the audience. A quorum of the Council remained to consider this item.]

- A. Associate Planner Pooler presented the Conditional Use Permit application by Jaroslov Stepanek to utilize the commercial portion of a new mixed-use building at 341-A Orange Avenue (APN 011-253-007 and 008) for a cabinet manufacturing shop, minor metal fabrication, storage. Project qualifies as a categorical exemption under State CEQA Guidelines, Section 15301 and is located within a non-coastal Heavy Commercial Planned Unit Development zoning district. The City recently approved the development of a mixed-use project at this location and construction is due to commence this summer. The applicant proposes to utilize the commercial space for a cabinet manufacturing shop with some metal fabrication, plus storage of alcoholic beverages (for wholesale distribution only) within the garage area. The applicant intends to occupy the residential unit on the upper level thereby establishing a live/work situation. Restrictions on the alcohol storage are 1) the applicant must also be the occupant of the residential unit above, 2) that the applicant obtain an Alcohol, Beverage Control (ABC) license, and 3) there shall be no on-site sale/service of these beverages. If the applicant vacates the residential unit above, then the beverage storage activity must vacate the residential garage. Adequate parking is provided for both the commercial and residential units, and can accommodate a small truck for loading/unloading purposes. No additional water credits are necessary for the proposed use. Councilmember Hubler confirmed that this CUP is being requested prior to building construction. Councilmember Kruper asked if the storage for the alcohol is sufficiently secured?

7:11 PM Floor Open for Public Comment

MR. STEPHNEK (Applicant): He has wanted to be in Sand City for many years and is glad he has this opportunity. The main use for downstairs will be for storage of his tools, and he does not intend to do a great deal of manufacturing at this building. In response to Councilmember Hubler's question, he is ensuring his intended use would be approved prior to construction. In response to Councilmember Kruper's question, he has been an alcohol importer in California for 10 years, the Alcoholic Beverages Commission (ABC) is very strict on their requirements - even for storage purposes. He cannot be a retailer, only a distributor. Right now his storage is in Fort Ord and he wants his stock more readily available for local distribution. The garage is designed for two cars and he is re-working the layout to secure the alcohol by dividing and locking this area.

7:15 PM Floor Closed to Public Comment

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

[Councilmember Blackwelder returned to the dais.]

- B. FIRST READING: Ordinance Rescinding Ordinance No. 02-02 and Amending Title 18, by Adding Chapter 18.13, of the Sand City Municipal Code, Planned Mixed Use District Regulations (MU-P); and Amending the Zoning Map to Change Zoning District Designations in the Old Town Neighborhood was presented by Community Development Director Matarazzo. The first ordinance (#02-02) was adopted without a zoning map, so this ordinance is a replacement. All property owners were notified and copied by U.S. mail.

7:17 PM Floor Open for Public Comment

No comments.

7:17 PM Floor Closed to Public Comment

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

[Due to a possible conflict of interest by residing within 500' of the project area, Councilmember Blackwelder abstained. He left the dais and joined the audience.]

- C. Community Development Director Matarazzo presented the proposed Variance #02-01 and lot merger related to Redevelopment Agency owned property at 443 Orange Avenue (APN 011-238-016) and City **RESOLUTION Approving a Lot Merger and Variance for Property Located at 443 Orange Avenue in the Old Town District of Sand City**. Mr. Matarazzo gave a history of the property acquisition. The proposed map was distributed this evening.

7:23 PM Floor Open for Public Comment

No comments.

7:24 PM Floor Closed to Public Comment

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

[Councilmember Blackwelder returned to the dais.]

AGENDA ITEM 8, OLD BUSINESS:

- A. Progress report on Public Works projects, City water project, Project Study Report (PSR), pending coastal development projects and other Sand City community programs by City Engineer/Community Development Director/City Administrator. Acting City Engineer Bittner reported that the water line installation on California Avenue is finished. Staff has asked the City of Seaside to check the light timing on Playa and California Avenues. Community Development Director Matarazzo reported that he spoke with the traffic consultant and the final Highway One PSR will be submitted to CalTrans this week.

AGENDA ITEM 9, NEW BUSINESS:

- A. Oral report on the May 3rd cities "Leave Our Community Assets Local" (LOCAL) press conference in Salinas. Two related Herald news articles were distributed this evening. Mayor Pendergrass reported that all cities from three counties were represented by Mayors, Police and Fire Chiefs.
- B. City Administrator Morgan presented the City **RESOLUTION Opposing AB680 - Reallocating Sales Tax and State Revenues**. AB 680 authorizes reallocation of sales taxes in the Sacramento area. The proposed funding distribution will be $\frac{1}{3}$ to point-of-origin cities, $\frac{1}{3}$ based on population, and $\frac{1}{3}$ based on state priorities at that particular time. If this is approved, there could be future redistributions affecting all California cities. Mayor

Pendergrass said that the legislative analyst for the State feels this proposal is unconstitutional. All of the smaller surrounding cities in Sacramento will be greatly impacted in a negative way.

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

- C. Community Development Director Matarazzo presented the staff report recommending support of AB2863, Longville, regarding housing element reform. This Bill recognizes local and regional conditions instead of "boiler plate" requirements on all communities. The City Council gave consensus to have Mayor Pendergrass send a letter of support.
- D. Executive Director Morgan presented the Redevelopment Agency **RESOLUTION Approving First Amendment to the McDonald Coastal Site Disposition and Development Agreement (DDA) with John King (King Ventures), APN 011-012-001 & 002**. This agenda item was taken out of sequence, and was finalized in open session after some discussion during Closed Session agenda item 10-C.

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

AGENDA ITEM 10, CLOSED SESSION:

- A. It was determined that a Closed Session to confer with real property negotiator, in accordance with §54956.8 of the Ralph M. Brown Act to discuss possible purchase terms of property for redevelopment purposes, APN 011-243-002 & 006 (Campos property) was not necessary this evening.
- B. City Council conferred with legal counsel in accordance with § 54956.9(c) of the Ralph M. Brown Act regarding possible litigation against the Monterey Peninsula Water Management District (one case).
- C. Redevelopment Agency conferred with legal counsel and real property negotiator in accordance with §54956.9(c) and §54956.8 of the Ralph M. Brown Act to discuss possible litigation and possible new terms on the McDonald coastal site Disposition & Development Agreement, APN 011-012-001 & 002 (one case).
- D. 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:


The Campos issue was not discussed.

Council gave consensus to join in the lawsuit by the City of Seaside against the Monterey Peninsula Water Management District. A letter notifying Seaside Mayor Smith and local cities will be sent.

After conferring with legal counsel concerning various legal remedies, the Redevelopment Agency Board gave further direction to staff.

AGENDA ITEM 11, ADJOURNMENT:

- A. Motion to adjourn was made by Councilmember Hubler, seconded by Councilmember Kruper, to the next regularly scheduled City Council meeting on May 21, 2002, 7:00 p.m. There was unanimous Council consensus of the Council/Agency members to adjourn at 8:30 p.m.



Debra Taylor, City Clerk