

**MINUTES**  
**JOINT SAND CITY COUNCIL AND REDEVELOPMENT AGENCY**  
**City Council Chambers**  
**Regular Meeting -December 3, 2002**  
**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 Kline  
Councilmember Craig Hubler (arrived at 7:03 pm)  
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. Additional written communications distributed to City Council this evening included an after-action report by Chief Klein on the Thanksgiving food delivery program (4-A), a revised resolution canvassing the election (5-B), and an offer letter from Ghandour for Closed Session (11-B).
- B. The floor was opened at 7:02 p.m. for oral communications, but there were no comments from the public. Mayor Pendergrass displayed a plaque the City received in recognition of the City's participation in and contribution to the AIA Concepts event. This competition received contributions from 15 different countries. Mayor Pendergrass also introduced Judge Michael Fields who will swear-in the elected Councilmembers this evening.

**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 #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) CDP#01-05, Vito Gustianni (Storage Yard), 698 Ortiz Avenue
- B. There was no discussion of the City **RESOLUTION Canvassing the November 5, 2002 General Election**. An updated resolution was distributed this evening. The candidates ran unopposed with Mayor Pendergrass, Councilmembers Blackwelder and Hubler remaining in office.
- C. There was no discussion of the City **RESOLUTION Authorizing a Six Month Contract with the Strategy Store for Sand City Website Transition and Training Fee**. This six month contract will include updates and staff training on a weekly basis for an amount not to exceed \$2,750.
- D. There was no discussion of the City **RESOLUTION Authorizing Agreement for Jail Services with the City of Monterey and Rescinding Resolution SC 01-84**. Due to changes in procedure and fees, it is necessary to rescind the prior resolution and enter into a new agreement.
- E. There was no discussion of the monthly City/Redevelopment Agency Financial Report, ~~November~~ October.

Motion to approve Consent Calendar was made by Councilmember Kline, seconded by Councilmember Kruper. AYES: All members NOES: None. ABSENT: None. ABSTAINED: None. Motion carried.

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

None.

**AGENDA ITEM 7, SWEARING-IN CEREMONY OF NEW CITY COUNCIL:**

- A. Judge Michael Fields performed the swearing-in ceremony of elected officials as a result of the November 5, 2002 general election:  
David K. Pendergrass, Mayor  
Jerry Blackwelder and Craig Hubler, Councilmembers

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

- A. Associate Planner Pooler presented the Conditional Use Permit application by Richard Garza to utilize 1,400 sq ft commercial unit of a mixed-use building at 351 Orange Avenue to for office/storage of his plumbing and heating contractor business. The project qualifies as a categorical exemption, under State CEQA Guidelines, Section 15301, and is within a non-coastal Planned Mixed-Use (MU-P) zoning district. The applicant proposes to utilize commercial space to facilitate an office and storage of plumbing and pre-manufactured heating materials of his contractor's business. There will be some small scale light manufacturing on site. Mr. Garza intends to lease the upper level residential unit to one of his employees and adequate parking is provided for all uses. Staff does not anticipate activities at this scale to generate noise that might pose a nuisance.

7:11 PM Floor Open for Public Comment

The applicant was present but declined comment. He agrees with all of the conditions proposed by staff.

7:12 PM Floor Closed to Public Comment

Motion to approve Conditional Use Permit was made by Councilmember Hubler, seconded by Councilmember Kruper. AYES: All members. NOES: None. ABSENT: None. ABSTAIN: None. Motion carried.

- B. Associate Planner Pooler presented the Conditional Use Permit application by Pat Pagnella of Universal Heated Hoses to utilize 1,250 sq ft of a commercial building located at 353 Orange Avenue to facilitate light manufacturing of heated transfer lines and temperature control components. The project qualifies as a categorical exemption, under State CEQA Guidelines, Section 15301, and is within a non-coastal Planned Mixed-Use (MU-P) zoning district. The assembly consists of cutting hydraulic hose to desired lengths, applying electronics for heating the hose, and on special orders attach a temperature control unit. There will be occasional minor soldering involved with some of the assembly, but no heavy welding or other machine part assembly. The property provides adequate parking to facilitate the proposed use and the owner plus one employee. The scope and scale of the use appears compatible with a mixed-use environment.

7:14 PM Floor Open for Public Comment

PAT PAGNELLA (Applicant): He answered some technical questions posed by Councilmember Hubler. Mr. Pagnella was Fred Slautterback's first employee 27 years ago and he is now under contract with the company that bought Slautterback.

7:18 PM Floor Closed to Public Comment

Motion to approve Conditional Use Permit was made by Councilmember Kruper, seconded by Councilmember Hubler. AYES: All members. NOES: None. ABSENT: None. ABSTAIN: None. Motion carried.

- C. Associate Planner Pooler presented the Conditional Use Permit application by Jeff Cecilio to utilize 1,200 sq ft commercial building at 373-A Dias Avenue for an office and storage of inventory and vehicles. The project qualifies as a categorical exemption, under State CEQA Guidelines, Section 15301, and is within a non-coastal Planned Mixed-Use (MU-P) zoning district. There are two commercial units on the lower level and a single 1-bedroom residential dwelling on the upper level. This business services and sells fire extinguishers and first aid supplies. The majority of the work is performed at contracted businesses, commercial properties, and residences. There will also be occasional sales and acceptance of drop-off items for service at the subject property. The existing on-site parking is minimally adequate to serve both commercial units and the 1-bedroom dwelling unit.

7:20 PM Floor Open for Public Comment

JEFF CECILLIO (Applicant): He agrees with all of the conditions being proposed. In response to a question by Councilmember Kruper, Mr. Cecillio said that there is a hopper that conceals the very fine powder substance and the discharge material is recycled. The powder is a potassium base and not considered dangerous. All equipment is in the van and they will not be setting up a recharge system at this location.

7:22 PM Floor Closed to Public Comment

Motion to approve Conditional Use Permit was made by Councilmember Blackwelder, seconded by Councilmember Kline. AYES: All members. NOES: None. ABSENT: None. ABSTAIN: None. Motion carried.

- D. There was no discussion of the Redevelopment Agency water allocation policy [*continued from October 15, 2002*]. This public hearing had been continued pending conceptual approval of a redevelopment project on the Robinette site. Until an understanding has been reached regarding how much water supply will be needed for a large project on this Agency property, staff is requesting that this item be tabled.

7:24 PM Floor Open for Public Comment

No comment.

7:24 PM Floor Closed to Public Comment

There was unanimous City Council approval to table this item.

- E. Mayor Pendergrass led the discussion of the Draft 2000-2007 Housing Element of the Sand City General Plan. He introduced planning consultant Melanie Schaeffer Freitas to present this draft. Ms. Freitas gave an overview of the draft Housing Element which is one of seven required elements of a General Plan. It is the only element reviewed by a state agency (Dept of Housing & Community Development). The previous housing element was certified by the state in 1991. If accepted, this new housing element will be certified until 2007. The six major components of a housing element contains 1) information on population and households; 2) housing stock data; 3) constraints to providing housing; 4) inventory of financial resources; 5) projected regional housing needs between 2000-2007; and 6) housing goals, policies and programs. The City's regional housing need allocation for 2000-2007 is 267 units. Nineteen units have been built or are currently under construction. These figures, as calculated by AMBAG, are based upon growth rates, job locations and loss of housing due to demolition. Of the 248 units, 36 units are required for very low income households, 55 units for low income households, 66 units for moderate income households, and 91 units for above moderate households. The City is not required to produce this housing, but ensure that land, infrastructure, and zoning is in place for the potential growth. Chapter 4 "Housing Constraints" is vital, especially regarding water issues. The California Coastal Commission is considered a constraint toward providing housing because it is not considered a priority land use within the coastal zone.

Mr. Matarazzo said that most truly affordable housing developments in California today require significant public subsidies in order to make the project financially feasible. A developer may step up in the future seeking assistance from the City/Agency. There will be one more public hearing to receive comments prior to Council approval, following the HCD 60-day review period. Mayor Pendergrass said that in the past, HCD has made an offer to assist Sand City in creating the desal water supply plant in an effort to reach housing/ infrastructure goals. Sand City has recently been approving mixed-use projects to help meet affordable housing needs. In response to a question by Councilmember Kline, Ms. Freitas said that the figures in the document illustrate affordable rents and affordable home sale prices.

7:40 PM Floor Open for Public Comment

No comments received.

7:41 PM Floor Closed to Public Comment

Motion to send draft document to Dept of Housing and Community Development for their review and comment was made by Councilmember Kruper, seconded by Councilmember Kline. AYES: All members. NOES: None. ABSENT: None. ABSTAIN: None. Motion carried.

**AGENDA ITEM 9, OLD BUSINESS:**

- A. Progress report on Public Works projects, City water project, Project Study Report (PSR) and other Sand City community programs by City Engineer/Community Development Director/City Administrator. City Engineer Kulakow was pleased to report that the City received a \$320,000 CalTrans grant for the bicycle trail lighting along Sand Dunes Drive. A \$25,000 matching grant is required from Sand City/Seaside. He will check into the heat issues on the existing lights. Environmental work is continuing on the desal project. The test water well pump has been repaired since the November storm.

**AGENDA ITEM 10, NEW BUSINESS:**

- A. Consideration of Transportation Agency for Monterey County (TAMC) rail/transportation issues and progress report as presented by City Administrator Morgan. 1) He gave a brief report on the Highway 101/Prunedale Bypass project which is scheduled to be voted on tomorrow. 2) He discussed the recent notice from Union Pacific regarding a new program to sell leased properties, or to convert a short-term lease to a long-term lease with a one-time, up front payment. Only those lease sites that meet certain criteria will be considered by Union Pacific for sale or conversion to a long-term lease. This decision may have impacts to the Robinette and South of Tioga project areas and the extension of California Avenue through the Sand Dollar Center. 3) Mr. Morgan discussed the land conveyance from Ft. Ord regarding the rail right-of-way. TAMC expects to receive deeds to the rail parcels by December 2002. 4) He also stated that a final draft report on the updated ridership projections for the Monterey branch line intercity rail passenger service was enclosed which had been approved by TAMC.

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

- B. Executive Director Morgan presented the proposed Resolutions by the Redevelopment Agency authorizing service agreements with John Hanna to perform appraisal work. The Agency needs to obtain a current appraisal of property prior to entering into a contract to sell the Robinette property and possible acquisition of adjacent undeveloped parcels. In response to a question by Agency member Kline, Mr. Morgan said the Agency will not enter into any negotiations with adjacent owners until the appraisal work is done. There is no existing water supply on the adjacent parcels.

**Redevelopment Agency RESOLUTION Authorizing a Service Agreement with John Hanna to Perform Appraisal Work Related to The Robinette Site (APN 011-233-001, 002, 003, & 013, 011-232-023 & 028, and 011-236-006, 008, 009, 010, & 024).**

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

**Redevelopment Agency RESOLUTION Authorizing a Service Agreement with John Hanna to Perform Appraisal Work Related to Private Parcels (APN 011-232-021, 022, & 027 and 011-236-011, 012, 013, 020, 022, & 025) Adjacent to the Agency's "Robinette Site".**

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

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

**AGENDA ITEM 11, CLOSED SESSION:**

- A. The City Attorney determined that it was unnecessary for the City Council adjournment to Closed Session to confer with legal counsel in accordance with § 54956.9(c) of the Ralph M. Brown Act regarding possible litigation against SNG/Ghandour (one case). A letter from Mr. Ghandour was distributed this evening which will be considered at a future meeting.

**AGENDA ITEM 12, ADJOURNMENT:**

- A. Motion to adjourn was made by Councilmember Blackwelder, seconded by Councilmember Kruper, to the next regularly scheduled City Council meeting on December 17, 2002, 7:00 p.m. There was unanimous consensus of the Council to adjourn at 7:56 p.m. and proceed with the reception in honor of the newly elected City Council.



\_\_\_\_\_  
Debra Taylor, City Clerk