

MINUTES
JOINT SAND CITY COUNCIL AND REDEVELOPMENT AGENCY
City Council Chambers
Regular Meeting - February 20, 2001
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 Blackwelder (arrived 7:42 p.m.)
Vice-Mayor Kline
Councilmember Hubler (arrived 7:37 p.m.)
Councilmember Kruper
Mayor Pendergrass

Staff: Kelly Morgan, City Administrator
Steve Matarazzo, Community Development Director
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 City Council this evening included the Police Activity Report for January (item 5-D), a revised Redevelopment Agency resolution and exhibits on the water allocations (item 7-A), and a letter dated 2/20/01 from Mary's Angels withdrawing their application (item 7-C).

- B. The floor was opened for oral communications from the public.
CLAUDIA VIGER (Resident): Some of the trees on Contra Costa Avenue are looking scraggly. The planting area around the base of the trees also need attention, and adding some smaller plants or flowers would enhance the overall look. She would also like to see some of the trash/glass litter removed from City streets.

To accommodate the public, Mayor Pendergrass will be taking the agenda out of sequence to consider item 9-A after the public hearings. Council gave concurrence.

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. There was no discussion of the February 6, 2001 Minutes.
- B. There was no discussion of the City **RESOLUTION Updating the Holiday Schedule for Sand City Staff**. The California legislature has declared March 31st as an official holiday in honor of Cesar Chavez. The addition of this holiday to the Sand City Personnel Manual will permit a total of 13 paid holidays per year for full-time City employees.
- C. There was no discussion of the City **RESOLUTION Proclaiming the Week of March 11-17, 2001 as Girl Scout Week** marking their 89th anniversary of Girl Scouts of the USA. The Monterey Bay chapter of the Girl Scouts will make a flag presentation at the March 6th City Council meeting, and this resolution will be presented to them at that time.
- D. There was no discussion of the Sand City Police Department monthly Activity Report, January. The report was distributed this evening.
- E. There was no discussion of the monthly Fort Ord Reuse Authority report for February.
- F. There was no discussion of the City/Redevelopment Agency financial reports, January.
- G. There was no discussion of the City **RESOLUTION Authorizing Uniform Allowance Increase for Police Officers**. The uniform allowance will be increased from \$630 to \$1,000 annually. It was agreed that the uniform check would not be combined with the officer's regular paycheck, but written as a separate check based on the date of hire. This increase will be retroactive to January 1, 2001. The Safety Committee and the Budget/Personnel Committee approved this recommendation.

Motion to approve Consent Calendar was made by Councilmember Kline, seconded by Councilmember Kruper. AYES: Councilmembers Kline, Kruper, Pendergrass. NOES: None. ABSENT: Councilmembers Blackwelder, Hubler. Motion carried.

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

No items.

AGENDA ITEM 7, PUBLIC HEARINGS:

[All Redevelopment Agency members reside within 300' of at least one of the projects being considered this evening that may cause a possible conflict of interest. Due to the absence of Agency members Blackwelder and Hubler and the "rule of necessity," the remaining members were unable to draw straws to determine who would participate in considering this agenda item. The quorum of Agency members Kline, Kruper and Pendergrass acted on this item.]

- A. Agency Planner Matarazzo led the discussion of the recommended water reservations to development proposals and presented the Redevelopment Agency RESOLUTION Authorizing Two-Year Reservations of Water Supply to Proposed Projects, as Listed on Exhibit A. The title of the adopted resolution is different than the agenda listing (as above): **RESOLUTION Authorizing One-Year Reservations of Water Supply to Proposed Projects, as Listed on Exhibit B.** An amended Resolution and Exhibit was distributed this evening. In October 2000, the City Council determined that the limited water reserve (3.34 acre feet) should be allocated to the Redevelopment Agency to be further distributed based upon a competitive rating system of various development project qualities. Application deadline was December 29, 2000 and fourteen were received. This included applications from DBO Development, Wellington Homes and King Ventures, all of whom have other sources of water available to at least partially proceed with their conceptual development plans. Staff is recommending those three projects should not be considered in this allocation process. Mr. Matarazzo discussed some of the merits and designs of these larger projects. A possible future source of water may be the desal project. Staff prefers that projects conform to the new vision of Sand City by providing high quality designs with mixed commercial/residential uses that fit into the new General Plan concept of traditional neighborhood development. It was suggested to retain 0.224 acre feet of water reserved for precautionary purposes. Staff rated these proposed projects and endorsed projects with ratings of 4 points or above, with no other water source available, be considered in the 3.116 acre feet allocation. Listed below are the applicants scoring by staff:

APPLICANT	SCORE
DBO Development	13
Calabrese/King Ventures	12
Greg Hawthorne	12
Roy Meadows/Terry Ream	10.5
Wellington Corporation	10.5
Jerry & Debra Blackwelder	10
Ben Compagno	8
Pedro Blas	7
Gus Randazzo	4.5
Allan Abbot	4
Ca State Parks & Recreation	3
Frances Moan	3
Richard Moss	3
Ada Smith	3

After some discussion, it was decided to change the Resolution to reflect a water reservation time from two years to one year. Approving the water reservation does not automatically approve the site plans/designs.

7:16 P.M. Floor Opened for Public Comment

BRIAN CLARK (Hawthorne project): He commended the City/Agency for the turn out this evening and complimented some of the proposed project designs. He thinks Hawthorne's design will be excellent in this new environment (he is from Sausalito). The mixed use of business/residential will look nice in this area (Ortiz Avenue).

GREG HAWTHORNE (Hawthorne project/applicant): He is impressed with the proposals that have been submitted this evening. He has a unique and fun design proposed for Ortiz Avenue and is anxious to start his project. Mr. Hawthorne likes Sand City and the artisan/artist community that makes up part of the residential and business population.

DEBRA BLACKWELDER (Resident/applicant): She expressed some concerns on the change of the allocation time limit from two years to one year. She is concerned that financing for a mixed-use project may take some time.

In response, Executive Director Morgan stated that staff wants to see progress on these projects. The Agency does not want to just allocate water and then not see development. It is now a "use-it-or-lose-it" situation because this is such a critical resource. If efforts are being made by obtaining permits, etc. then allowances will be made to the applicant.

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

Agency member Kruper is apprehensive to allocate all of this water at one time. He wants to allocate to projects with level 8 ratings and keep a small

set aside portion for worthy projects that may come along in the future (this would preclude Blas, Abbott, and Randazzo). Agency member Kline felt these were excellent projects, and changing to a one year time frame is a good recommendation. There was more discussion on the proposed desal project.

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

7:37 P.M. Recess
7:44 P.M. Reconvene

[Council/Agency members Blackwelder and Hubler arrived during recess and were seated at the dais.]

- B. City Attorney Heisinger led the discussion regarding amending the Sand City Redevelopment Plan - **FIRST READING: City Ordinance Amending the Sand City Redevelopment Plan.** On July 27, 1987 the City adopted the Redevelopment Plan. The Redevelopment Agency can use tax increment funds to finance redevelopment. Mr. Heisinger gave an overall history of the Redevelopment Plan and financing through tax increments. Also included in the Redevelopment Plan is the power of eminent domain (condemnation) for non-residential properties, and State law limits this condemnation power for a term of twelve years. This is a housekeeping item, but the restrictions remain in place that limit the condemnation powers for another twelve years and for only non-residential properties.

Mayor Pendergrass said that eminent domain has never been used in Sand City. Even with the construction of the Edgewater and Sand Dollar Shopping Centers, the Agency was able to accommodate property owners without the use of eminent domain. City staff and Councilmembers are always available for any questions that the public may have on issues related to the City. He is very proud of the efforts put forward to date to upgrade and modify the City. This is not to accommodate a specific project, it is to keep the Redevelopment Plan current and effective.

7:55 P.M. Floor Opened for Public Comment

TIM BOTONIS (Resident and business owner): Is the zoning in his area changing? In response, the City Attorney said this will be discussed further under item 9-A.

JOHN SEWALD (Property and business owner Ortiz Avenue): What did the Mayor mean by the concept of urban renewal being illegal? What is the

purpose of a Redevelopment Agency? Can't the City Council do it on its own? He has worked in Sand City for 25 years, likes it here, but objects that his property can be condemned and be given over for a project. City Attorney Heisinger explained that the purpose of a Redevelopment Agency is to eliminate blight. There was discussion of the entire City being a redevelopment project area.

CLAUDIA VIGAR (Resident): What are the criteria for determining blight? City Attorney Heisinger replied that the Redevelopment Agency is a vehicle under California redevelopment laws. Bond funding can be obtained to eliminate blight, and the Agency buys out the property for fair market value. This is not to be confused with urban renewal.

DEBBIE STRATON (Resident): She lives above a business; does this mean she will have to move? Mr. Heisinger said the Redevelopment Agency cannot condemn property used for residential purposes (mixed use).

DIEDRE BASCU (Resident): How is blight defined? Community Development Director Matarazzo gave an example using the East Dunes. The City would favor residential uses in that area. City Administrator Morgan said that blight can be unsafe buildings, inadequate public infrastructure, noise, pollution, etc.

DICK ROSS (Ross Roofing): He owns three residences and three businesses in Sand City. Many Sand City businesses have been here longer than some of the City Councilmembers. He talked with DBO and cannot work with his offer. He has spent \$100,000 on improvements to his business and would like to do more but cannot take the risk. Why does the City deny him the opportunity to improve his property because the value of his property will be reduced otherwise? Mayor Pendergrass said that all property in this area and in Monterey County has increased in value. Mr. Ross is concerned about where the City is headed. What about his existing leases with residents and businesses? Mr. Matarazzo feels that some of these concerns are a bit premature. The Edgewater relocations all worked out, but at this time there are no projects being considered. Relocation issues are addressed as part of a specific redevelopment project being advanced.

BRUCE SHOWALTER (Representative for resident Mrs. Matthews on Orland): Even with the residential exemption, he feels Mrs. Matthews home may be effected. Mr. Heisinger reassured him that residential property is exempt from condemnation as the proposed amendment is written. He suggested that Mr. Showalter may be more concerned about a residence in a manufacturing zone. Mr. Heisinger reaffirmed that condemnation does not apply to a residentially used property regardless of zoning.

8:20 P.M. Floor Closed to Public Comment

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

- C. Associate Planner Pooler presented a letter received today from Mary's Angels withdrawing the Conditional Use Permit (CUP #409) application by Mary Austin and Diana Rabenold for a mixed use business/residence at 425 Elder Avenue (portion of APN 011-231-019). This application was not considered, the public hearing was opened and closed, and no action was taken.

[The agenda was taken out of sequence with item 9-A considered at this time.]

AGENDA ITEM 8, OLD BUSINESS:

- A. City Engineer Kulakow presented his report on the Sand Dunes Drive bicycle trail proposed lighting costs. The estimated costs, divided into three sections, totals \$407,100. Humboldt Street to Tioga Avenue (\$206,300), Playa Avenue to Route 1 on-ramp (\$146,600), and Route 1 on-ramp to Fremont Avenue (\$54,200). Lighting fixtures would be mounted on bollards with vandal-resistant covers. The most critical section requiring lighting is from Playa Avenue to the Route 1 on-ramp. In turn, this would encourage nighttime use of the section that is out of view of the Police Department and the public, which will be discussed further with Police Chief Klein. The Proposition 116 grant has \$240,000 of uncommitted funds that could be used for the bicycle trail lighting. Three lighting design options were presented to Council. Mr. Kulakow meets with PG&E tomorrow to determine locations of service points. No action is required this evening. Police Chief Klein commented that there are some homeless encampments and vandalism along the Playa/Rt One section, and lighting would be an improvement. He does prefer that the entire path be illuminated. City Administrator Morgan reminded Council that the City received the \$1 million state grant funds because the bicycle path is a commuter trail.

Council discussion was as follows: In response to a question by Councilmember Kruper, Mr. Kulakow said that at this time the lights cannot be solar powered (not powerful enough illumination) but could be converted and retrofitted in the future based on advanced technology. Councilmember Kline asked if there were any other grants that would cover the remaining \$100,000 to complete the project? Staff will use funds that are available now and will check into other sources. Councilmember Blackwelder commented that it may be more cost effective to lay all of the conduits at the same time. He felt the \$3,000 per light fixture was high. Mr. Kulakow said this was based on what the City of Monterey paid for their bike path lighting fixtures. In response to a question by resident Cathy Francini on the brightness of the

lights, he suggested she check the lights on the Monterey path some evening between the Coast Guard station and the pier which are similar to what is being proposed. Resident Steve Wilson commented that the East Dunes area still needs more public lighting. Neither the City park nor the stairway have any lights which could be a safety issue. There also needs to be a sign stating when the park is closed. Police Chief Klein said that staff would make these two issues a priority.

- B. There was no discussion of Sand City pending development projects.
- C. Progress report on Public Works projects, City water project, Highway One PSR, and other Sand City community programs by City Engineer/Community Development Director/City Administrator. Mr. Kulakow reported there were a few clean up items to complete on the tree planting. Staff will also check the trees along Contra Costa (as mentioned in Oral Communications). There are some diseased trees that Public Works has been treating, and some of the trees need to be re-staked. The desal testing continues on the salt concentrations and should be finished in the next few weeks. The contractor had to replace the pump that burned out. In response to a question by Councilmember Kline, a tentative date for the desal facility to be operational is 18-24 months.

There was a meeting with Seaside last week on the Project Study Report (PSR). A letter was sent to the consultant to follow up on certain items to finish up some of the work. Seaside is anxious to see the interchange at Fremont and Fort Ord main gate as it effects their development plans. Sand City has put in a huge effort to date. Mr. Morgan said that both Sand City and Seaside need this PSR. At the meeting, Seaside expressed an unwillingness to financially participate in the PSR. By narrowing some of the alternatives, the PSR costs may be reduced. Mr. Matarazzo informed the public that the PSR is required to design a highway system capable of accommodating traffic projections for the next 20 years and gave a history of this project. To date, the PSR has cost the City \$150,000.

AGENDA ITEM 9, NEW BUSINESS:

- A. Community Development Director Matarazzo presented the General Plan update time line for completion. Five to six years ago, he discussed the East Dunes project with property owners. Most is still zoned "commercial" and it was agreed that a majority of that property should be used as residential to take advantage of the beautiful views of the Monterey Bay. The real estate market has proved this out and homes are being sold in the East Dunes area now above the \$500,000 level. Mr. Matarazzo encourages everyone to attend the proposed General Plan workshops set for April 3rd and 17th. All property owners, businesses and residents will be included in the mailing of

notices to these workshops. At this time, staff is seeking approval from Council of the tentative General Plan completion schedule for 2001.

Mayor Pendergrass announced that he wants the public to participate in these workshops to give ideas to the City Council. This is a General Plan, not a project, and will be in effect up to 20 years. In preparing the General Plan, the City also has to deal with other cities/agencies, for example the California Coastal Commission, US Fish & Wildlife, Sierra Club, etc. to accommodate their concerns (air, traffic, water, etc.).

8:32 P.M. Floor Open for Public Comment

CHRIS MANN (Graniterock): He appreciates the open process of Sand City's General Plan. They plan on being fully engaged in this process.

SAL CARBONE (Resident): He passed out a flyer regarding tonight's meeting. When he canvassed the City, businesses did not seem to know anything about the General Plan. Let the citizens decide, or put it on the ballot.

TIM BOTONIS: He is concerned about zoning changes and how it will effect his business. He will talk with staff to get a better understanding.

VAL LIMA (American Movers): He heard that Sand City wants to get rid of moving companies. They have been here since 1968; how long can they stay in Sand City? Mayor Pendergrass replied that no one is moving him out. The General Plan states what is desirable, and it is a long-range plan.

8:40 P.M. Floor Closed to Public Comment

There was no further comment by the City Council. Council consensus was to approve the proposed time line for the General Plan (GP) as follows: completion of GP draft/response letter to Coastal Commission (3/23/01); public/Council workshop #1 (4/03/01); public/Council workshop #2 (4/17/01); policy revisions/additions based on public workshops (5/04/01); environmental review completed with recommended mitigated negative declaration (5/11/01); review period of negative declaration/expanded initial study ends (6/04/01); public hearing to adopt GP (6/05/01); if necessary, second public hearing (6/19/01); and Coastal Commission certification to follow.

8:42 P.M. Recess

9:03 P.M. Reconvene

- B. Chief Klein presented his staff report on the possible acquisition of a mobile construction trailer for a Sand City Public Works office. There is not enough office space in the Police Department to accommodate the needs of both

Police and Public Works. A subcontractor from Duke Energy (Moss Landing) is offering a 10' x 30' construction trailer at a great price (\$1,200). This trailer is on wheels and can be moved at any time; in the interim it will be placed in the corporation yard. David Wilson (property owner) expressed his concern that the City's corporation yard is a temporary facility and because it blocks access to his property, he wants assurances that he will have access to his property when necessary. Council consensus to purchase the trailer for \$1,200 to be used as an office for the Public Works Department.

AGENDA ITEM 10, ADJOURNMENT:

- A. Motion to adjourn was made by Councilmember Kline, seconded by Councilmember Kruper, to the next regularly scheduled City Council meeting on March 6, 2001, 7:00 p.m. There was unanimous Council consensus to adjourn at 9:37 p.m.



Debra Taylor, City Clerk