

MINUTES
JOINT SAND CITY COUNCIL AND REDEVELOPMENT AGENCY
City Council Chambers
Regular Meeting - June 5, 2001
7:00 PM

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

Reverend Britain led the invocation.

Police Chief Klein led the Pledge of Allegiance.

Present: Councilmember Blackwelder
Vice-Mayor Kline
Councilmember Hubler
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. There were no additional written communications.
- B. The floor was opened for oral communications at 7:02 p.m.:
SYDNEY HARPER (Resident): Thanked the City Council for the nice annual birthday barbecue, and complimented all the good activities for children.

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 #377, Hartzel Automotive (Auto Training Center/Offices), 560 California Avenue
 - (2) CUP #399, Edgewater Center (Regional Commercial Center), Playa & California Avenues
 - (3) CDP #97-05, Monterey Bay Restaurant Equipment (Wholesale), 325 Elder Avenue
- B. There was no discussion of the May 15, 2001 Minutes.
- C. There was no discussion of the monthly Fort Ord Reuse Authority (FORA) Report, May.
- D. There was no discussion of the City **RESOLUTION Adopting the Bicycleway Master Plan/Bicycle Transportation Plan Prepared by the City Engineer as Required by CalTrans for the Bicycle Transportation Account (BTA) 2001/02 Grant Funding Program and Acknowledgment of the 10% Funding Match by the Cities of Sand City and Seaside.**
- E. There was no discussion of the Monterey County Mayors' Association Housing Needs Forums reimbursement in the prorated amount of \$565.40.
- F. There was no discussion of the City/Redevelopment Agency financial reports, April.
- G. There was no discussion of the City **RESOLUTION Authorizing Update of Personnel Manual.** These revisions and updates are for Section 5: "General Working Conditions" to include amended language establishing a uniform work week for all City employees (5.01B), the addition of sub-section 5.15 Police Department Incentive Pay Program and sub-section 5.16 Police Department Uniform Allowance.
- H. Receipt and Approval of City **RESOLUTION Approving Arrangements for Refurbishing the Woodwork in the Council Chambers with Costa Painting** for an amount not to exceed \$6,500 for FY 2000-01.
- I. There was no discussion of the April 12th Arts Committee Minutes.

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

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

No items.

AGENDA ITEM 7, PRESENTATION:

- A. Presentation by Big Sur International Marathon Executive Director Wally Castor. For the past 5 years the Marathon has had support from the Sand City Police Department. Other agencies are now volunteering and it has gone from 12 to 30 officers. This is the only race course in the world that does not have lateral access, so these volunteers with the defibrillation units are vital. Mr. Castor presented a plaque to Mayor Pendergrass.

AGENDA ITEM 8, PUBLIC HEARING(S):

[Due to living and/or leasing property within 500' of the project area, Councilmembers Blackwelder, Hubler, and Kruper have a possible conflict of interest. There was a drawing of straws at the May 15th meeting to determine who would be recused. As a result, Councilmember Kruper was recused and due to his absence at the last meeting, Councilmember Blackwelder is automatically excused from participating. These two Councilmembers left the dais and joined the audience.]

- A. **SECOND READING: Ordinance Amending Title 18 of the Municipal Code to Reclassify Certain Property from Heavy Commercial (C-2) to Medium Density Residential (R-2) Planned Unit Development** (Hawthorne project) was presented by Community Development Director Matarazzo. The project qualifies as a categorical exemption under state CEQA Guidelines, Section 15303(b) & (c). Any future changes to this PUD will require a public hearing by the City Council. Exhibit A lists recommendations for business uses compatible with residential uses; and was amended to adjust parking and building height requirements. The findings of the ordinance were amended to address General Plan consistency. This will be a very nice project for Old Town.

7:08 PM Floor Open for Public Comment

The representative for this project was present and available for comments. There were no comments/questions.

7:08 PM Floor Closed for Public Comment

Motion to approve second reading of Ordinance by title only, was made by Councilmember Kline, seconded by Mayor Pendergrass . Roll call vote - AYES: Councilmembers Kline, Hubler, Pendergrass. ABSTAIN: Councilmembers Blackwelder and Kruper. Motion carried.

[Councilmembers Blackwelder and Kruper returned to the dais.]

- B. **FIRST READING: Ordinance Amending Title 18 of the Municipal Code to Reclassify Certain Property From Manufacturing (M) to Medium Density Residential (R-2) Planned Unit Development (APN 011-193-013)** (Abbott project) was presented by Associate Planner Pooler. The project qualifies as a categorical exemption under state CEQA Guidelines, Section 15305. In 1999, the City issued permits to Allan Abbott for the development of a 2-story building to serve as a 2-car garage on the lower level and a personal non-commercial workshop on the upper floor, located at 742 Dias Avenue. Mr. Abbott proposes to convert his plan of the approved workshop into a 2-bedroom/1-bath residential dwelling. This rezoning would allow the second residential project while being consistent with the proposed mixed-use designation of the draft General Plan. Two on-site parking spaces for each dwelling unit are required.

7:13 PM Floor Open for Public Comment

ALLAN ABBOTT (Applicant): Assured the City Council there will be no commercial activity on this property. Currently there is no garage on site and he feels this project will be a good addition for the City. The design matches the 2-bedroom home in front. In response to a question by Councilmember Kruper, Mr. Abbott said that he has personal storage near the airport. Originally the DRC approved his workshop/garage, but one of the DRC members suggested the use of an apartment/garage instead and to apply for the water lottery. After receiving water credits he prefers his project be a residence instead of a workshop. He will gladly sign papers to ensure that the garage will be for parking only, not storage.

7:16 PM Floor Closed for Public Comment

In response to a question by Councilmember Kline, Mr. Pooler said there will be 2 covered and 2 uncovered parking spaces on the property. Staff will add the assessors parcel number to the Ordinance title for second reading at the June 19th meeting.

Motion to approve first reading of Ordinance by title only, was made by Councilmember Kline, seconded by Councilmember Hubler. Roll call vote - AYES: Councilmembers Blackwelder, Kline, Hubler, Kruper Pendergrass. Motion carried.

AGENDA ITEM 9, OLD BUSINESS:

- A. Executive Director Morgan presented the Redevelopment Agency **RESOLUTION Extending the Exclusive Negotiating Agreement with King Ventures for the McDonald Coastal Site** (9th extension). The Disposition

& Development Agreement (DDA) is scheduled for a public hearing on June 19th. The ENA needs one more extension and once the DDA is finalized the ENA automatically expires. Agency Attorney Heisinger reported that King Ventures responded to the draft DDA with one substantive recommended change which will be discussed in Closed Session this evening.

Motion to approve Resolution, by title only, was made by Agency member Blackwelder, seconded by Agency member Kruper. AYES: All members. NOES: None. Motion carried.

- B. Progress report by City Administrator Morgan and City Engineer Kulakow on the May 17th desal conference, was taken out of sequence. Mr. Kulakow made a PowerPoint presentation that included worldwide statistics regarding desal plants.
- C. Update on Sand City pending development projects was made by Community Development Director Matarazzo. Wellington Homes wants to work on the East Dunes project, but they are seeking reassurances from Coastal Commission staff that they will accept the mitigated habitat site and are not averse to desal. The meeting went well. Coastal Commission staff will view the proposed site by July. There are some concerns with water, but the Coastal Commission did approve the Marina desal which addressed environmental impacts. The HCP is still vital for this project.
- D. Progress report on Public Works projects, City water project, Highway One Project Study Report, and other Sand City community programs by City Engineer/ Community Development Director/City Administrator. Mr. Morgan reported on the recent PSR meeting that was arranged by TAMC Executive Director to help resolve some of the pending issues with CalTrans and the City of Seaside. CalTrans is willing to have the rail issues (grade separation at all cross streets and Ord Avenue) addressed in a follow up report. The final PSR will need to include consideration of: southbound traffic at Ord Avenue not be allowed a direct entrance to the Edgewater Center from the freeway due to "over capacity." This does not mean the policy boards of Seaside and Sand City will approve these changes, but will be included in the PSR for future consideration. Traffic would then be required to go to Del Monte Avenue and enter the center via Playa Avenue. CalTrans will not consider the PSR unless these steps are taken into consideration. State and federal funding could be available to fund major improvements related to Highway One as soon as CalTrans signs off on this PSR. There will be an item on the June 19th agenda to discuss the extra \$35,000 needed for further traffic engineering and report completion

AGENDA ITEM 10, NEW BUSINESS:

[Due to living and/or leasing property within 500' of the project area, Agency member Hubler may have a possible conflict of interest and was recused. Agency member Hubler left the dais and joined the audience.]

- A. Consideration of Redevelopment Agency **RESOLUTION Authorizing the Executive Director to Accept Grant Deed, Property Located at the Corner of Dias & Hickory (APN 011-194-001)** was presented by Executive Director Morgan. The Agency already gave direction to the real property negotiator (Mr. Morgan) to purchase the property, and this "Certificate of Acceptance" is required before escrow can close.

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

[Agency member Hubler returned to the dais.]

- B. Redevelopment Agency **RESOLUTION Designating the South of Tioga Area as the Next Major Redevelopment Project and Initiating the Process for Owner Participation and a Request for Statements of Interest** was presented by Agency Planner Matarazzo. This project area will be complicated taking into account traffic, habitat, landuse compatibility and relocation issues. Staff seeks approval of the resolution to initiate the process for owner participation and a request for statements of interest. Property owner notification is required by redevelopment law.

Executive Director Morgan stated the area is characterized by significantly blighted conditions: fish plant, trash/transfer station, large building/contractor-type businesses, and small homes unable to meet current building code standards. Chairman Pendergrass said this is part of the reason the City/ Agency has purchased property for potential relocations. It's time to go forward and the transition must be careful and considerate. Agency Attorney Heisinger recommended a date change to the notice from July 7th to July 10th. The letter is well tailored for this particular area of the City/Agency.

RALPH TOPS (Resident): He understands the need for redevelopment. Is there a timeframe on this as some home owners/renters are concerned about where they are going to go?

In response, Mr. Matarazzo said that it could take 1-2 years for relocation issues to be settled and an estimated 8 months for an EIR. Mr. Heisinger reiterated the process and that replies will put some definition on the project. There are no time-specific answers available right now. In response to a

question by Agency member Kline, Mr. Heisinger said that this letter will go to only property owners and interested parties. Redevelopment law requires that property owners have an opportunity to participate. There are further steps in the future to address relocation issues. There are only two residential property owners in this area and they will be sent the letter.

Motion to approve Resolution, by title only, was made by Agency member Hubler, seconded by Agency member Kruper. AYES: All members. NOES: None. Motion carried.

- C. Consideration of League of California Cities proposed bylaws amendment to increase dues to implement League Grassroots Network was presented by Mayor Pendergrass. He is recommending a \$200 contribution, instead of just the \$59 dues, in support of the program. City Administrator Morgan said that cities and local governments need more political clout in Sacramento and this grassroots network will enable that to happen. Some public employee unions have more political clout than their public agency employers.

City Council consensus to contribute \$200.

- D. Discussion of possible attendance at League of California Cities annual conference, September 12-15 in Sacramento. The Budget Committee and City Council consensus to pay the \$60 spouse/guest registration for those who wish to attend. Pendergrass + guest, Blackwelder + guest, Kruper + guest, Morgan + guest, and Heisinger. Councilmember Kline and Linda Scholink will let staff know in the near future if they will be attending the conference.

8:25 PM Recess
8:37 PM Reconvene


AGENDA ITEM 11, CLOSED SESSION:

- A. The City Council/Redevelopment Agency adjourned to Closed Session:
 - (1) to confer with real property negotiator, in accordance with the §54956.8 of the Ralph M. Brown Act
 - a. To discuss possible purchase of property to enlarge civic center or use for redevelopment purposes, APN 011-187-004, 011-194-001, portion of 011-191-001, and APN 011-238-016
 - b. To review proposed Disposition & Development Agreement (DDA) terms to King Ventures for McDonald coastal property (APN 011-012-001 & 002)
 - (2) To confer with legal counsel to consider initiation of litigation (one case), pursuant to §54956.9(c) of the Brown Act

- B. City Council/Redevelopment Agency readjourned to Open Session to report any action taken at the conclusion of Closed Session in accordance with §54957.1(a)(1)(B) of the Ralph M. Brown Act:
- (1a) By consensus, the Redevelopment Agency gave direction to the Executive Director (real property negotiator) to begin negotiations on the Orange Avenue lots and on the Sylvan Avenue lots.
 - (1b) Redevelopment Agency gave direction to staff to continue negotiations with King Ventures on the DDA.
- (2) No action was taken on this item.

AGENDA ITEM 12, ADJOURNMENT:

- A. Motion to adjourn was made by Councilmember Kruper, seconded by Councilmember Hubler, to the next regularly scheduled City Council meeting on June 19, 2001, 7:00 p.m. There was unanimous Council consensus to adjourn at 9:07 p.m.



Debra Taylor, City Clerk