

MINUTES
JOINT SAND CITY COUNCIL AND SUCCESSOR AGENCY
OF THE REDEVELOPMENT AGENCY

Regular Meeting – July 7, 2020
5:30 P.M.

As allowed per the State of California Governor’s Executive Order N-29-20, this meeting was conducted by teleconference.

Mayor Carbone opened the meeting at 5:30 P.M.

The following members of the Council and Staff attended the meeting via Zoom teleconference.

Present: Mayor Mary Ann Carbone
Vice Mayor Blackwelder
Council Member Hawthorne
Council Member Sofer
Council Member Cruz

Staff: Aaron Blair, City Manager
Vibeke Norgaard, City Attorney
Connie Horca, Acting City Clerk
Charles Pooler, City Planner
Brian Ferrante, Chief of Police

AGENDA ITEM 2, ANNOUNCEMENTS BY MAYOR, CITY ATTORNEY, AND CITY STAFF

The Mayor commented that agenda items 9C City Attorney Contract, and 10A(1) Closed Session will be pulled from the agenda and considered at a future Council meeting.

City Manager Blair reported on the corona virus relief funding, his meeting with Staff regarding rehabilitation of the habitat area, and a possible internship program with California State University Monterey Bay (CSUMB) students for habitat rehabilitation. City Planner Pooler added that Administrative Staff has been in contact with CSUMB and that a comprehensive Phase 1 study needs to be completed prior to work occurring at the area.

City Manager Blair also reported on the status of the West Bay Street and South of Tioga projects, electrical service updates to City Hall, and his work regarding code enforcement issues.

Mr. Pooler provided an update on the status of the South of Tioga project and when the demolition work can commence. Staff is still waiting for payment from the developer before the demolition permits can be issued.

AGENDA ITEM 3, PUBLIC COMMENT

5:49 p.m. Floor opened for Public Comment.

There were no comments from the Public in person, via writing or through telecommunications regarding items not appearing on the agenda.

5:49 p.m. Floor closed for Public Comment.

AGENDA ITEM 4, CONSENT CALENDAR

- A. There was no discussion of the June 16, 2020 Sand City Council Regular Meeting Minutes.
- B. There was no discussion of the City/Successor Agency Monthly Financial Report, May 2020.
- C. There was no discussion of the City **Resolution** authorizing a Time Extension of the Building Inspection and Plan Check Services Agreement with the City of Monterey to June 30, 202.
- D. There was no discussion of the City Donation/Contribution to United Way Monterey County for \$500 and Community Human Service and Gathering for Women for \$1,500 in Support of Casa de Noche Buena.
- E. There was no discussion of the City **Resolution** approving the Contra Costa Street and Sidewalk Improvement Project Funded by SB1, the Road Repair and Accountability Act of 2017 for Fiscal Year 2020-2021.

Motion to approve the Consent Calendar items was made by Council Member Blackwelder, seconded by Council Member Sofer. Roll Call Vote AYES: Council Members Blackwelder, Carbone, Cruz, Hawthorne, Sofer. NOES: None. ABSENT: None. ABSTAIN: None. Motion carried.

AGENDA ITEM 5, CONSIDERATION OF ITEMS PULLED FROM THE CONSENT CALENDAR

There were no items pulled from the Consent Calendar.

AGENDA ITEM 6, PRESENTATION

- A. **Presentation by City Manager Aaron Blair on the Carroll Property Repurpose**

City Manager Blair provided a PowerPoint presentation to the Council on the repurpose of the Carroll Property using arts-based initiatives as an economic development tool. He commented that the idea would activate a rarely used city owned space to create energy, regional exposure, and much needed community space. The arts programs and quality of place initiatives are crucial when competing for new businesses and investments. He also explained the tangible city benefits of murals that would enhance the community, benefit local businesses, increase magnetism to a location, and boost tourism. The purpose and goal would be to create community space, an open art gallery (to bring art spaces outdoors), and serve as an incubator of artist culture. He provided a few sample photographs and conceptual renderings of what the repurpose of the property could possibly resemble from other cities who have adopted the concept. He also noted that storage units would serve multi-purposes such as an artist studio and gallery serving as pop-up artist spaces.

There was discussion regarding involvement of other arts organizations, how often an event would take place, a home/space for public theatre, and whether adjacent businesses in the area approve of the repurpose. It was noted that organizations such as the Arts Council for Monterey, and the Forest Guild Theatre have expressed their interest in being involved with the idea.

6:18 p.m.

There were no comments from the Public in person, via writing or through telecommunications regarding items not appearing on the agenda.

6:18 p.m.

The Council expressed their approval of the repurpose for the Carroll Property, and Staff was directed to bring a cost analysis budget back to the Council.

AGENDA ITEM 7, PUBLIC HEARING

- A. FIRST READING: Consideration of an ORDINANCE of the City of Sand Replacing the Existing General Purpose Transactions and Use Tax at a Rate of One Percent with a General Purpose Transaction and Use Tax at a Rate of One and One-Half Percent, to be Administered by the California Department of Tax and Fee Administration, subject to the Adoption by the Electorate**

City Manager Blair commented that the attached Ordinance is presented for First Reading for the Council to consider replacing the existing general purpose transactions and use tax (TUT) to 1.5%. The current TUT is 1%. Under State law, cities may impose transactions and use taxes at a rate of 0.125%, or a multiple of that amount, of retailer's gross receipt from the sale

of tangible goods. He explained the procedure involved for the adoption of the tax that must be approved by a majority vote of the qualified voters voting in the November 3, 2020 general municipal election. HdL projects that should the measure pass, it would produce approximately \$250,000 for the remainder of the 2020/2021 fiscal year, and close to \$1 million during a full fiscal year. Staff recommends adoption of the Ordinance for first reading.

City Attorney Norgaard added that the first reading of the Ordinance would amend the current ordinance already in place, and needs a 2/3d vote of the Council (4 out of 5 councilmembers). It would only go into effect should a majority of Sand City's voters approve the measure at the November elections. She explained the difference between a transactions and use tax as opposed to a sales tax. If approved, the revenue generated would go into general funds and used for City purposes. The ordinance as drafted does not have a sunset date.

6:30 P.M. Floor opened for Public Comment.

There were no comments from the Public in person, via writing or through telecommunications regarding items not appearing on the agenda.

6:31 P.M. Floor closed to Public Comment.

Motion to waive Reading in full of the text of the **Ordinance** of the City of Sand Replacing the Existing General Purpose Transactions and Use Tax at a Rate of One Percent with a General Purpose Transaction and Use Tax at a Rate of One and One-Half Percent, to be Administered by the California Department of Tax and Fee Administration, subject to the Adoption by the Electorate and to read by title only was made by Council Member Hawthorne, seconded by Council Member CRuz. Roll Call Vote AYES: Council Members Blackwelder, Carbone, Cruz, Hawthorne, Sofer. NOES: None. ABSENT: None. ABSTAIN: None. Motion

Motion to approve the First Reading **by title**, of an **ORDINANCE** of the City of Sand Replacing the Existing General Purpose Transactions and Use Tax at a Rate of One Percent with a General Purpose Transaction and Use Tax at a Rate of One and One-Half Percent, to be Administered by the California Department of Tax and Fee Administration, subject to the Adoption by the Electorate was made by Council Member Blackwelder, seconded by Council Member Sofer. Roll Call Vote AYES: Council Members Blackwelder, Carbone, Cruz, Hawthorne, Sofer. NOES: None. ABSENT: None. ABSTAIN: None. Motion carried.

AGENDA ITEM 8, OLD BUSINESS

A. Discussion of Greenwaste Recovery Franchise Rate Review (this item continued from the June 16, 2020 Council meeting)

City Planner Charles Pooler reported that at the June 16, 2020 Council

meeting, staff presented a resolution to maintain the current maximum Greenwaste Recovery services rates and implement no rate changes until the revenue surplus credit from fiscal year 2019-2020 and future surpluses thereafter are expended. Following Council discussion at the meeting, there was consensus of the Council to continue the item. City staff contacted the consultant Rob Hilton of HF&H and Emily Hansen of Greenwaste Recovery for assistance to address Council's concerns and to answer questions noted at the June 16th Council meeting. Staff is seeking Council direction regarding rates and surplus management.

Emily Hansen representing Greenwaste Recovery addressed the questions posed by the Council at the June 16, 2020 Council meeting regarding whether residents who move out of the City can reap the benefits of the rate stabilization fund, who would control and monitor the surplus funds and ensure that they are appropriately credited, and how surplus funds would be refunded to customers. Sand City has approximately \$130,000 in its surplus funds as of fiscal year 2019-2020. The Council can decide what they would like to do

City Planner Pooler added that all cities will be doing an amendment of the franchise agreement respective to their city, and Sand City's amendment would include the management of those surplus funds.

Ms. Hansen clarified for Council Member Hawthorne that the substantial rate increases for the cities of Pacific Grove and Carmel were due in part to extra services provided by Greenwaste Recovery that they were receiving.

6:47 P.M. Floor opened for Public Comment.

There were no comments from the Public in person, via writing or through telecommunications regarding items not appearing on the agenda.

6:47 P.M. Floor closed to Public Comment.

Mr. Pooler commented that there is no resolution in the packet and Staff is looking for Council direction. An amendment to the franchise agreement will also be created, and that language would include management of the city's surplus funds.

There was Council discussion regarding the costs to provide refunds and credits and/or whether to keep the funds in the rate stabilization fund held by Greenwaste Recovery.

At the request of Council Member Blackwelder regarding a staff recommendation be made to avoid any further irresolute discussion, Mr. Pooler recommended that the resolution would be brought back to the Council with language in reference to the franchise agreement amendment, and that once the franchise agreement is prepared and ready for all the cities, that it will also be brought to the Council for consideration.

The Mayor directed City Planner Pooler to present a resolution at the next City Council meeting.

AGENDA ITEM 9, NEW BUSINESS

A. Review and Approval of the “Ballot Argument in Favor of Measure”

City Manager Blair read the entire text of the Ballot Argument in Favor of Measure. He inquired whether the Council approved of the measure language. There were no comments from the Council. Staff recommends the Council support and approve the ballot measure, and the argument in favor of Measure K.

City Attorney Norgaard added that at the next City Council meeting a resolution to place the measure on the ballot will be brought before the Council.

7:00 P.M. Floor opened for Public Comment.

There were no comments from the Public in person, via writing or through telecommunications regarding items not appearing on the agenda.

7:00 P.M. Floor closed to Public Comment.

The item was informational only and no action was taken.

B. Discussion of Planning and Organizing Campaign in Support of Measure

The Mayor commented that she will be contacting the Council individually to organize the campaign in support of Measure K.

C. Consideration of City RESOLUTION Authorizing an Agreement for City Attorney Services with Vibeke Norgaard for Fiscal Year 2020-2021

This item was pulled from the agenda and will be considered at a future meeting.

D. Comments by Council Members on Meetings and Items of interest to Sand City

Council Member Sofer reported on her attendance at the League of California Cities conference held via Zoom.

Council Member Blackwelder reported that at the Monterey Regional Waste Management District meeting he attended, the organization was experiencing some financial shortfalls, has offered early retirement to

eligible employees, that a hiring freeze was imposed, and the 'last chance mercantile' will remain closed through the end of the year. Mr. Pooler added that the recycle buy-back center has permanently closed, and further explained the franchise agreement.

Mayor Carbone reported on Monterey 1 Water's sewer rate increase to \$3.50 a month, the Fort Ord Reuse Authority (FORA) JPA has dissolved, termination of the Monterey Peninsula Regional Water Authority Joint Powers Authority, and the upcoming October 2020 Indigenous Peoples Day celebration.

E. Upcoming Meetings/Events

There were no upcoming meetings/events reported.

AGENDA ITEM 10, CLOSED SESSION

This item was pulled from the Agenda and will be considered at a future meeting.

A. The City Council/Successor Agency Board to adjourned to Closed Session regarding:

- 1) Public Employee Performance Evaluation (Government Code Section 54957)
Position: Chief of Police**

B. Re-adjourn to Open Session to report any action taken at the conclusion of Closed Session in accordance with Cal. Gov Code section 54957.1.

AGENDA ITEM 11, ADJOURNMENT

Motion to adjourn the meeting was made by Council Member Blackwelder, seconded by Council Member Hawthorne. There was consensus of the City Council to adjourn the meeting at 7:24 p.m. to the next regularly scheduled City Council meeting on Tuesday, July 21, 2020 at 5:30 p.m.



Connie Horca, Acting City Clerk