

CITY COUNCIL REGULAR MEETING

JOINT SAND CITY COUNCIL AND SUCCESSOR AGENCY OF THE REDEVELOPMENT AGENCY

TUESDAY, MARCH 3, 2026

5:30 PM

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

City Council Regular Meeting - Tuesday, March 3, 2026
5:30 PM

THIS MEETING WILL BE HELD VIRTUALLY AND IN PERSON, IS COMPLIANT WITH ASSEMBLY BILL ("AB") 2449, SIGNED INTO LAW ON SEPTEMBER 13, 2022, WHICH AMENDS GOVERNMENT CODE SECTION 54953 TO PROVIDE AUTHORITY FOR PUBLIC AGENCIES TO CONTINUE TO HOLD VIRTUAL MEETINGS AND REMAIN IN COMPLIANCE WITH THE BROWN ACT (GOV. CODE §§ 54950 ET SEQ.).
TO PARTICIPATE IN THE ZOOM COUNCIL WEBINAR LIVE:

https://us02web.zoom.us/j/88349100938

Webinar ID: 883 4910 0938

To participate telephonically by calling the number below:
(669) 900-6833

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If prompted to enter a participant ID, press #

TO PARTICIPATE IN PERSON:
City Hall Council Chamber
1 Pendergrass Way
Sand City, CA

Public Comments:
If any member of the public would like to provide written comments at the meeting, please do as set forth below.

Written: All comments received before 10:00 am the day of the meeting will be posted on the City's website as "Correspondence" under the relevant agenda item and provided to the City Council at the meeting. Please email your comments to: cityclerk@sandcityca.org.

Members of the public may participate by calling and speaking live during the designated time(s), subject to time limits that may be imposed pursuant to the Brown Act at the number provided above. Please use the "raise your hand" option on Zoom, and the City Clerk will call on your name.

1. ROLL CALL

2. PLEDGE OF ALLEGIANCE

3. ANNOUNCEMENT BY MAYOR, CITY ATTORNEY, AND CITY MANAGER

4. COMMUNICATIONS

Members of the public may address the City Council/Successor Agency on matters not appearing on the City Council/Successor Agency Agenda at this time for up to three minutes. In order that the City Clerk may later identify the speaker in the minutes of the meeting, it is helpful if speakers state their names. Public comments regarding items on the scheduled agenda will be heard at the time the item is being considered by the City Council/Successor Agency. The City Council Chambers podium is equipped with a portable microphone for anyone unable to come to the podium. If you need assistance, please advise the City Clerk as to which item you would like to comment on and the microphone will be brought to you.

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 Council member may request that any item be placed on the Regular Agenda for separate consideration.

5A. Approve the City Council Regular Meeting Minutes for November 4, 2025 and January 20, 2026
Draft Minutes

5B. Consideration and Approval for the Cancellation of the March 17 and June 16, 2026, Regular City Council Meetings
Staff Report

6. CONSIDERATION OF ITEMS PULLED FROM CONSENT CALENDAR

7. PRESENTATION

7A. Receive a Monterey One Water Update from Paul Sciuto (*10 Minutes)*

8. PUBLIC HEARING

9. NEW BUSINESS

9A. Approve a Resolution Approving an Amendment to Conditional Use Permit 419 to Modify Parking Conditions at 1725 Contra Costa Street ***This item is continued from February 17, 2026.***
Staff Report
Resolution
CUP 419 and 2010 Amendment

9B. Approve a Resolution Authorizing the City Manager to Enter into a Cost Sharing Agreement for Maintenance, Repair, Restoration, and/or Replacement of Stormwater Interceptors Within the Sand Dollar Shopping Center
Staff Report

Resolution
Cost Sharing Agreement

9C. Approve a Resolution Receiving the Update Prohousing Designation Application
Staff Report
Resolution
Draft Pro-housing Application

9D. Approve a Resolution Authorizing Application for, and Receipt of, Prohousing Incentive Program (PIP) Funds
Staff Report
Resolution

9E. Approve a Resolution Objecting to the County Tax Collector's Sale of a Tax-Defaulted property (APN 011-125-040-000) and Authorizing the City Manager to Apply for and Enter into an Agreement to Purchase the Property for Public Purposes
Staff Report
Resolution

9F. New Laws Update from City Attorney Adam Lindgren

10. COMMENTS BY COUNCILMEMBERS ON ITEMS OF INTEREST TO SAND CITY

11. ADJOURNMENT

The current agenda is available in PDF format on our website at:
www.sandcity.org

If you have a request for a disability-related modification or accommodation, including auxiliary aids or services, which will allow you to participate in a Sand City public meeting, please call the City Clerk at (831) 394-3054 extension 220, or give your written request to the City Clerk at 1 Pendergrass Way, Sand City, CA 93955 at least 48 hours prior to the scheduled meeting to allow the City Clerk time to arrange for the requested modification or accommodation.

AGENDA ITEM
5A.

Approve the City Council Regular Meeting Minutes for November 4, 2025 and January 20, 2026

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

City Council Regular Meeting - Tuesday, November 4, 2025 5:30 PM

As allowed by Assembly Bill 2449, this meeting was conducted in person and by teleconference.

Mayor Carbone appeared remotely Via Zoom: The Westin Long Beach 333 East Ocean Boulevard Long Beach, CA 90802

Mayor Carbone called the meeting to order at 5:35 PM.

1. ROLL CALL

Present: Mayor Carbone
Councilmember Adams
Councilmember Diaz
Councilmember Sofer

Absent: Vice Mayor Blackwelder

Staff: City Manager Vibeke Norgaard
City Attorney Adam Lindgren
Administrative Services Manager Audrey Cray
Engineering Services, Leon Gomez
City Clerk Kerry Lindstrom

2. PLEDGE OF ALLEGIANCE

Councilmember Diaz led the Pledge of Allegiance.

3. ANNOUNCEMENT BY MAYOR, CITY ATTORNEY, AND CITY MANAGER

City Manager Vibeke Norgaard wished Mayor Carbone and Todd Sheller a happy birthday.

City Manager announced:

- The Building Inspector issued a conditional temporary occupancy permit for the City's Marriott Hotel on October 31, 2025.
- Update the City Council regarding the SURF/MST bus construction project. Beginning the week of November 17, 2025, crews will begin grading a temporary access road and removing rail tracks just north of the intersection of California Avenue and the Highway 1 southbound on-ramp. Work hours are scheduled between 7:00 AM. and 5:00 PM.
- Pat Moore has been named the new Fire Chief of Monterey Fire Department and will also serve as Fire Chief for Sand City.

4. COMMUNICATIONS
Public comment received from Jazmine Venegas and Tom Jacobson.

5. CONSENT CALENDAR
No public comment received.

Upon motion by Councilmember Diaz and seconded by Councilmember Sofer, Vice Mayor Blackwelder absent, Council voted to approve the Consent Calendar.

Motion carried 4-0-1 by the following vote:

AYES: Mayor Carbone, Councilmembers Adams, Diaz, and Sofer.
NOES: None.
ABSENT: Vice Mayor Blackwelder
ABSTAIN: None.

5A. Approved the City Council Special Meeting and Regular Meeting Minutes for September 16, 2025.

5B. Approved the Proposed City Council Meeting Calendar for 2026.

5C. Approved Resolution SC 25-61 approving a Professional Services Agreement with Hanson Bridgett, LLP in an amount not to exceed $38,000.

5D. Approved Resolution SC 25-62 amending the Professional Services Agreement with GHD, Inc., to provide engineering and related services for the West End Stormwater Improvement Project on Catalina Street and to increase the contract budget and to extend the term.

5E. Approved Resolution SC 25-63 amending the Professional Services Agreement with GHD, Inc., to provide engineering and related services for the West End Stormwater Improvement project on Contra Costa Street and to increase the contract budget and to extend the term.

6. CONSIDERATION OF ITEMS PULLED FROM CONSENT CALENDAR
No items were pulled.

7. PRESENTATION
None.

8. PUBLIC HEARING

8A. First Reading of an Ordinance of the City of Sand City Amending Title 15 of the Sand City Municipal Code Regarding the Adoption of Building, Fire and Related International Codes ***This item was continued from October 21, 2025.***

No public comment received.

Upon motion by Councilmember Sofer and seconded by Councilmember Diaz, Vice Mayor Blackwelder absent, the Council voted 4-0-1 to waive the reading of the ordinance in full and read by title only and held the first reading of an ordinance amending Title 15 of the Sand City Municipal Code regarding the adoption of the Building, Fire and related International Codes.

Motion carried 4-0-1 by the following vote:

AYES: Mayor Carbone, Councilmembers Adams, Diaz, and Sofer.
NOES: None.
ABSENT: Vice Mayor Blackwelder
ABSTAIN: None.

9. NEW BUSINESS

9A. Approve a Resolution Authorizing the City Manager to Execute a Memorandum of Agreement with Monterey One Water for the Monterey Regional Stormwater Management Program

No public comment received.

Upon motion by Councilmember Sofer and seconded by Councilmember Adams, Vice Mayor Blackwelder absent, Council voted to approve Resolution SC 25-64 authorizing the City Manager to execute a Memorandum of Agreement with Monterey One Water for the Monterey Regional Stormwater Management Program.

Motion carried 4-0-1 by the following vote:

AYES: Mayor Carbone, Councilmembers Adams, Diaz, and Sofer.
NOES: None.
ABSENT: Vice Mayor Blackwelder.
ABSTAIN: None.

9B. Approve a Resolution Approving a Resident Food Security Grant Program and Establishing an Initial Funding of $10,000

Public comment received from Richard Dole.

Upon motion by Councilmember Adams and seconded by Councilmember Diaz, Vice Mayor Blackwelder absent, Council voted to approve Resolution SC 25-65 approving a resident food security grant program and establishing an initial funding of $10,000.

Motion carried 4-0-1 by the following vote:

AYES: Mayor Carbone, Councilmembers Adams, Diaz, and Sofer.
NOES: None.

ABSENT: Vice Mayor Blackwelder.
ABSTAIN: None.

9C. Approve a Resolution Granting Consent to the City of Monterey to Modify the Monterey County Tourism Improvement District (MCTID)

Public comment received from Tom Jacobson and Richard Dole.

Upon motion by Councilmember Sofer and seconded by Councilmember Adams, Vice Mayor Blackwelder absent, Council voted to approve Resolution SC 25-66 granting consent to the City of Monterey to modify the Monterey County Tourism Improvement District (MCTID).

Motion carried 4-0-1 by the following vote:

AYES: Mayor Carbone, Councilmembers Adams, Diaz, and Sofer.
NOES: None.
ABSENT: Vice Mayor Blackwelder
ABSTAIN: None.

10. COMMENTS BY COUNCILMEMBERS ON ITEMS OF INTEREST TO SAND CITY

- Councilmember Sofer announced a holiday market at the new hotel on December 21, 2025.
- Councilmembers Diaz and Adams attended the Meals on Wheels Classique Gala on November 2, 2024, in support of Meals on Wheels.
- Mayor Carbone announced an MMIP event on November 13, 2025, at the Portola in Monterey.

11. ADJOURNMENT

Council adjourned the meeting at 6:47 PM.

_____
Kerry Lindstrom, City Clerk

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

City Council Regular Meeting - Tuesday, January 20, 2026
5:30 PM

As allowed by Assembly Bill 2449, this meeting was conducted in person and by teleconference.

Mayor Carbone called the meeting to order at 5:30 PM.

1. ROLL CALL

Present: Mayor Carbone
Vice Mayor Blackwelder
Councilmember Adams
Councilmember Diaz
Vacant

Staff: Vibeke Norgaard, City Manager
Anthony Amara, City Attorney
Mark Parker, Public Works Manager
Nick McIlroy, Planning Manager

2. PLEDGE OF ALLEGIANCE

Vice Mayor Blackwelder led the Pledge of Allegiance.

3. ANNOUNCEMENT BY MAYOR, CITY ATTORNEY, AND CITY MANAGER

Mayor Carbone announced:

- She was interviewed by KSBW this morning regarding the new Marriott Hotel. The story is scheduled to air later this evening.
- The official grand opening of the Marriott Hotel will take place tomorrow, January 21st, at 4:30 p.m.
- In December 2025, the Chief and the Mayor helped organize a conference in Monterey for officers to receive POST-certified training on MMIP issues. Several individuals were interviewed regarding the conference and training, including Chief Borges of Seaside, and a substantial article was published. Anyone interested in obtaining a copy of the article may contact the Mayor.

City Manager Vibeke Norgaard announced:

- At the next City Council meeting the Council will hear presentations from applicants interested in being appointed to the City Council vacancy. The application deadline has passed, and three applications were received.
- Restitution has been received in connection with a streetlight that was struck and damaged by a driver.

- Monterey-Salinas Transit (MST) completed work on Playa and California on January 18, 2026.
- Chief Honda and Administrative Services Manager Audrey Cray observed a couple living in their vehicle. Ms. Cray, who volunteers with All In Monterey, assisted in transporting the couple to the Kindness Closet, where they were provided clothing and connected with temporary housing resources.

4. COMMUNICATIONS

Public comment received from Brian Clark, Todd Sheller, and Luke Kilpatrick.

5. CONSENT CALENDAR

Public comment received from Brian Clark.

Upon motion by Vice Mayor Blackwelder and seconded by Councilmember Adams, Council voted 4-0, one seat vacant, to approve the Consent Calendar.

5A. Approved the City Council Special Meeting and Regular Meeting Minutes for October 21, 2025.

5B. Approved Resolution SC 26-01 authorizing the City Manager to execute an agreement with Talking Walls for Mural Curator Services.

5C. Approved Resolution SC 26-02 amending a Professional Service Agreement with EMC Planning Group to include additional funding from the second MBARD CAMP Grant (25-13) for planning and design of the Sand City Multi-Use Commuter Trail.

5D. Accepted the City/Successor Agency Financial Report from December 2025.

6. CONSIDERATION OF ITEMS PULLED FROM CONSENT CALENDAR

No items were pulled.

7. PRESENTATION

7A. Receive a Presentation on the New City of Sand City Website: Kris Arden, EMC

Public comment received from Luke Kilpatrick and Tom Jacobson.

No action taken. Council received a presentation on the new City of Sand City website from Kris Arden, EMC.

8. PUBLIC HEARING

None.

9. NEW BUSINESS

9A. Approve a Resolution Authorizing the Purchase of Three (3) City Vehicles and Authorizing the City Manager to Execute all Necessary Documents

Public comment received from Luke Kilpatrick and Brian Clark.

Upon motion by Councilmember Diaz and seconded by Councilmember Adams, Council voted 4-0, one seat vacant, to approve Resolution SC 26-03 authorizing the purchase of three (3) city vehicles and authorizing the City Manager to execute all necessary documents.

9B. Approve a Resolution Accepting a $200,000 Grant from the Monterey Bay Air Resources District and Authorizing the Expenditure of an Additional $501,809.70 for the Purchase of a RAVO R5-ESeries Electric Compact Electric Street Sweeper

Public comment received from Luke Kilpatrick.

Upon motion by Vice Mayor Blackwelder and seconded by Councilmember Adams, Council voted 4-0, one seat vacant to approve Resolution SC 26-04 accepting a $200,000 grant from the Monterey Bay Air Resources District and authorizing the expenditure of an additional $501,809.70 for the purchase of a RAVO R5-ESeries electric compact street sweeper.

9C. Approve a Resolution Declaring Certain City-Owned Real Property as Exempt Surplus Land Pursuant to Government Code Section 54221(f)(1)(B).

Due to a conflict of interest, those residing within 500 feet of 501 Ortiz Avenue, Vice Mayor Blackwelder and Councilmember Diaz, a straw draw was conducted to establish a quorum by random selection. Councilmember Diaz name was selected to recuse.

Due to a conflict of interest involving Councilmembers residing within 500 feet of 501 Ortiz Avenue, Vice Mayor Blackwelder and Councilmember Diaz participated in a random straw draw to establish a quorum. Councilmember Diaz's name was selected, and she recused herself from the item.

Public comment received from Brian Clark and Kim Scudder.

Upon motion by Councilmember Adams, seconded by Vice Mayor Blackwelder, Council voted 3-0-1, with Councilmember Diaz recused and one seat vacant, to approve Resolution SC 26-05 declaring certain City-owned real property exempt surplus land pursuant to Government Code Section 54221(f)(1)(B).

9D. Approve a Resolution Authorizing the Execution of a Professional Services Agreement with EMC Planning Group, Inc. for the Preparation of a Comprehensive General Plan Update
Public comment received from Brian Clark

Upon motion by Councilmember Diaz and seconded by Councilmember Adams, Council voted 4-0, one seat vacant Council to approve Resolution SC 26-06 authorizing the execution of a Professional Services Agreement with EMC

Planning Group, Inc. for the preparation of a comprehensive general plan update.

10. COMMENTS BY COUNCILMEMBERS ON ITEMS OF INTEREST TO SAND CITY
No comments.

11. ADJOURNMENT
The Council adjourned the meeting at 7:00 PM.

_____
Kerry Lindstrom, City Clerk

AGENDA ITEM
5B.

Consideration and Approval for the Cancellation of the March 17 and June 16, 2026, Regular City Council Meetings

City of Sand City

STAFF REPORT

TO: Honorable Mayor and City Council
FROM: Vibeke Norgaard, City Manager
SUBJECT: Cancellation of March 17 and June 16, 2026, Regular City Council Meetings
DATE: March 3, 2026

BACKGROUND/DISCUSSION:
Staff has reviewed the upcoming meeting calendar and anticipated agenda items and has determined that business can be accommodated at other regularly scheduled meetings without operational impact. Cancelling these meetings will allow for efficient use of staff resources while maintaining continuity of governance. If approved, notice of cancellation will be posted in accordance with applicable open meeting laws.

CEQA:
This action does not constitute a "project" as defined by the California Environmental Quality Act (CEQA) guidelines section 15378.

FISCAL IMPACT:
Minor cost savings related to meeting preparation and staffing. No fiscal impact is anticipated.

RECOMMENDATION:
Approve the cancellation of the regularly scheduled City Council meetings of March 17, 2026 and June 16, 2026.

AGENDA ITEM
7A.

Receive a Monterey One Water Update from Paul Sciuto (10 Minutes)

AGENDA ITEM
9A.

Approve a Resolution Approving an Amendment to Conditional Use Permit 419 to Modify Parking Conditions at 1725 Contra Costa Street This item is continued from February 17, 2026.

City of Sand City

STAFF REPORT

TO: Honorable Mayor and City Council
FROM: Nicholas McIlroy, AICP, Planning Manager
SUBJECT: Use Permit Amendment for 1725 Contra Costa Street (APN 011-177-024) to reduce the number of parking spaces due to the City of Sand City's West End Stormwater project.
DATE: March 3, 2026 – Continued from February 17, 2026

BACKGROUND:
On June 18, 2002, the City Council approved Conditional Use Permit (CUP) 419 to establish a wholesale showroom, sales, and storage of stonework flooring materials within a portion of an existing commercial building located at 1725 Contra Costa Street (APN 011-177-024) in Sand City. Condition of Approval (COA) No. 5 required a minimum of thirteen (13) parking spaces onsite to serve the business.

On July 20, 2010, the City Council approved an amendment to CUP 419 allowing Carmel Stone Imports to expand and conduct operations throughout the entire building at 1725 Contra Costa Street. As part of that amendment, COA No. 5 was modified to clarify parking requirements and the City's discretion over on-street parking within the public right-of-way through issuance of an encroachment permit.

DISCUSSION:
The City of Sand City has completed design plans for the West End Stormwater Project and will soon release a Request for Proposal (RFP) prior to beginning construction. The project includes improvements within the public right-of-way (ROW) along Contra Costa Street in front of 1725 Contra Costa Street, where Carmel Stone currently utilizes twelve (12) perpendicular parking spaces located within the ROW.

Pursuant to COA No. 5, Carmel Stone is required to maintain an encroachment permit with the City. City records indicate that there is no active encroachment permit on file for the subject property. As such, the City retains full discretion over the use of the public right-of-way, and the proposed removal or modification of these spaces does not constitute a removal of vested rights.

This request represents an exceptional circumstance, as the parking impacts are the result of a City-initiated public infrastructure project, not a change in the intensity or scope of the approved private use. In recognition of this condition, and to avoid imposing undue hardship on the existing business, the City proposes to modify the Conditions of Approval to waive the on-site parking requirements for the existing use only.

Accordingly, staff recommends approval of an amendment to CUP 419 modifying parking requirements as reflected in Exhibit B.

FINDINGS:
The proposed amendment to CUP 419 is consistent with:

- The 2023 West End Parking Plan,
- The Sand City General Plan, and
- Applicable provisions of the Sand City Zoning Code, including Section 18.64.070.

CEQA:
This action qualifies for a Categorical Exemption under CEQA Guidelines Section 15301 (Existing Facilities), as it involves a minor modification to an existing use within an existing developed site and does not result in an expansion of use or intensity or create any new environmental impacts.

FISCAL IMPACT:
There is no fiscal impact associated with this action.

RECOMMENDATION:
Adopt a resolution approving an amendment to Conditional Use Permit 419 to modify the parking Condition of Approval as shown in Exhibit B.

ATTACHMENTS:

1. Resolution SC26- , 2026
    - Exhibit A – Findings
    - Exhibit B – Conditions of Approval
2. CUP 419 and 2010 Amendment

CITY OF SAND CITY
RESOLUTION SC 26-___, 2026

RESOLUTION OF THE CITY COUNCIL OF SAND CITY APPROVING AN AMENDMENT TO CONDITIONAL USE PERMIT 419 TO MODIFY PARKING CONDITIONS AT 1725 CONTRA COSTA STREET

WHEREAS, Conditional Use Permit (CUP) 419 was originally approved by the City Council on June 18, 2002, to allow the establishment of a wholesale showroom, sales, and storage of stonework flooring materials at 1725 Contra Costa Street; and

WHEREAS, CUP 419 was amended on July 20, 2010, to allow expansion of operations throughout the entire building and to modify parking and loading Conditions of Approval; and

WHEREAS, the City of Sand City is undertaking the West End Stormwater Improvement Project, which will result in changes to parking within the public right-of-way adjacent to the subject property; and

WHEREAS, the City Council finds that this constitutes an exceptional circumstance under Sand City Zoning Code Section 18.64.070, justifying a reduction or waiver of parking requirements for the existing use; and

WHEREAS, the proposed amendment qualifies for a Categorical Exemption pursuant to CEQA Guidelines Section 15301 (Existing Facilities); and

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Sand City hereby approves an amendment to CUP 419 modifying Condition of Approval No. 5 as shown on Exhibit B attached hereto and incorporated by reference.

PASSED AND ADOPTED by the City Council of the City of Sand City this 17th, day of February 2026 by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

APPROVED:

_____
Mary Ann Carbone, Mayor

ATTEST:
DATED: _____

_____
Kerry Lindstrom, City Clerk

Exhibit A

Findings

Zoning Code

Sand City Zoning Code Section 18.64.070 authorizes the City Council to reduce or waive parking requirements when exceptional circumstances exist. The City Council finds that the City-initiated removal of parking as part of a public infrastructure project constitutes such an exceptional circumstance not caused by the applicant or property owner.

General Plan

The project is consistent with the Sand City General Plan, including:

- **Goal 2.4**: Reduce land use conflicts created by insufficient parking and loading facilities in the Old Town District.
- **Policy LU-1.3**: Promote flexible development standards that support the continued viability of existing businesses.
- **Policy C-2.1**: Improve circulation efficiency while balancing business access and public infrastructure needs.

Exhibit B

Amended Conditions of Approval

Condition 5 – Parking (Amended):

On-site parking requirements for the existing approved use are waived for Carmel Stone due to City-initiated removal of parking within the public right-of-way. This waiver applies solely to the current use authorized under CUP 419. In the event of a change of use, future proposed uses must meet the minimum required on-site parking spaces in effect at the time of application or pay the annual in-lieu parking fee, if applicable.

CITY OF SAND CITY
JUL 10 2002
RECEIVED

CITY OF SAND CITY
CONDITIONAL USE PERMIT 419
Robbie Robinson - Carmel Tile & Marble Company

WHEREAS, Mr. Robbie Robinson of the Carmel Tile & Marble Company has submitted an application to the City of Sand City for Conditional Use Permit approval to establish a wholesale showroom, sales, and storage of stonework flooring materials within a portion of an existing commercial building located at 1725 Contra Costa Street (APN 011-177-024) in Sand City; and

WHEREAS, the showroom and sales of stonework products, with storage as an accessory use, is considered compatible with a mixed-use residential/commercial environment, consistent with the City's newly adopted General Plan and the City's applicable zoning ordinance; and

WHEREAS, the proposed use qualifies as a Categorical Exemption under CEQA (California Environmental Quality Act) Guidelines, Section 15301; and

WHEREAS, the proposed use within this existing commercial building will not require any further allocation of water credit under the regulations of the Monterey Peninsula Water Management District (MPWMD); and

WHEREAS, the City Council of the City of Sand City has accepted the findings for approving this Conditional Use Permit as outlined in the City Staff Report, dated February 19, 2002; and

WHEREAS, the City Council of the City of Sand City, on June 18, 2002, has found and determined that the proposed use will not adversely affect the character of the surrounding neighborhood, nor be injurious or detrimental to adjoining properties or the rights of the owners therein, and this Conditional Use Permit shall be granted upon the conditions hereinafter set forth.

NOW THEREFORE, the City Council of the City of Sand City hereby grants and issues this Conditional Use Permit 419 upon the following terms and conditions:

1. This Conditional Use Permit is not valid, and the use of the property shall not commence unless and until a copy of this Permit, signed by the permittee and the landowner, acknowledging receipt of this Permit and acceptance of the terms and conditions, is returned to the City's Planning Department.

2. This Conditional Use Permit is for the express purpose of permitting the establishment of a showroom for the purpose of wholesale and retail sales of tile and stone flooring material, products, and fixtures. The storage, shipping, and receiving of said products is also permitted by this Permit as an accessory use to the showroom and wholesale activities. There shall be no expansion to the scope or intensity of this operation beyond that use authorized by this Permit. This permit does not authorize any manufacturing activity within this commercial space. There shall be no residential use within this commercial space.

3. Hours of operation for the showroom shall be limited to between 8:00 a.m. to 5:00 p.m. Monday through Friday, and 10:00 a.m. to 4:00 p.m. on Saturday. Internal use of the site by employees may extend beyond these hours as long as the operation on the property does not pose a nuisance to the surrounding neighborhood.

4. Load/Unload: Use of the alley for loading/unloading shall not pose a nuisance and/or hazard to the surrounding properties, businesses, residents, and/or the general public. Vehicles may park at the entrance of the alley, on the property to conduct loading/unloading, with the forklift utilizing the alley.

5. Parking: A minimum of thirteen (13) parking spaces shall be maintained for this building address. Any off-site parking shall be approved by the Community Development Director. All parking required by this Permit shall be striped and be in accordance with Chapter 18.64 of the City's Zoning Ordinance, and the related design permit issued for the building remodel.

6. Signs: Any sign associated with the approved use of this Permit must comply with the approved Uniform Sign Program adopted by the Design Review Committee (DRC) for this property. Any proposed deviation from the approved Sign Program will require DRC review and approval of an amendment to the Uniform Sign Program prior to the establishment of any sign on the subject property.

7. Noise: The use authorized by this Permit shall not generate excessive noise and/or vibration whereby creating a nuisance to neighboring properties or other occupants of this commercial building. If such a nuisance is created, the activity responsible for said nuisance shall cease until the appropriate acoustical insulation or other appropriate mitigation is installed/implemented to the necessary specifications of a California State certified acoustical engineer's evaluation and report.

8. All requirements of the Sand City Police Department shall be met to the satisfaction of the Sand City Chief of Police. Adequate locks shall be maintained on the doors and windows.

9. All requirements of the City's contracted Building and Fire Departments, as well as the Seaside County Sanitation District and Monterey County Health Department,

shall be implemented to the satisfaction of the inspectors of each department. The applicant shall implement all requirements of the City Engineer.

10. Water: Approval of this Permit does not grant the applicant and/or property owner any rights and/or privileges to any allocation of water credit by the City. This operation shall be limited to those water credits currently with the property, in accordance with the regulations of the Monterey Peninsula Water Management District (MPWMD).

11. Trash, litter, boxes, crates, debris, or other used and/or discarded materials shall be stored inside the building and/or within an on-site trash enclosure, except on the prescribed trash pick-up days. All trash, litter, boxes, crates, or other used and/or discarded materials shall be stored in designated approved type containers. The applicant shall attempt to implement recycling programs as part of the regular routine. The site shall be maintained in a clean, weed-free, and litter-free condition. Any new trash enclosure shall be reviewed and approved by the Planning Department prior to construction.

12. Use of the property shall be conducted in such a way that it does not constitute a nuisance to the surrounding neighborhood. If the City Council finds at any time that any use of the property constitutes a nuisance, or is otherwise detrimental to the neighborhood or to the community, such use shall be discontinued or modified as may be required by the City Council. Failure to comply with such direction of the City Council will result in the revocation of this Permit.

13. If the City determines that any term or condition of this Permit has been violated, written notice shall be issued, that if such violation(s) are not corrected or removed within thirty (30) days, the City Council shall act to consider revoking this Permit and may then order this Permit revoked.

14. This permit shall be reviewed annually, beginning June 2003, at which time the City Council shall determine compliance with the conditions of approval of this Permit. Failure to comply with the conditions of this permit may result in the revocation of this Permit and the cessation of use, as authorized by this Permit, at this location.

15. Any questions of intent or interpretation regarding any condition within this Permit shall be resolved by the Community Development Director, City Administrator, or the City Council.

16. The terms and conditions of this Permit shall apply to this site for the life of the Permit; and it is the intention of the City Council and the permittee to bind all future owners and possessors of the subject property to the terms and conditions of this Permit.

17. The issuance of this Permit is not intended and shall not supersede or override any requirements or licensing of any other City, County, State, or Federal agency.

18. The applicant shall acquire, maintain, and annually renew Sand City business licences for the duration of both the radio station and the real estate operations within Sand City.

NOW THEREFORE, this Conditional Use Permit 419 is hereby issued to the within named permittee.

City of Sand City, Municipal Corporation

David Pendergrass, Mayor

DATED: 6-20-02 ATTEST: Debra Taylor

Debra Taylor, City Clerk

This is to certify that this Conditional Use Permit (CUP) 419 contains the conditions specified by the City Council in approving this Permit.

Charles Pooler
Associate Planner

APPLICANT ACCEPTANCE (CUP 419)

The Conditional Use Permit is hereby accepted upon the express terms and conditions hereof, and the undersigned agrees to strictly conform to and comply with each and all of the said terms and conditions.

DATED: 6-26-02 BY:

Applicant

CONSENT OF OWNER (CUP 419)

Consent is hereby granted to the permittee to carry out the terms and conditions of this Conditional Use Permit.

DATED: 7/8/02 BY:

Property Owner

CITY OF SAND CITY

RESOLUTION SC___10-76___, 2010

RESOLUTION OF THE CITY COUNCIL OF SAND CITY APPROVING AN AMENDMENT OF CONDITIONAL USE PERMIT 419 ALLOWING CARMEL STONE IMPORTS TO EXPAND AND CONDUCT OPERATIONS THROUGHOUT THE ENTIRE BUILDING AT 1725 CONTRA COSTA STREET

WHEREAS, in 2002, Mr. Robbie Robinson was issued a conditional use permit (CUP 419) to establish and operate a showroom, sales, and storage of stonework flooring materials within a portion of the existing commercial building located at 1725 Contra Costa Street (APN 011-177-024) in Sand City; and

WHEREAS, since that time, Mr. Robinson has acquired ownership of the building and expanded his use throughout the entire building that was anticipated to be a temporary arrangement until the vacant unit was filled; and

WHEREAS, as of 2010, it appears that this expansion of use within the building will be a long-term situation, and an amendment of Conditional Use Permit 419 is necessitated to legalize this expansion of use; and

WHEREAS, the amendment of Conditional Use Permit 419 for an existing use within an existing building qualifies as a Categorical Exemption, under CEQA (California Environmental Quality Act) Guidelines, Section 15301.

WHEREAS, the expansion of use at the subject commercial site will not require any further allocation of water credit under the current regulations of the Monterey Peninsula Water Management District (M.P.W.M.D.); and

WHEREAS, the City Council of the City of Sand City, on July 20, 2010, has found and determined that the expansion of use within an existing commercial building, as conditioned, will not severely impact the surrounding neighborhood nor be detrimental to adjoining properties or the rights of the owners therein, and thus Conditional Use Permit (CUP) 419 shall be amended upon the conditions and terms hereinafter set forth with deletions delineated with ~~strikeouts~~ and additions with **bold** text; and

WHEREAS, the City Council of the City of Sand City has accepted the analysis and findings to approve an amendment of Conditional Use Permit 419 as discussed in the City Staff Report, dated June 20, 2010.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Sand City that Conditional Use Permit 419 is hereby amended to allow the Carmel Stone Imports operation expand and utilize the entire building at 1725 Contra Costa Street for their tile and stonework sales, showroom, and storage operation provided; with permit conditions 2, 4 and 5 of Conditional Use Permit 419 amended to read as follows with deletions delineated with ~~strikeouts~~ and additions in **bold** text.

"2. This Conditional Use Permit is for the express purpose of permitting the establishment of a showroom for the purpose of wholesale and retail sales of tile and stone flooring material, products, and fixtures. The storage, shipping and receiving of said products are also permitted by this Permit as an accessory use to the showroom and wholesale activities. **This operation is authorized to utilize the entire building at 1725 Contra Costa Street, or a portion thereof, provided ample parking is provided per City Zoning Code requirements.** There shall be no expansion to the scope or intensity of this operation beyond that use authorized by this Permit. This Permit does not authorize any manufacturing activity within this commercial space. There shall be no residential use within this ~~commercial space~~ **building. Within one (1) year from approval of the use permit amendment on July 20, 2010, the applicant shall update the City Council on marketing efforts to provide a restaurant/café type use within this building.**"

"4. Load/Unload: Use of the alley for loading/unloading shall not pose a nuisance and/or hazard to the surrounding properties, businesses, residents, and/or the general public. Vehicles may park at the entrance of the alley, on the property to conduct loading/unloading, with the forklift utilizing the alley. **All loading and/or unloading within the parking area fronting Contra Costa Street shall not impede 2-way vehicular traffic use of Contra Costa Street, nor utilize more than three parking spaces at any one time to conduct loading/unloading.**"

"5. Parking: A minimum of thirteen (13) parking spaces shall be maintained for this building address. Any off-site parking shall be approved by the Community Development Director. **The applicant is informed and reminded that the perpendicular parking spaces along the building's Contra Costa Street frontage are granted at the discretion of Sand City through an encroachment permit. There shall be no storage or display activities within these parking spaces, except for a period of one (1) week once every three (3) months within no more than one (1) single parking stall during those times.**"

PASSED AND ADOPTED, this Resolution for the amendments of CUP 419 as identified above, by the City Council of Sand City this 20th day of July, 2010, by the following vote:

AYES: Council Members Carbone, Kruper, Pendergrass
NOES: None
ABSENT: None
ABSTAIN: Council Members Blackwelder, Hubler

APPROVED:

David K. Pendergrass, Mayor

ATTEST:

Linda K. Scholink, City Clerk

AGENDA ITEM
9B.

Approve a Resolution Authorizing the City Manager to Enter into a Cost Sharing Agreement for Maintenance, Repair, Restoration, and/or Replacement of Stormwater Interceptors Within the Sand Dollar Shopping Center

City of Sand City

STAFF REPORT

TO: Honorable Mayor and City Council
FROM: Leon D. Gomez, P.E., City Engineer
SUBJECT: Adopt a resolution authorizing the City Manager to enter into a Cost Sharing Agreement for Maintenance, Repair, Restoration, and/or Replacement of Stormwater Interceptors within the Sand Dollar Shopping Center
DATE: March 3, 2026

BACKGROUND/DISCUSSION:

The Sand Dollar Shopping Center (Sand Dollar Center) is an important commercial area located in the northern portion of the City of Sand City (City). The Sand Dollar Center was constructed in the late 80s and early 90s and is bounded by Playa Avenue to the north, Tioga Avenue to the south, Metz Road to the west, and the Transportation Agency for Monterey County (TAMC) railroad Right-of-Way (ROW) to the east.

In 1997, Playa Avenue and California Avenue were improved to provide better access to the shopping center. As part of these improvements, an underground infiltration system was constructed within Playa Avenue, two (2) 70,000-gallon Stormwater Interceptors (SW Interceptors) were constructed within the Sand Dollar Center parking lot area in front of the current Ashley Furniture (formerly Orchard Supply Hardware), and two (2) 40,000-gallon SW Interceptors were constructed within the Edgewater Shopping Center. This system was meant to treat and receive runoff from both shopping centers.

At the Sand Dollar Center, runoff from parking lots, building roofs, sidewalks, exterior hardscapes, Metz Road, and portions of Tioga Avenue and California Avenue (City owned public streets) drain to the on-site storm drain system which consists of inlets and pipes that convey the runoff to the SW Interceptors. The SW Interceptors are large concrete vaults with chambers and oil absorbent pillows that capture trash, oil, debris, sediment, and other materials. The treated runoff is then discharged to the underground infiltration system within Playa Avenue.

To ensure that the storm drain system within the Sand Dollar Center functions properly, the SW Interceptors must be periodically inspected and maintained. Maintenance typically consists of the following activities:

- **Biannua**l inspections and/or maintenance consisting of measurements to determine the depth and amount of water, trash, oil, debris, sediment within the SW Interceptors. If required, replacement of the oil absorbent pillows is performed.
- **Once every 2-4 years**, a full “pump-out” of the SW Interceptors is needed to completely remove standing water, accumulated sediment and materials, and to clean the interior of the vaults. Sampling and testing of both the standing water and sediment is required prior to disposal. The frequency of the full pump-out is dependent on the rate of material accumulation within the SW Interceptors. The biannual inspections described above determine when it is time for the full pump-out.

A full pump-out requires pumping out the standing water to the nearest sanitary sewer system and disposing of the remaining sediment at the nearest waste disposal facility. Under local regulations, the City is required to obtain a Miscellaneous Discharge Permit from Monterey One Water (M1W) to discharge the standing water to the sanitary sewer system and disposal of the sediment will occur at the Regen Monterey in Marina, CA. Sampling and testing of both the standing water and the sediment are required to ensure that they are within limits for certain pollutants, metals, and hydrocarbons. No permits are required from the Seaside County Sanitation District (SCSD). The City Engineer, Harris & Associates (Harris) has been in coordination with these agencies and with Monterey Bay Analytical Services (MBAS) to perform the sampling and testing.

Maintenance of the SW Interceptors is overdue and should be completed as soon as possible. The City Engineer is recommending a full pump-out in Winter/Spring 2026 followed by a biannual inspection in Fall/Winter 2026, to establish a new maintenance “baseline”, and has been in contact with a licensed contractor who has significant experience in maintaining SW Interceptors to obtain estimates for both the biannual and pump-out work.

Since the SW Interceptors primarily serve the Sand Dollar Center with only portions of Tioga Avenue and California Avenue contributing runoff, staff approached the shopping center property owner, Fortuna Realty Company, Inc. (Fortuna), to negotiate a Cost Sharing Agreement (Agreement).

To determine the basis for the cost share, Harris prepared a drainage study to identify the areas that drain to the SW Interceptors and determine the relative percentage (i.e., contribution) of public vs private runoff that each party is responsible for:

- 12.3% - City responsibility
- 87.7% - Owner responsibility

  100.0% - Total

The detailed cost share evaluation and drainage study were summarized in a technical memorandum prepared by Harris that is included with the Agreement. The Agreement was developed over time with review and input by the City Attorney and Fortuna's attorney, to arrive at a version agreeable to both parties. Under the Agreement, the City will pay for the costs of all maintenance, sampling and testing up front, and will then obtain reimbursement from Fortuna. If the Agreement is approved by City Council, staff will return at a future time to approve a contract with a qualified contractor to perform the maintenance work.

The Agreement is only for the costs of maintenance of the SW Interceptors within the Sand Dollar Center. The maintenance of other SW Interceptors within the city will be handled by a separate contract at a future date.

CEQA:
Authorizing the City Manager to enter into a cost sharing agreement does not constitute a "project" as defined by the California Environmental Quality Act (CEQA) guidelines section 15378.

FISCAL IMPACT:
Approval of this Agreement will allow for cost sharing with the Sand Dollar Center. The City Engineer has estimated maintenance costs for the Sand Dollar Center SW Interceptors as follows:

<u>One-time Pump out – Winter/Spring 2026</u>	
Pump out (estimated at 5-7 days):	$64,000-$89,600
Sampling & Testing (Standing Water):	$1,200
Sampling & Testing (Sediment):	$2,300
Permits:	$2,000
<u>Biannual Inspection – Fall/Winter 2026</u>	
1 time inspection/maintenance:	$2,000
Estimated 2026 Total:	$71,500-$97,100
Estimated 2026 Total for City (cost share):	$8,800-12,000

The estimated City Share is already included in the FY 25-26 budget.

RECOMMENDATION:
Adopt a resolution authorizing the City Manager to enter into a Cost Sharing Agreement for Maintenance, Repair, Restoration, and/or Replacement of Stormwater Interceptors within the Sand Dollar Shopping Center in substantially the same form as that attached to this staff report.

ATTACHMENTS:

1. Resolution
2. Cost Sharing Agreement

CITY OF SAND CITY
RESOLUTION SC 26-___, 2026

RESOLUTION OF THE CITY COUNCIL OF SAND CITY AUTHORIZING THE CITY MANAGER TO ENTER INTO A COST SHARING AGREEMENT FOR MAINTENANCE, REPAIR, RESTORATION, AND/OR REPLACMENT OF STORMWATER INTERCEPTORS WITHIN THE SAND DOLLAR SHOPPING CENTER

WHEREAS, the Sand Dollar Shopping Center (Sand Dollar Center) is an important commercial area located in the northern portion of the City of Sand City (City), and;

WHEREAS, in 1997, Playa Avenue and California Avenue were improved to provide better access to the Sand Dollar Center and as part of these improvements, an underground infiltration system was constructed within Playa Avenue and two (2) 70,000-gallon Stormwater Interceptors (SW Interceptors) were constructed within the parking lot, and;

WHEREAS, runoff from parking lots, building roofs, sidewalks, exterior hardscapes, Metz Road, and portions of Tioga Avenue and California Avenue (City owned public streets) drain to the on-site storm drain system which consists of inlets and pipes that convey the runoff to the SW Interceptors, and;

WHEREAS, to ensure that the storm drain system within the Sand Dollar Center functions properly, the SW Interceptors must be periodically inspected and maintained, and;

WHEREAS, maintenance of the SW Interceptors should be completed as soon as possible, and;

WHEREAS, the SW Interceptors serve the Sand Dollar Center and portions of Tioga Avenue and California Avenue, so staff negotiated a Cost Sharing Agreement (Agreement) with the property owner, and;

WHEREAS, to determine the basis for the cost share, the City Engineer prepared a drainage study to determine the relative percentage (i.e., contribution) of public versus private runoff that each party is responsible for, and;

WHEREAS, the Agreement was developed over time with review and input by the City attorney and the property owner's attorney, to arrive at a version agreeable to both parties with the final version attached to this resolution, and;

NOW, THEREFORE, BE IT RESOLVED that the City Council of Sand City does hereby

1. Adopt a resolution authorizing the City Manager to enter into a Cost Sharing Agreement for Maintenance, Repair, Restoration, and/or Replacement of Stormwater Interceptors within the Sand Dollar Shopping Center in substantially the same form as that attached hereto.

PASSED AND ADOPTED by the City Council of the City of Sand City this ___, day of _____, 2026 by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

APPROVED:

_____
Mary Ann Carbone, Mayor

ATTEST:
DATED: _____

_____
Kerry Lindstrom, City Clerk

COST SHARING AGREEMENT FOR MAINTENANCE, REPAIR, RESTORATION, AND/OR REPLACEMENT OF STORMWATER INTERCEPTORS WITHIN THE SAND DOLLAR SHOPPING CENTER
CITY OF SAND CITY, CA

This COST SHARING AGREEMENT FOR MAINTENANCE, REPAIR, RESTORATION, AND/OR REPLACEMENT OF STORMWATER INTERCEPTORS ("Agreement") is made as of this _____, day of _____, 2026 ("Effective Date"), by and between the City of Sand City ("CITY") and Fortuna Realty Company, Inc., a Delaware corporation ("FORTUNA") (collectively, the "PARTIES").

RECITALS

A. The Sand Dollar Shopping Center ("Sand Dollar Center") is an important commercial shopping center located in the northern portion of the CITY; and

B. The development of the Sand Dollar Center required the construction of a storm drain system to manage and control storm water runoff consisting of inlets and pipes that convey runoff to two 70,000-gallon Stormwater Interceptors ("SWI"), and

C. The SWI consist of large concrete vaults with chambers and oil absorbent pillows that capture trash, oil, debris, sediment, and other materials, that require periodic inspection and maintenance to ensure that they function as designed, and;

D. The City Engineer has prepared a cost share evaluation which included a drainage study to determine the relative percentages (i.e., contribution) of public vs. private runoff based on the areas draining to the SWI, attached as Exhibit "A" to this Agreement, which concludes that the Sand Dollar Center contributes approximately 87.7% and city-owned public streets contribute 12.3%, respectively, of the total drainage area to the SWI, and;

E. The PARTIES have agreed to share the costs of annual maintenance of the SWI based on the relative percentages of public vs. private runoff, with FORTUNA contributing 87.7% and the CITY contributing 12.3% of the cost to maintain the SWI, and;

NOW, THEREFORE, the PARTIES agree as follows:

1. Scope of Agreement. This Agreement embodies the terms and conditions for sharing the costs of periodic maintenance of the SWI.

2. Term. The term of this Agreement shall be for ten (10) years. This Agreement may be amended only with the mutual written consent of the PARTIES.

3. Description. Periodic maintenance of the SWI includes biannual inspections and maintenance, and a full system "pump out" every few years based on recommendations from a qualified contractor.

4. Coordination. The CITY shall obtain cost proposals from qualified contractors to perform maintenance on the SWI. The CITY and FORTUNA shall oversee SWI maintenance activities when they are performed.

5. Sharing of Costs. It is the intent of this Agreement to provide for the sharing of costs for the SWI within the Sand Dollar Center, with FORTUNA contributing 87.7% of the cost to maintain the SWI and the CITY contributing 12.3% of the cost to maintain the SWI.

   Notwithstanding the foregoing, the PARTIES will bear the cost of their own internal administrative and legal consultant costs.

6. Payment Procedures. Upon completion of the maintenance of the SWI, the CITY shall pay all invoices in connection herewith and shall submit a copy of the approved and paid invoice to FORTUNA within sixty (60 days) of the maintenance work being completed. FORTUNA shall then reimburse the CITY for the amount of the approved and paid invoice within 60 days of receiving an invoice from the City for said maintenance work.

7. Change Orders. All construction change orders or change notices for SWI maintenance shall be mutually agreed on by the PARTIES in writing with FORTUNA contributing 87.7% of the cost and the CITY contributing 12.3% of the cost for all such work.

8. Inspection Prior to Final Acceptance. Prior to final acceptance of the maintenance work on the SWI, the City Engineer, and FORTUNA's designated consultant, if any, shall conduct a final inspection of the work.

9. Insurance. PARTIES shall ensure that its design consultant and all contractors provide appropriate types and amounts of insurance for the Project, as required by the CITY, and that the design consultant and contractors each name FORTUNA and the City as an additional insured party on their commercial general liability policies. Design consultant and all contractors shall provide PARTIES with documentation evidencing the above.

10. Indemnity. FORTUNA shall indemnify, defend, keep and save harmless the CITY, and its directors, officers, agents, employees, consultants and independent contractors against any and all liability, damages, costs, claims or actions, including reasonable attorney fees and charges, arising out of any injury to persons or property that may occur, or that may be alleged to have occurred, in the course of the Project caused by any act or omission of FORTUNA or its employees. This indemnification obligation shall survive the termination or suspension of this Contract.

    CITY shall indemnify, defend, keep and save harmless FORTUNA, and its directors, officers, agents, employees, or consultants, and independent contractors against any and all liability, damages, costs, claims or actions, including reasonable attorney fees and charges, arising out of any injury to persons or property that may occur, or that may be alleged to have occurred, in the

course of the Project caused by any act or omission of CITY or its employees. This indemnification obligation shall survive the termination or suspension of this Contract.

11. Notice. All notices given pursuant to this Agreement shall be given in writing, sent by U.S. mail, postage prepaid, and addressed as follows:

    CITY:

    City Manager
    City Hall
    1 Pendergrass Way
    Sand City, CA 93955

    FORTUNA:

    Fortuna Realty Company
    C/O 1172 South Main Street, PMB 363
    Salinas, CA 93901

    Notice shall be effective the earlier of the date it is received or three (3) days after deposited in the U.S. Mail, first class postage prepaid addressed as provided above.

12. Severability. If any part of this Agreement is held unconstitutional, invalid, or unenforceable by a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Agreement.

13. Assignment. This Agreement shall be binding upon and inure to the benefit of the heirs, executors, administrators, successors and assigns to the PARTIES hereto.

14. Jurisdiction. Any action brought to enforce the provisions of this Agreement shall be brought in the Monterey County Superior Court, Monterey Division.

15. Waiver. The failure of any party to insist on strict performance of any provision in this Agreement shall not be construed as a waiver of the same or any other provision hereunder. Any such waiver must be in writing signed by the PARTIES.

16. Dispute Resolution Process. The PARTIES shall continue to perform under this Agreement during any dispute. The PARTIES hereby agree to make good faith efforts to resolve disputes as quickly as possible. In the event of any dispute arising out of or related to this Agreement, the PARTIES shall use their best efforts and exercise good faith to confer and to resolve any disputes or issues.

    a. If after employing the informal resolution process above, the PARTIES are unable to resolve a dispute arising under this Agreement, any Party may request an independent mediator, agreeable to all PARTIES, to facilitate further negotiation with the costs of said mediator and any such mediation shared equally between and among the PARTIES. However, nothing

herein will prevent any Party from exercising any rights it may have to enforce the terms of this Agreement at law or in equity.

b. In no event may either party seek relief in a court of law until each of the above procedural steps are exhausted. If a statute of limitations or statute of repose may lapse during these procedural steps such statute(s) are deemed tolled until the completion of the above referenced administrative dispute resolution process. If either Party seeks relief from a court of law, the PARTIES agree that the Monterey County Superior Court, Monterey Division, shall be the venue for any such legal action, subject to federal jurisdictional and venue requirements. If either party seeks injunctive relief from the other, based upon irreparable harm, then, in such event, the above procedural steps need not first be exhausted.

17. Attorneys' Fees. In the event that any legal action is commenced to enforce the terms of this Agreement, the prevailing party shall be entitled to an award of its reasonable attorneys' fees and costs.

18. Entire Agreement. This Agreement constitutes the complete expression of the agreement between the PARTIES. There are no other agreements between the PARTIES concerning the subject matter of this Agreement except those set forth in this Agreement. Only a writing signed by both PARTIES may modify this Agreement.

IN WITNESS WHEREOF, this Agreement is executed by the PARTIES as of the date herein above first written.

Fortuna Realty Company, Inc., a Delaware corporation:	City of Sand City:
By: _____	By: _____
Henry C. Pao	Vibeke Nogaard
President	City Manager
Date: _____	Date: _____

6330640.1

Harris & Associates

MEMORANDUM

To: Vibeke Norgaard
From: Leon D. Gomez, PE, City Engineer
RE: Cost Share Evaluation for Maintenance of Storm Water Interceptors at the Sand Dollar Shopping Center
Date: 11/10/25
CC: Mark Parker, Public Works Manager

Introduction

Harris & Associates (Harris) provides on-call city engineering services to the City of Sand City (City). At the request of the City, Harris has prepared a cost share evaluation for maintenance of stormwater interceptors (SW Interceptors) within the Sand Dollar Shopping Center (Sand Dollar Center). The evaluation includes a drainage study to identify the areas that drain to the SW Interceptors to determine the relative percentage (i.e., contribution) of public vs private runoff. This evaluation was used as the basis to support a cost sharing agreement between the City and the owner of the Sand Dollar Center, Fortuna Realty Company, Inc., a Delaware corporation (FORTUNA), for ongoing maintenance of the SW Interceptors.

Background

As part of the evaluation and study, Harris reviewed record information on file with the City, including:

- *Sand Dollar Shopping Center Improvement Plans, City of Sand City, California,* prepared by Bestor Engineers, Inc., dated May 1989.
- *As-Built Improvement Plans for the Construction of California Avenue and Playa Avenue in City of Sand City, California,* prepared by Lars Andersen & Associates, Inc., dated May 1997.
- *Storm Drain System Map, City of Sand City*, prepared by Harris & Associates, dated 2013.
- *Improvement Plans for West End – Sand City,* prepared by Whitson Engineers, dated August 16, 2022.
- *West End Sand City Stormwater Control Plan*, and addendum, prepared by Whitson Engineers, dated August 18, 2022.

The Sand Dollar Center was constructed in the late 80s and early 90s and is located in the northern portion of the City bounded by Playa Avenue to the north, Tioga Avenue to the south, Metz Road to the west, and the Transportation Agency for Monterey County (TAMC) railroad Right-of-Way (ROW) to the east. Metz Road is a private road and was constructed at the time of the Sand Dollar Center connecting Playa Avenue to Tioga Avenue. The Edgewater Shopping Center (Edgewater Center) is north of the Sand Dollar Center bounded by Highway 1 to the north and west, and California Avenue to the east.

In 1997, Playa Avenue and California Avenue were improved to provide better access to both shopping centers. As part of the improvements, two 70,000-gallon SW Interceptors were constructed within the Sand Dollar Center, two 40,000-gallon SW Interceptors were constructed within the Edgewater Center, and an Underground Infiltration System (Underground IS) was constructed within Playa Avenue. Both SW Interceptors connect to the Underground IS. The SW Interceptors consist of large concrete vaults

with chambers and oil absorbent pillows that capture trash, oil, debris, sediment, and other materials. The treated runoff is then discharged to the Underground IS within Playa Avenue.

At the Sand Dollar Center, runoff that falls on parking lots, building roofs, sidewalks, exterior hardscapes, and Metz Road, drains to a storm drain system consisting of inlets and pipes that convey runoff to the SW Interceptors. In addition, portions of Tioga Avenue and California Avenue, which are City owned public streets, also drain to the SW Interceptors. All areas draining to the SW Interceptors are shown in **Attachment 1 – SW Interceptor Drainage Areas.**

Harris also reviewed plans for the West End Sand City Development (WESC Development), also known as the South of Tioga Development. The WESC Development is a mixed-use residential and commercial development project on an approximately 10.64 acres site bounded by Tioga Avenue to the north, California Avenue to the east, Merle Street to the west, and Shake Avenue (formerly East Avenue) to the south. Prior to the construction of the development, the 10.64-acre area consisted of public streets, buildings, and hardscape which drained towards California Avenue and Tioga Avenue and ultimately to the SW Interceptors within the Sand Dollar Center. However, construction of the first phase of development demolished and removed the existing streets, buildings, and hardscape, and installed new streets and related improvements. Due to central coast stormwater requirements, the WESC Development installed several Stormwater Control Measures (SCMs) that capture and treat runoff within the site, resulting in a significant reduction of the area that previously drained to the SW Interceptors within the Sand Dollar Center.

Maintenance

To ensure that the overall storm drain system within the Sand Dollar Center functions properly, the SW Interceptors must be periodically inspected and maintained. A licensed maintenance provider or contractor with experience in maintaining storm water facilities should be utilized to ensure that proper maintenance is performed. Maintenance activities typically consist of the following:

- **Biannua**l inspections and/or maintenance consisting of measurements to determine the depth and amount of water, trash, oil, debris, sediment within the SW Interceptors. If required, replacement of the oil absorbent pillows will be performed.
- **Once every 2-4 years**, a full “pump-out” of the SW Interceptors is needed to completely remove standing water, any accumulated materials, and to clean the interior vaults. Sampling and testing of both the standing water and accumulated materials is required prior to disposal. A range of years is given for the frequency of the full pump-out because it is dependent on the annual rate of material accumulation within the SW Interceptors. The biannual inspections described above will determine when it is time for the full pump-out.

Inspection and maintenance records, including photos, should be provided by the maintenance provider or contractor to document the work performed and for future reference.

Drainage Area Tabulations

Harris calculated the approximate drainage areas tributary to the SW Interceptors within the Sand Dollar Center. The drainage area map is shown in ***Attachment 1 –Drainage Area Exhibit***. Drainage Area ID’s and square footages are shown in **Table 1** below.

Table 1 – Sand Dollar Shopping Center- SW Interceptor Drainage Areas

Drainage Area ID	Location	Tributary Stormwater Facility	Approximate Drainage Area (SF)
A	California Avenue (Public)	Sand Dollar - Interceptor	47,800

B	Tioga Avenue (Public)	Sand Dollar - Interceptor	62,900
C	Metz Road (Private)	Sand Dollar - Interceptor	17,300
D	Metz Road (Private)	Sand Dollar - Interceptor	18,000
E	Sand Dollar Shopping Center (Private)	Sand Dollar - Interceptor	751,100
		Total Approximate Drainage Area (SF)	**897,100**

In addition, Harris determined that portions of Metz Road and portions of the Sand Dollar Shopping Center Drain do not drain to the interceptors but instead drain to the Underground IS within Playa Avenue. Refer to **Table 2** below.

Table 2 – Playa Avenue Underground Infiltration System Drainage Areas

Drainage Area ID	Location	Tributary Stormwater Facility	Approximate Drainage Area (SF)
F	Metz Road (Private)	Playa Avenue – Infiltration System	18,400
G	Sand Dollar Shopping Center (Private)	Playa Avenue – Infiltration System	53,300
		Total Approximate Drainage Area (SF)	**71,700**

Conclusion

Our analysis concluded that portions of California Avenue and Tioga Avenue, which are city-owned public streets, contribute approximately 12.3% of the total drainage area to the SW Interceptors. The Sand Dollar Center contributes approximately 83.7% and Metz Road (privately owned) contributes 4.0%, for a total contribution of 87.7% of the total drainage area to the SW Interceptors. Refer to **Table 3** below.

Table 3 – Drainage Area Contributions

Drainage Area ID	Location	Tributary Stormwater Facility	Approximate Drainage Area (SF)
A	California Avenue (Public)	Sand Dollar - Interceptor	5.3%
B	Tioga Avenue (Public)	Sand Dollar - Interceptor	7.0%
C	Metz Road (Private)	Sand Dollar - Interceptor	2.0%
D	Metz Road (Private)	Sand Dollar - Interceptor	2.0%
E	Sand Dollar Shopping Center (Private)	Sand Dollar - Interceptor	83.7%
		Total Percentage	**100%**

Based on this analysis, the costs for ongoing maintenance of the SW Interceptors within the Sand Dollar Center should be established in a cost sharing agreement to be executed between the City and FORTUNA and costs should be allocated as follows:

- 12.3% - City responsibility
- 87.7% - Owner (FORTUNA) responsibility

Please feel free to contact our office with any questions you may have regarding this memorandum.

Thank you

Leon D. Gomez, P.E.
City Engineer
Harris & Associates

Attachments

1. SW Interceptor Drainage Areas

ATTACHMENT 1
SW INTERCEPTOR DRAINAGE AREAS

Legend
Sand City

Sand City

HIGHWAY 1 NORTH

A

B

C

D

E

F

G

H

WEST END SAND CITY DEVELOPMENT

TIOGA AVENUE

CALIFORNIA AVENUE

PLAYA AVENUE UNDERGROUND INFILTRATION SYSTEM

SAND DOLLAR SHOPPING CENTER

STORMWATER NTERCEPTORS

PLAYA AVENUE

DEL MONTE BOULEVARD

Google Earth

Image © 2025 Airbus

500 ft

AGENDA ITEM
9C.

Approve a Resolution Receiving the Update Prohousing Designation Application

City of Sand City

STAFF REPORT

TO: Honorable Mayor and City Council
FROM: Nicholas McIlroy, AICP, Planning Manager
SUBJECT: Pro Housing Draft Application and Update
DATE: March 3, 2026

ACTION REQUESTED

Receive the updated Prohousing Designation Application and authorize continued participation in the California Department of Housing and Community Development (HCD) Prohousing Designation Program.

BACKGROUND

On August 20, 2024, the City Council adopted Resolution SC 24-60 authorizing the City to apply for and participate in HCD's Prohousing Designation Program pursuant to Government Code §65589.9. The Council also authorized the City Manager to enter into, execute, and deliver all documents required or deemed necessary or appropriate to participate in the Program, and all amendments thereto (the "Program Documents"). Further, the City acknowledged and agreed that it shall be subject to the Application; the terms and conditions specified in the Program Documents; the Program Regulations; and all other applicable law.

The Prohousing Designation Program provides incentives to jurisdictions that are compliant with State Housing Element requirements and have adopted local prohousing policies in the following categories:

- Favorable Zoning and Land Use
- Accelerating Housing Production Timeframes
- Reducing Construction and Development Costs
- Providing Financial Subsidies

Jurisdictions receiving Prohousing Designation are able to apply for Prohousing Incentive Program (PIP) Grant funding and gain competitive scoring advantages in several State grant programs, including Affordable Housing & Sustainable Communities (AHSC) and Infill Infrastructure Grant (IIG), among others.

The City submitted its initial application in August 2024 and received preliminary feedback from HCD in October 2024. Since that time, City staff and the EMC Planning Group have worked closely with HCD to refine the application and clarify the required support documentation.

The City submitted a revised application on January 7, 2026. In accordance with program requirements, the revised draft application has been made available for public review from January 23, 2026, through March 1, 2026.

PROJECT OVERVIEW

The revised application reflects both enacted policies and proposed actions with defined completion schedules. The City's updated self-scoring totals:

- **Base Points:** 33
- **Enhancement Points:** 12
- **Total Points:** 45

A minimum of 30 points is required to receive Prohousing Designation.
Key enacted policies contributing to the score include:

- By-right multifamily development in the MU-P zoning district (including 20% affordable projects)
- Adoption of Objective Design and Development Standards
- RHNA Overlay District providing ministerial approval
- 75% fee reduction for projects with ≥20% affordable units
- Parking reductions and transit-supportive policies
- Surplus Land Program compliance and below-market ground leasing
- Online permit portal and permit tracking
- Housing Trust Fund and ongoing use of PLHA, HOME, and CDBG funds
- The City-initiated Art Park mixed-use affordable housing project

Proposed policies included in the application (with defined timelines) include:

- Refinement of the Density Bonus Ordinance to include objective criteria and optional community-benefit incentives (Target: June 2027)
- Completion of a Habitat Management Plan and associated ordinance (Target: January 2028)
- Completion of the General Plan Update and programmatic EIR (Target: August 2027)
- Municipal Code amendments to further streamline permitting (Target: July 2026)
- Adoption of a standardized entitlement application (Target: May 2026)
- Continued ESHA mitigation planning and desalination infrastructure optimization (2026–2028 milestones)

The revised scoring reflects strengthened documentation, clarification of streamlining procedures, and identification of measurable cost reductions.

DISCUSSION
The revised application demonstrates that Sand City has adopted a comprehensive and unified housing strategy that:

- Expands ministerial and by-right development opportunities
- Consolidates and streamlines permit processes
- Reduces fees and parking burdens
- Invests local funds in affordable housing production and preservation
- Proactively removes environmental and infrastructure constraints
- Advances inclusive housing opportunities for extremely low-income residents

The City's policies reflect a coordinated approach aligning land use, infrastructure, environmental review, and funding strategies to accelerate housing production while maintaining compliance with State housing law.

Staff will continue working with HCD during the review process and will return to Council if additional clarification or action is required.

CEQA:
This action does not constitute a "project" as defined by the California Environmental Quality Act (CEQA) guidelines section 15378, because it is an administrative procedure and does not result in a direct or reasonably foreseeable physical change in the environment.

FISCAL IMPACT:
There is no fiscal impact. Preparation of the revised application has been completed using existing budgeted staff time and consultant resources, which have already been included in the FY 25/26 Budget.

RECOMMENDATION:
That the City Council:

1. Receive the updated Prohousing Designation Application; and
2. Authorize continued participation in the HCD Prohousing Designation Program review process.

ATTACHMENTS:

1. Resolution

2. Draft Pro-housing Application

CITY OF SAND CITY
RESOLUTION SC 26-___, 2026

RESOLUTION OF THE CITY COUNCIL OF SAND CITY RECEIVING THE UPDATED PROHOUSING DESIGNATION APPLICATION

WHEREAS, Government Code section 65589.9 established the Prohousing Designation Program ("Program"), administered by the California Department of Housing and Community Development ("HCD"), to recognize jurisdictions that have enacted policies that promote housing production and affordability; and

WHEREAS, on August 20, 2024, the City Council adopted Resolution SC 24-60 authorizing application to and participation in the Prohousing Designation Program; and

WHEREAS, the City of Sand City's Housing Element has been adopted and found to be in substantial compliance with State Housing Element Law; and

WHEREAS, the City submitted an initial Prohousing Designation Application and subsequently refined the application in coordination with HCD to clarify documentation, strengthen policy descriptions, and update scoring; and

WHEREAS, the revised application reflects enacted and proposed policies that promote favorable zoning and land use, accelerate housing production timeframes, reduce development costs, and provide financial subsidies for housing; and

WHEREAS, the City's updated self-scoring totals 45 points, exceeding the 30-point minimum threshold required for Prohousing Designation; and

WHEREAS, receipt and filing of the updated application is an administrative action and not a project under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15378(b)(5).

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Sand does hereby:

1. The City Council hereby receives the updated Prohousing Designation Application submitted to the California Department of Housing and Community Development.

2. The City Council affirms its continued commitment to implementing the housing policies and programs identified in the Application and maintaining compliance with State housing law.

PASSED AND ADOPTED by the City Council of the City of Sand City this 3rd day of March 2026 by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

APPROVED:

_____
Mary Ann Carbone, Mayor

ATTEST:
DATED: _____

_____
Kerry Lindstrom, City Clerk

Prohousing Designation Program Application



State of California
Governor Gavin Newsom

Tomiquia Moss, Secretary
Business, Consumer Services and Housing Agency

Gustavo Velasquez, Director
Department of Housing and Community Development

Megan Kirkeby, Deputy Director
Division of Housing Policy Development

651 Bannon Street
Sacramento, CA 95811

Website: http://www.hcd.ca.gov/planning-and-community-development/prohousing-designation-program
Email: ProhousingPolicies@hcd.ca.gov

February 2025

Prohousing Designation Program Application Package Instructions

The applicant is applying for a Prohousing Designation under the Prohousing Designation Program ("**Prohousing**" or "**Program**"), which is administered by the Department of Housing and Community Development ("**Department**") pursuant to Government Code section 65589.9.

The Program creates incentives for Jurisdictions that are compliant with State Housing Element Law and that have enacted Prohousing Policies. These incentives will take the form of additional points or other preference in the scoring of applications for competitive housing and infrastructure programs. The administrators of each such program will determine the value and form of the preference.

In order to be considered for a Prohousing Designation, the applicant must accurately complete all sections of this application, including any relevant appendices. The Department reserves the right to request additional clarifying information from the applicant.

This application is subject to Government Code section 65589.9 and to the regulations (Cal. Code Regs., tit. 25, § 6600 et seq.) adopted by the Department in promulgation thereof ("**Regulations**"). All capitalized terms in this application shall have the meanings set forth in the Regulations.

All applicants must submit a complete, signed application package to the Department, in electronic format, in order to be considered for a Prohousing Designation. Please direct electronic copies of the completed application package to the following email address: ProhousingPolicies@hcd.ca.gov.

A complete application will include all items identified in the Application Checklist.

In relation to **Appendix 1**, the Formal Resolution for the Prohousing Designation Program, please use ~~strikethrough~~ and underline if proposing any modifications to the text of the Resolution. Please be aware, any sustentative deviations from the Formal Resolution may result in an incomplete application and will likely be subject to additional internal review and potential delays.

Appendix 2, the Proposed Policy Completion Schedule, applies only if an application includes proposed policies.

Appendix 3, Self-Scoring Sheet and Sample Self-Scoring Sheet, includes a blank template to be completed by the applicant as part of the application, as well as a Sample Self-Scoring Sheet with an example of how this template may be completed.

Appendix 4 lists examples of Prohousing Policies with enhancement factors to aid applicants in understanding how enhancement factors may be applied.

Appendix 5 provides a sample template to assist applicants with confirming the treatment of homeless encampments within the jurisdiction is consistent with USICH's "7 Principles for Addressing Encampments."

Appendix 6 provides a checklist to confirm that a Diligent Public Participation Process was conducted.

Appendix 7 is where the applicant will include any additional information and supporting documentation for the application.

If you have questions regarding this application or the Program, or if you require technical assistance in preparing this application, please email ProhousingPolicies@hcd.ca.gov.

Application Checklist

	Yes	No
Application Information	☒	☐
Certification and Acknowledgement	☒	☐
The Legislative Information form is completed.	☒	☐
The Threshold Requirements Checklist is completed.	☒	☐
A duly adopted and certified Formal Resolution for the Prohousing Designation Program is included in the application package. (See **Appendix 1** for the Formal Resolution for the Prohousing Designation Program form.)	☒	☐
If applicable, the Proposed Policy Completion Schedule is completed. (See **Appendix 2**.)	☒	☐
The Self-Scoring Sheet is completed. (See **Appendix 3** for the Self-Scoring Sheet and the Sample Self-Scoring Sheet.)	☒	☐
One-page summary describing consistency with the 7 Principles for Addressing Encampments is completed. (See **Appendix 5** for a template to assist.)	☒	☐
The checklist confirming that a Diligent Public Participation process was conducted. (See **Appendix 6** for the template.)	☒	☐
Additional information and supporting documentation (Applicant to provide as **Appendix 7**.)	☒	☐

Application Information

Applicant (Jurisdiction):	City of Sand City
Applicant Mailing Address:	1 Pendergrass Way
City:	Sand City
ZIP Code:	93955
Website:	https://www.sandcity.org
Authorized Representative Name	Vibeke Norgaard
Authorized Representative Title:	City Manager
Phone:	831-394-3054
Email:	vibeke@sandcityca.org
Contact Person Name:	Nick McIlroy
Contact Person Title:	Planning Manager
Phone:	831-394-3054
Email:	nmcilroy@sandcityca.or
Total Self-Score (Based on Appendix 3):	60

CERTIFICATION AND ACKNOWLEDGMENT

As authorized by the Formal Resolution for the Prohousing Designation Program (Resolution No. SC 24-60), which is attached hereto and incorporated by reference as if set forth in full, I hereby submit this full and complete application on behalf of the applicant.

I certify that all information and representations set forth in this application are true and correct.

I further certify that any proposed Prohousing Policy identified herein will be enacted within two (2) years of the date of this application submittal.

I acknowledge that this application constitutes a public record under the California Public Records Act (Gov. Code, § 6250 et seq.) and is therefore subject to public disclosure by the Department.

Signature: _____

Name and Title: _____

Date: _____

Legislative Information

District	Number	Legislators Name(s)
State Assembly District	30	Dawn Addis
State Senate District	17	John Laird

Applicants can find their respective State Senate representatives at https://www.senate.ca.gov/, and their respective State Assembly representatives at https://www.assembly.ca.gov/

Threshold Requirements Checklist

The applicant meets the following threshold requirements in accordance with Section 6604 of the Regulations:

	Yes	No
The applicant is a Jurisdiction.	☒	☐
The applicant has adopted a Compliant Housing Element.	☒	☐
The applicant has submitted or will submit a legally sufficient Annual Progress Report prior to designation.	☒	☐
The applicant has completed or agrees to complete, on or before the relevant statutory deadlines, any rezone program or zoning that is necessary to remain in compliance with Government Code sections 65583, subdivision (c)(1), and 65584.09, subdivision (a), and with California Coastal Commission certification where appropriate.	☒	☐
The applicant is in compliance, at the time of the application, with applicable state housing law, including, but not limited to those included in Government Code section 65585, subdivision (j); laws relating to the imposition of school facilities fees or other requirements (Gov. Code, § 65995 et seq.); Least Cost Zoning Law (Gov. Code, § 65913.1); Permit Streamlining Act (Gov. Code, § 65920 et seq.); and provisions relating to timeliness of CEQA processing by local governments in Public Resources Code sections 21080.1, 21080.2, and 21151.5(a).	☒	☐
The applicant further acknowledges and confirms that its treatment of homeless encampments on public property complies with and will continue to comply with the constitutional rights of persons experiencing homelessness and that it has submitted a one-page summary to the Department demonstrating how the applicant has enacted best practices in their jurisdiction related to the treatment of unhoused individuals camping on public property, consistent with United States Interagency Council on Homelessness' "7 Principles for Addressing Encampments," (June 17, 2022 update), hereby incorporated by reference.	☒	☐
The applicant has duly adopted and certified, by the applicant's governing body, a Formal Resolution for the Prohousing Designation Program, which is hereby incorporated by reference. (A true and correct copy of the resolution is included in this application package.)	☒	☐

Scoring Criteria
Category 1: Favorable Zoning and Land Use

Category	Prohousing Policy Description	Points
1A	Sufficient sites, including rezoning, to accommodate 150 percent or greater of the current or draft RHNA, whichever is greater, by total and income category. These additional sites must be identified in the Jurisdiction's housing element adequate sites inventory, consistent with Government Code section 65583, subdivisions (a)(3) and (c)(1).	3
1B	Permitting missing middle housing uses (e.g., duplexes, triplexes, and fourplexes) by right in existing low-density, single-family residential zones in a manner that exceeds the requirements of SB 9 (Chapter 162, Statutes of 2021, Gov. Code, §§ 65852.21, 66411.7).	3
1C	Sufficient sites, including rezoning, to accommodate 125 to 149 percent of the current or draft RHNA, whichever is greater, by total and income category. These points shall not be awarded if the applicant earns three points pursuant to Category (1)(A) above. These additional sites must be identified in the Jurisdiction's housing element adequate sites inventory, consistent with Government Code section 65583, subdivisions (a)(3) and (c)(1).	2
1D	Density bonus programs that allow additional density for additional affordability beyond minimum statutory requirements (Gov. Code, § 65915 et seq.).	2
1E	Increasing allowable density in low-density, single-family residential areas beyond the requirements of state Accessory Dwelling Unit Law, (Gov. Code, §§ 65852.2, 65852.22) (e.g., permitting more than one converted ADU; one detached, new construction ADU; and one JADU per single-family lot), and in a manner that exceeds the requirements of SB 9 (Chapter 192, Statutes of 2021, Gov. Code, §§ 65852.21, 66411.7). These policies shall be separate from any qualifying policies under Category (1)(B).	2
1F	Eliminating minimum parking requirements for residential development as authorized by Government Code section 65852.2; adopting vehicular parking ratios that are less than the relevant ratio thresholds at subparagraphs (A), (B), and (C) of Gov. Code section 65915, subdivision (p)(1); or adopting maximum parking requirements at or less than ratios pursuant to Gov. Code section 65915, subdivision (p).	2
1G	Zoning or incentives that are designed to increase affordable housing development in a range of types, including, but not limited to, large family units, Supportive Housing, housing for transition age foster youth, and deep affordability targeted for Extremely Low-Income Households in all parts of the Jurisdiction, with at least some of the zoning, other land use designation methods, or incentives being designed to increase affordable housing development in higher resource areas shown in the TCAC/HCD Opportunity Map, and with the Jurisdiction having confirmed that it considered and addressed potential environmental justice issues in adopting and implementing	2

	this policy, especially in areas with existing industrial and polluting uses.	
1H	Zoning or other land use designation methods to allow for residential or mixed uses in one or more non-residential zones (e.g., commercial, light industrial). Qualifying non-residential zones do not include open space or substantially similar zones.	1
1I	Modification of development standards and other applicable zoning provisions or land use designation methods to promote greater development intensity. Potential areas of focus include floor area ratio, height limits, minimum lot or unit sizes, setbacks, and allowable dwelling units per acre. These policies must be separate from any qualifying policies under Category (1)(B) above.	1
1J	Establishment of a Workforce Housing Opportunity Zone, as defined in Government Code section 65620, or a Housing Sustainability District, as defined in Government Code section 66200.	1
1K	Establishment of an inclusionary housing program requiring new developments to include housing affordable to and reserved for low- and very low-income households, consistent with the requirements of AB 1505 (Chapter 376, Statutes of 2017, Gov. Code, § 65850.01).	1
1L	Other zoning and land use actions not described in Categories (A)-(K) of this section that measurably support the Acceleration of Housing Production.	1

Scoring Criteria
Category 2: Acceleration of Housing Production Timeframes

Category	Prohousing Policy Description	Points
2A	Establishment of ministerial approval processes for multiple housing types, including, for example, single-family, multifamily and mixed-use housing.	3
2B	Acceleration of Housing Production through the establishment of streamlined, program-level CEQA analysis and certification of general plans, community plans, specific plans with accompanying Environmental Impact Reports (EIR), and related documents.	2
2C	Documented practice of streamlining housing development at the project level, such as by enabling a by-right approval process or by utilizing statutory and categorical exemptions as authorized by applicable law, (e.g., Pub. Resources Code, §§ 21155.1, 21155.4, 21159.24, 21159.25; Gov. Code, § 65457; Cal Code Regs., tit. 14, §§ 15303, 15332; Pub. Resources Code, §§ 21094.5, 21099, 21155.2, 21159.28).	2
2D	Establishment of permitting processes that take less than four months to complete. Policies under this category must address all approvals necessary to issue building permits.	2
2E	Absence or elimination of public hearings for projects consistent with zoning and the general plan.	2
2F	Priority permit processing or reduced plan check times for homes affordable to Lower-Income Households.	2
2G	Establishment of consolidated or streamlined permit processes that minimize the levels of review and approval required for projects, and that are consistent with zoning regulations and the general plan.	1
2H	Absence, elimination, or replacement of subjective development and design standards with objective development and design standards that simplify zoning clearance and improve approval certainty and timing.	1
2I	Establishment of one-stop-shop permitting processes or a single point of contact where entitlements are coordinated across city approval functions (e.g., planning, public works, building) from entitlement application to certificate of occupancy.	1
2J	Priority permit processing or reduced plan check times for ADUs/JADUs or multifamily housing.	1
2K	Establishment of a standardized application form for all entitlement applications.	1
2L	Documented practice of publicly posting status updates on project permit approvals on the internet.	1
2M	Limitation on the total number of hearings for any project to three or fewer. Applicants that accrue points pursuant to category (2)(E) are not eligible for points under this category.	1
2N	Other policies not described in Categories (2)(A)-(M) of this section that quantifiably decrease production timeframes or promote the streamlining of approval processes.	1

Category 3: Reduction of Construction and Development Costs

Category	Prohousing Policy Description	Points
3A	Waiver or significant reduction of development impact fees for residential development with units affordable to Lower-Income Households. This provision does not include fees associated with the provision of housing affordable to Lower-Income Households (e.g., inclusionary in lieu fees, affordable housing impact fees, and commercial linkage fees).	3
3B	Adoption of policies that result in less restrictive requirements than Government Code sections 65852.2 and 65852.22 to reduce barriers for property owners to create ADUs/JADUs. Examples of qualifying policies include, but are not limited to, development standards improvements, permit processing improvements, dedicated ADU/JADU staff, technical assistance programs, and pre-approved ADU/JADU design packages.	2
3C	Adoption of other fee reduction strategies separate from Category (3)(A), including fee deferrals and reduced fees for housing for persons with special needs. This provision does not include fees associated with the provision of housing affordable to Lower-Income Households (e.g., inclusionary in lieu fees, affordable impact fees and commercial linkage fees).	1
3D	Accelerating innovative housing production through innovative housing types (e.g., manufactured homes, recreational vehicles, park models, community ownership, and other forms of social housing) that reduce development costs.	1
3E	Measures that reduce costs for transportation-related infrastructure or programs that encourage active modes of transportation or other alternatives to automobiles. Qualifying policies include, but are not limited to, publicly funded programs to expand sidewalks or protect bike/micro-mobility lanes, creation of on-street parking for bikes, transit-related improvements, or establishment of carshare programs.	1
3F	Adoption of universal design ordinances pursuant to Health and Safety Code section 17959.	1
3G	Establishment of pre-approved or prototype plans for missing middle housing types (e.g., duplexes, triplexes, and fourplexes) in low-density, single-family residential areas.	1
3H	Adoption of ordinances that reduce barriers, beyond existing law, for the development of housing affordable to Lower-Income Households.	1
3I	Other policies not described in Categories (3)(A)-(H) of this section that quantifiably reduce construction or development costs.	1

Scoring Criteria
Category 4: Providing Financial Subsidies

Category	Prohousing Policy Description	Points
4A	Establishment of a housing fund or contribution of funds towards affordable housing through proceeds from approved ballot measures.	2
4B	Establishment of local housing trust funds or collaboration on a regional housing trust fund, which include the Jurisdiction's own funding contributions. The Jurisdiction must contribute to the local or regional housing trust fund regularly and significantly. For the purposes of this Category, "regularly" shall be defined as at least annually, and "significant" contributions shall be determined based on the impact the contributions have in accelerating the production of affordable housing.	2
4C	Demonstration of regular use or planned regular use of funding (e.g., federal, state, or local) for preserving assisted units at-risk of conversion to market rate uses and conversion of market rate uses to units with affordability restrictions (e.g., acquisition/rehabilitation). For the purposes of this category, "regular use" can be demonstrated through the number of units preserved annually by utilizing this funding source.	2
4D	Provide grants or low-interest loans for ADU/JADU construction affordable to Lower- and Moderate-Income Households.	2
4E	A comprehensive program that complies with the Surplus Land Act (Gov. Code, § 54220 et seq.) and that makes publicly owned land available for affordable housing, or for multifamily housing projects with the highest feasible percentage of units affordable to Lower Income Households. A qualifying program may utilize mechanisms such as land donations, land sales with significant write-downs, or below-market land leases.	2
4F	Establishment of an Enhanced Infrastructure Financing District or similar local financing tool that, to the extent feasible, directly supports housing developments in an area where at least 20 percent of the residences will be affordable to Lower-Income Households.	2
4G	Prioritization of local general funds to accelerate the production of housing affordable to Lower-Income Households.	2
4H	Directed residual redevelopment funds to accelerate the production of affordable housing.	1
4I	Development and regular (at least biennial) use of a housing subsidy pool, local or regional trust fund, or other similar funding source sufficient to facilitate and support the development of housing affordable to Lower-Income Households.	1

4J	Prioritization of local general funds for affordable housing. This point shall not be awarded if the applicant earns two points pursuant to Category (4)(G).	1
4K	Providing operating subsidies for permanent Supportive Housing.	1
4L	Providing subsidies for housing affordable to Extremely Low-Income Households.	1
4M	Other policies not described in Categories (4)(A)-(L) of this section that quantifiably promote, develop, or leverage financial resources for housing affordable to Lower-Income Households.	1

Scoring Criteria
Enhancement Factors

The Department shall utilize enhancement factors to increase the point scores of Prohousing Policies. An individual Prohousing Policy may not use more than one enhancement factor. Each Prohousing Policy will receive extra points for enhancement factors in accordance with the chart below.

Category	Prohousing Policy Description	Points
1	The policy represents one element of a unified, multi-faceted strategy to promote multiple planning objectives, such as efficient land use, access to public transportation, housing affordable to Lower-Income Households, climate change solutions, and/or hazard mitigation.	2
2	Policies that promote development consistent with the state planning priorities pursuant to Government Code section 65041.1.	1
3	Policies that diversify planning and target community and economic development investments (housing and non-housing) toward place-based strategies for community revitalization and equitable quality of life in lower opportunity areas. Such areas include, but are not limited to, Low Resource and High Segregation & Poverty areas designated in the most recently updated TCAC/HCD Opportunity Maps, and disadvantaged communities pursuant to Health and Safety Code sections 39711 and 39715 (California Senate Bill 535 (2012).	1
4	Policies that go beyond state law requirements in reducing displacement of Lower-Income Households and conserving existing housing stock that is affordable to Lower-Income Households.	1
5	Rezoning and other policies that support intensification of residential development in Location Efficient Communities.	1
6	Rezoning and other policies that result in a net gain of housing capacity while concurrently mitigating development impacts on or from Environmentally Sensitive or Hazardous Areas.	1
7	Zoning policies, including inclusionary housing policies, that increase housing choices and affordability, particularly for Lower-Income Households, in High Resource and Highest Resource areas, as designated in the most recently updated TCAC/HCD Opportunity Maps.	1
8	Other policies that involve meaningful actions towards Affirmatively Furthering Fair Housing outside of those required pursuant to Government Code sections 65583, subdivision (c)(10), and 8899.50, including, but not limited to, outreach campaigns, updated zoning codes, and expanded access to financing support.	1

Self-Scoring Sheet Instructions

The Department shall validate applicants' scores based on the extent to which each identified Prohousing Policy contributes to the Acceleration of Housing Production. The Department shall assess applicants' Prohousing Policies in accordance with statutory requirements and the Regulations.

The Department shall further assess applicants' Prohousing Policies using the following four scoring categories: Favorable Zoning and Land Use, Acceleration of Housing Production Timeframes, Reduction of Construction and Development Costs, and Providing Financial Subsidies. Applicants shall demonstrate that they have enacted or proposed at least one policy that significantly contributes to the Acceleration of Housing Production in each of the four categories. A Prohousing Designation requires a total score of 30 points or more across all four categories.

Instructions

Please utilize one row of the Self-Scoring Sheet for each Prohousing Policy.

- **Category Number**: Select the relevant category number from the relevant Scoring Criteria list in this application. Where appropriate, applicants may utilize a category number more than once.
- **Concise Written Description of Prohousing Policy**: Set forth a brief description of the enacted or proposed Prohousing Policy.
- **Enacted or Proposed**: Identify the Prohousing Policy as enacted or proposed. For proposed Prohousing Policies, please complete **Appendix 2: Proposed Policy Completion Schedule**.
- **Documentation Type**: For enacted Prohousing Policies, identify the relevant documentary evidence (e.g., resolution, zoning code provisions). For proposed Prohousing Policies, identify the documentation which shows that implementation of the policy is pending.
- **Web Links/Electronic Copies**: Insert the Web link(s) to the relevant documentation or indicate that electronic copies of the documentation have been attached to this application as **Appendix 7**.
- **Points**: Enter the appropriate number of points using the relevant Scoring Criteria list in this application.
- **Enhancement Category Number (optional)**: If utilizing an enhancement factor for a particular Prohousing Policy, enter the appropriate category number using the relevant Scoring Criteria list in this application.
- **Enhancement Points (optional)**: If utilizing an enhancement factor for a particular Prohousing Policy, enter the point(s) for that Prohousing Policy.
- **Total Points**: Add the enhancement point(s) to the Prohousing Policy's general point score.

Appendix 1: Formal Resolution for the Prohousing Designation Program

CITY OF SAND CITY
RESOLUTION SC 24-60, 2024

RESOLUTION OF THE CITY COUNCIL OF SAND CITY AUTHORIZING APPLICATION TO AND PARTICIPATION IN THE PROHOUSING DESIGNATION PROGRAM

WHEREAS, Government Code section 65589.9 established the Prohousing Designation Program ("PDP" or "Program"), which creates incentives for jurisdictions that are compliant with state housing element requirements and that have enacted Prohousing local policies; and

WHEREAS, such jurisdictions will be designated Prohousing, and, as such, will receive additional points or other preference during the scoring of their competitive applications for specified housing and infrastructure funding; and

WHEREAS, the Department of Housing and Community Development ("Department") has adopted emergency regulations (Cal. Code Regs., tit. 25, § 6600 et seq.) to implement the Program ("Program Regulations"), as authorized by Government Code section 65589.9, subdivision (d); and

WHEREAS, the CITY OF SAND CITY("Applicant") desires to submit an application for a Prohousing Designation ("Application").

NOW, THEREFORE, BE IT RESOLVED that the City Council of Sand City does hereby approve of the following actions:

1. Applicant is hereby authorized and directed to submit an Application to the Department.

2. Applicant acknowledges and confirms that it is currently in compliance with applicable state housing law.

3. Applicant acknowledges and confirms that it will continue to comply with applicable housing laws and to refrain from enacting laws, developing policies, or taking other local governmental actions that may or do inhibit or constrain housing production. Examples of such local laws, policies, and actions include moratoriums on development; local voter approval requirements related to housing production; downzoning; and unduly restrictive or onerous zoning regulations, development standards, or permit procedures. Applicant further acknowledges and confirms that the Prohousing Policies in its Application comply with its duty to Affirmatively Further Fair Housing pursuant to Government Code sections 8899.50 and 65583. Applicant further acknowledges and confirms that its general plan is in alignment with an adopted sustainable communities strategy pursuant to Public Resources Code sections 21155- 21155.4. Applicant further acknowledges and confirms that its policies for the treatment of homeless encampments on public property comply do and will continue to comply with the Constitution and that it has enacted best practices in its jurisdiction that are consistent

with the United States Interagency Council on Homelessness' "7 Principles for Addressing Encampments" (June 17, 2022, update).

4. If the Application is approved, Applicant is hereby authorized and directed to enter into, execute, and deliver all documents required or deemed necessary or appropriate to participate in the Program, and all amendments thereto (the "Program Documents").

5. Applicant acknowledges and agrees that it shall be subject to the Application; the terms and conditions specified in the Program Documents; the Program Regulations; and any and all other applicable law.

6. The City Manager of Sand City is authorized to execute and deliver the Application and the Program Documents on behalf of the Applicant for participation in the Program.

PASSED AND ADOPTED by the City Council of the City of Sand City this 20th day of August 2024, by the following vote:

AYES: Mayor Carbone, Vice Mayor Blackwelder, Councilmembers Diaz, and Hawthorne.
NOES: None.
ABSENT: Councilmember Sofer.
ABSTAIN: None.

APPROVED:

Mary Ann Carbone, Mayor

ATTEST:
DATED: August 28, 2024

Kerry Lindstrom, City Clerk

Appendix 2: Proposed Policy Completion Schedule

Category Number	Concise Written Description of Proposed Policy	Key Milestones and Milestone Dates	Anticipated Completion Date	Notes
1D	The City has recently adopted Ordinance § 18.59.070F (https://ecode360.com/47719430), which allows applicants to exceed the State Density Bonus Law on a case-by-case basis when projects comply with local code requirements. This is a newly adopted ordinance that the City intends to refine by establishing clear, objective standards for applicants. As part of this refinement, the City is considering incorporating exactions into the Density Bonus Ordinance that would allow projects to qualify for additional density bonuses if certain community-benefit features are provided. Potential exactions under consideration include childcare facilities, payment of an art fee, habitat mitigation measures, and family-friendly housing features such as larger bedroom counts and on-site community rooms. The intent is to align additional density incentives with amenities that advance broader community goals. The City anticipates receiving direction from the City Council on these refinements within the next 12 to 18 months. Density Bonus Ordinance attached as Appendix A (see PDF page 13).	• City Council direction on these refinements within the next 12 to 18 months.	June 2027	
1G	The South of Tioga R-1 development will have larger condominium housing to support family friendly units. The City is considering incorporating exactions in the Density Bonus Ordinance, that would allow projects to qualify for additional density bonuses if certain community-benefit features are provided. Such	• City Council direction on these refinements within the next 12 to 18 months.	June 2027	

Category Number	Concise Written Description of Proposed Policy	Key Milestones and Milestone Dates	Anticipated Completion Date	Notes
	features may include increased bedroom counts, childcare, community rooms, and other features that support family-friendly housing.			
2B	The presence of environmentally sensitive habitat area presents a significant government constraint on the production of housing in Sand City. The City has initiated the process of undertaking a Habitat Management Plan to provide programmatic incidental take permits for applicable properties identified in the Sites Inventory and the East Dunes area. This will facilitate development on a programmatic CEQA basis, so individual property owners will not have to undergo CEQA. In process. Additionally, the City prepared the West End Parking Plan and South of Tioga Redevelopment Plan to promote new development, including housing, in the City's west end area where fewer development constraints exist. Program-level CEQA analysis was conducted for both of these plans. Additionally, the City has issued an RFP for a General Plan Update, which will have an associated programmatic EIR anticipated to be complete within the next two years. West End Parking Plan IS/MND attached as Appendix C. South of Tioga Draft EIR attached as Appendix D.	• Habitat Management Plan completed within 2 years with corresponding ordinance adopted. • Draft General Plan and Draft EIR anticipated completion is May/June 2027. • General Plan Update, including certifying EIR anticipated August 2027.	January 2028	
2D	The City is in the process of updating regulations to simplify and clarify both the required permit type(s) for multi-family residential uses and the recommending and decision-making authorities with the goal to minimize the levels of review and establish a permit process that takes four months or less for those projects those consistent with the General Plan and zoning regulations.	• Municipal Code amended completed within 6 months	July 2026	

Category Number	Concise Written Description of Proposed Policy	Key Milestones and Milestone Dates	Anticipated Completion Date	Notes
	Housing Element Resolution attached as Appendix G (see PDF page 40).			
2K	The City has prepared a draft standardized entitlement application and anticipates finalizing and releasing it by Spring 2026. See draft application attached as Appendix K. Zoning code update in process.	• Adopt standardized entitlement application by Spring 2026	May 2026	
2N	The City has drafted amendments to the permitting process, which is currently under review. The Planning Manager is exploring opportunities to streamline certain review processes, including mixed-use and residential developments. Draft amendments attached as Appendix L.	• Adopt Municipal Code amendments to permitting processes by Fall 2026	October 2026	
3I	The City has met with CDFW and property owners over the past three years. Further, as part of the Habitat Management Plan and associated Citywide Incidental Take Permit, the City has spent the past three years engaging with CDFW and affected property owners and conducting multiple surveys of the sand dune environmentally sensitive habitat area (ESHA), zoned R-3, in an effort to remove barriers to residential development in this area. The City is working toward a proposal and memorandum of understanding with the property owners; however, implementation is pending identification of a funding source. The City is committed to completing additional habitat surveys within the next two years, which will inform mapping that delineates habitat areas and identifies developable land in the ESHA. The City is also exploring a 1:1 mitigation swap that would facilitate development in constrained areas by designating and preserving equivalent habitat	• Identify funding sources by Winter 2027 and adopt an ordinance to implement funding strategy. • Complete habitat surveys between March and May each year in 2026 and 2027. • Determine feasibility of developing new pump locations by Winter 2027	• January 2027 • February 2028 • February 2027	

Category Number	Concise Written Description of Proposed Policy	Key Milestones and Milestone Dates	Anticipated Completion Date	Notes
	elsewhere, further reducing development obstacles and costs. The savings estimates are approximately $40,000 per residential unit. In addition, the City owns and operates a desalination plant, eliminating water supply constraints that limit residential development in many Monterey Bay jurisdictions currently under water moratoriums. The City maintains close coordination with Monterey One Water, Cal Am, and the Seaside Sanitation District and is evaluating potential new pump locations to maximize the desalination plant's capacity and efficiency. These initiatives merit enhancement points because the Habitat Management Plan efforts and investments in desalination capacity collectively support a unified City strategy to facilitate efficient land use and sustainable development by identifying developable areas, removing water supply constraints, and enabling new housing opportunities—including affordable units—in a region otherwise limited by environmental and infrastructure barriers.			

Appendix 3: Self-Scoring Sheet and Sample Self-Scoring Sheet

Self-Scoring Sheet

Category Number	Concise Written Description of Prohousing Policy	Enacted or Proposed	Documentation Type (e.g., resolution, zoning code)	Insert Web Links to Documents **or** Indicate that Electronic Copies are Attached as **Appendix 7**	Points	Enhancement Category Number	Enhancement Points	Total Points
1B	Over the past 20 years, the City has intentionally transitioned from an industrial hub for the Monterey Bay region to a balanced community offering residential and commercial opportunities. To enable this shift, the City has eliminated traditional single-family zoning in every district in favor of more intense development. There are no R-1 exclusively single-family zoning districts remaining within the City; R-2 zoning allows single-family and duplex housing at the base density and R-3 allows multi-family dwellings in addition to duplexes and single-family uses; Mixed-Use (MU-P) district is now the predominant land use in the City which allows	E			3	1	2	5

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	a wide variety of residential housing with an emphasis on multi-family allowing up to 81 dwelling units per acre. In combination, the R-2, R-3 and MU-P zoning districts enable a far higher number of residential units than the application of SB9 in R-1 zoning districts. This long-standing policy direction is a key component of a unified, multi-faceted strategy that advances efficient land use, supports transit accessibility, and expands opportunities for multi-family housing, including duplexes, triplexes, and fourplexes that are affordable to lower-income households. By concentrating growth in compact, mixed-use areas, the City also furthers its climate and hazard-mitigation objectives.							
1D	The City has recently adopted Ordinance	P	Municipal Code & Ordinance	Code Section 18.59.070F	2	-	-	2

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	§ 18.59.070F (https://ecode360.com/47719430), which allows applicants to exceed the State Density Bonus Law on a case-by-case basis when projects comply with local code requirements. This is a newly adopted ordinance that the City intends to refine by establishing clear, objective standards for applicants. As part of this refinement, the City is considering incorporating exactions into the Density Bonus Ordinance that would allow projects to qualify for additional density bonuses if certain community-benefit features are provided. Potential exactions under consideration include childcare facilities, payment of an art fee, habitat mitigation measures, and family-friendly			https://ecode360.com/47719430 Density Bonus Ordinance attached as Appendix A (see PDF page 13).				

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	housing features such as larger bedroom counts and on-site community rooms. The intent is to align additional density incentives with amenities that advance broader community goals. The City anticipates receiving direction from the City Council on these refinements within the next 12 to 18 months.							
1E	ADUs are permitted in the MU-P Zoning District, which exceeds state law by allowing ADUs beyond exclusively single-family or multi-family residential zones. Additionally, the City does not charge impact fees for ADUs or JADUs regardless of the size proposed.	E	Ordinance	Zoning ordinance attached as Appendix B (see PDF page 22).	2	-	-	2
1F	Program 1.J, Reduce Minimum Parking Standards, was adopted as part of the	E	Ordinance	Attached as Appendix A (see PDF				

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	Housing Element and includes provisions to amend the Municipal Code to ensure compliance with Government Code Section 65583.2. In addition, the City's Density Bonus Ordinance was amended to comply with Government Code Section 65915(p). Both actions were adopted by the City Council on September 16, 2025. Additionally, the West End Parking Plan identifies clear community benefits from reducing parking. Establishing parking maximums and targeted reductions would free space for pedestrian-safety improvements, streetscape upgrades, and stormwater low-impact development. Together, these changes enhance neighborhood character, reduce runoff and urban heat-island			page 25 (parking). Attached as Appendix A (see PDF page 13 (density bonus).				

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	effects, and can unlock redevelopment of underutilized lots that increase tax revenues. The Plan also encourages walking, bicycling, and transit by pairing parking caps and credits with proximity to bus service and complementary policies that reduce automobile dependence. As supply is rebalanced, some parking areas may be converted into plazas with seating, expanding public gathering space. In addition, an "exempt initial building area" provision lowers required stalls for small storefronts, improving feasibility for General Plan-supported small businesses. The City is continuing to review and update Chapter 18.64 Parking and Loading Areas of the Municipal Code to align with recommendations of the West End Parking Plan, such as							

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	those mentioned above.							
1G	The South of Tioga R-1 development will have larger condominium housing to support family friendly units. The City is considering incoporating exactions in the Density Bonus Ordinance, that would allow projects to qualify for additional density bonuses if certain community-benefit features are provided. Such features may include increased bedroom counts, childcare, community rooms, and other features that support family-friendly housing.	P			2	-	-	2
1H	The Sand City Municipal Code allows for residential use (secondary units) in the C-1 zone. Sand City has very limited land designated for commercial use, with the only C-1 zoned property located within the Coastal Zone. The	E	Ordinance & Municipal Code	Attached as Appendix A (see PDF page 9 MU-P Ordinance); Municipal Code C-1 Zoning: https://ecode360.com/42880	1	-	-	1

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	majority of land in the City is either within the Coastal Zone or designated MU-P, which permits mixed-use development. As a result, opportunities to allow residential and mixed-use development in nonresidential zones, such as C-1, are constrained by Coastal Zone regulations. Additionally, areas adjacent to C-1 and other commercially zoned properties are further limited by the presence of environmentally sensitive habitat areas, which limit development potential. Nearly all sites identified in the Housing Element are located within the MU-P Zoning District, with the exception of one site in the M Zoning District. As adopted on September 16, 2025, the MU-P Zoning District permits multi-family residential and mixed-use			870#42880872				

Category Number	Concise Written Description of Prohousing Policy	Enacted or Proposed	Documentation Type (e.g., resolution, zoning code)	Insert Web Links to Documents **or** Indicate that Electronic Copies are Attached as **Appendix 7**	Points	Enhancement Category Number	Enhancement Points	Total Points
	developments by-right for projects proposing four or fewer units or projects with five or more units where at least 20% of the units are affordable to lower-income households.							
1I	The following development standards were modified in MU-P zone to promote greater development intensity: 1. Increased the density allowed in MU-P from one dwelling unit per 1,875 square feet to 81 du/acre; 2. Replaced discretionary setbacks to require zero feet for side and rear setbacks; and 3. Reduced parking standards for developments that include affordable senior, disabled housing units or for units within half a mile of a major transit stop according to Government Code	E	Ordinance	Zoning ordinance attached as Appendix A (see PDF pages 11-12).	1	5	1	2

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	Sections 65585 and 65863.2. These MU-P zoning changes enable higher-intensity residential development in a location-efficient area. Increasing allowable density, removing setback barriers, and reducing parking requirements—especially near transit—directly encourage compact, transit-supportive housing consistent with location efficient community principles.							
2A	On September 16, 2025, the City Council approved the draft RHNA Overlay District Ordinance (Chapter 18.85), which establishes a ministerial approval process for Site 2 identified in the adopted Housing Element pursuant to Government Code Section 65583.2(c). Separately, the MU-P (Mixed-Use Planned)	E	Ordinance	Zoning ordinance attached as Appendix A (see PDF page 34 (RHNA Overlay)). See PDF page 9 (MU-P District).	3	-	-	3

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	zoning district provides ministerial approval for (1) residential projects that include at least 20 percent of units affordable to lower-income households and (2) residential projects with four or fewer units. It is important to note that most buildable area in the City are zoned MU-P which allows for multi-family development including duplexes, triplexes and fourplexes. Other areas in the City zoned R-3 are located in environmentally sensitive habitat areas, limiting development in these areas. Having large MU-P district expedites streamlining process for most development. Also, the City has adopted Objective Design and Development Standards that apply to multi-family residential development and serve to streamline residential development.							

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2B	The presence of environmentally sensitive habitat area presents a significant government constraint on the production of housing in Sand City. The City has initiated the process of undertaking a Habitat Management Plan to provide programmatic incidental take permits for applicable properties identified in the Sites Inventory and the East Dunes area. This will facilitate development on a programmatic CEQA basis, so individual property owners will not have to undergo CEQA. In process. Additionally, the City prepared the West End Parking Plan and South of Tioga Redevelopment Plan to promote new development, including housing, in the City's west end area where fewer development	P	Environmental Documentation	West End Parking Plan IS/MND attached as Appendix C. South of Tioga Draft EIR attached as Appendix D.	2	-	-	2

Category Number	Concise Written Description of Prohousing Policy	Enacted or Proposed	Documentation Type (e.g., resolution, zoning code)	Insert Web Links to Documents **or** Indicate that Electronic Copies are Attached as **Appendix 7**	Points	Enhancement Category Number	Enhancement Points	Total Points
	constraints exist. Program-level CEQA analysis was conducted for both of these plans. Additionally, the City has issued an RFP for a General Plan Update, which will have an associated programmatic EIR anticipated to be complete within the next two years.							
2C	When housing projects that are eligible for categorical or statutory exemptions are submitted, the City expedites those accordingly and uses those exemptions as required by applicable law. For example, a categorical exemption was used for the Housing Element to expedite the CEQA process as authorized by applicable law. Recently, an extensive rehab project was completed, which utilized a categorical exemption under Article 19, section 15301. The	E	Environmental Documentation & Memorandums	Housing Element categorical exemption resolution attached as Appendix E. Streamlining memos attached as Appendix F and Appendix O.	2	-	-	2

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	only parts of the City which are not eligible for an exemption are areas that are environmentally sensitive habitat areas. Otherwise, exemptions are applied when applicable.							
2D	The City is in the process of updating regulations to simplify and clarify both the required permit type(s) for multi-family residential uses and the recommending and decision-making authorities with the goal to minimize the levels of review and establish a permit process that takes four months or less for those projects those consistent with the General Plan and zoning regulations.	P	Resolution	Housing Element Resolution attached as Appendix G (see PDF page 40).	2	-	-	2
2F	The City's full time Planning Manager prioritizes projects that accommodate units affordable to lower-income households,	E	Resolution & Memorandum	FY 25/26 Budget Resolution attached as Appendix H (see PDF page 11, CDD	1	-	-	1

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	resulting in reduced plan check times.			500 account 5000). See memo outlining standard operating procedures for housing application review and administrative processes attached as Appendix I				
2G	The City expedites design review and building permits for residential uses by continuing to contract with outside firms that specialize in providing municipal planning permit services and processing multi-family residential building permits. These developments don't go to Planning Commission and go straight to City Council, which minimizes levels of review and expedites approval for projects that are consistent with	E	Zoning Code & Standard Operating Procedures	Zoning code - https://ecode360.com/42881866?highlight=plan&searchId=8940142426552431#42881866. See also Appendix O.	1	-	-	1

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	zoning regulations and the General Plan. South of Tioga (SOT) area development was expedited because the City's hired a consultant to prepare a Specific Plan for SOT area and complete an environmental impact report for the project including multi-family housing. City staff are actively working to find a residential developer(s) (affordable housing and market rate). The City is actively marketing any design would go through an expedited review, consistent with the City's adopted Objective Design and Development Standards and directly to Council for approval of development agreement.							
2H	On May 21, 2024, the City Council adopted Objective Design and Development Standards (ODDS) for multi-family and mixed-	E	Resolution	Resolution attached as Appendix J.	1	-	-	1

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	use residential development to provide clear, predictable guidelines and streamline project review in compliance with state housing laws. The City removed subjective development standards in the MU-P zone and replaced them with clear objective development standards.							
2I	The City has incorporated an online permit portal for both planning and building permits to streamline review times and route projects to multiple departments, if required. Additionally, the City has a designated a City staff single-point of contact for planning and building permits to ensure coordinated communication across City approval functions. This approach has significantly improved the level of service and efficiency in permit	E	Permit Portal	Permit portal - https://sandcity_planningandzoning.portal.iworq.net/portalhome/sandcity_planningandzoning	1	-	-	1

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	processing, supporting the timely advancement of housing development.							
2K	The City has prepared a draft standardized entitlement application and anticipates finalizing and releasing it by Fall 2025.	P	Application	See draft application attached as Appendix K. Zoning code update in process.	1	-	-	1
2L	To track permits, the City utilizes an online permit tracking database, iWorQ, which has recently been updated to publish permit information on the City's website to enhance public visibility and access. In addition, the system has been augmented to track the number of affordable units permitted, supporting improved monitoring and reporting of housing production.	E	Permit Portal	Permit portal - https://sandcity2_buildingpermit.portal.iworq.net/portalhome/sandcity2_buildingpermit	1	-	-	1
2N	The City has drafted amendments to the permitting process, which is currently under	P	Municipal Code	Draft amendments attached as Appendix L.	1	-	-	1

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	review. The Planning Manager is exploring opportunities to streamline certain review processes, including mixed-use and residential developments.							
3A	In 2024, the City adopted an updated fee schedule that provides a 75 percent fee reduction for projects with at least 20 percent of units affordable to lower income households.	E	Resolution	Resolution attached as Appendix H. Fee schedule: https://www.sandcity.org/home/showpublisheddocument/4000/638953386348200000	3	-	-	3
3B	The City has designated staff to provide technical assistance for ADU/JADU applications and to expedite permit processing. Staff has developed a dedicated ADU/JADU FAQ and technical assistance webpage for the City's website.	E	Resolution & City website	Resolution attached as Appendix H (see PDF page 11, CDD 500 account 5300). See Sand City ADU/JADU webpage here: https://www.sandcity.org/government/city-	2	-	-	2

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				departments/planning-department/adus-and-jadu-information				
3D	Sand City is among the first jurisdictions to explicitly permit multifamily manufactured housing in the R-2 and R-3 zoning districts. The City's R-2, R-3, and MU-P Zoning District permit multifamily manufactured homes by right which streamlines and facilitates innovative manufactured housing. HUD recently issued a new building code enabling this product type, and HCD has referenced examples of this type of innovative housing unit being implemented in large cities like San Jose enabling stackable manufactured units. San Jose operates on an entirely different scale than Sand City, yet Sand City has been	E	Permit Portal	Permit Portal and revision west website: https://sandcity_planningandzoning.portal.iworq.net/portalhome/sandcity_planningandzoning	1	2	2	3

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	implementing this innovative housing practice for several years to facilitate the transition from an industrial hub to a balanced community offering residential and commercial opportunities. Additionally, the City is in discussion with Revision West and other housing providers to pilot innovative housing models, including modular construction to meet regional needs. Revision West has demonstrated success with modular construction in neighboring jurisdictions and is prepared to support the City in adapting these approaches. The City's Art Park concept envisions an artist-focused housing and community center in Sand City.							

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	These actions demonstrate a unified strategy that advances multiple planning goals to intensify residential development. Allowing multifamily manufactured homes by right and partnering on modular housing supports efficient land use and affordable housing production, while the Art Park concept promotes community-serving, transit-supportive infill—collectively meeting the enhancement factor criteria.							
3E	Capital Improvement Program: Onsite/offsite improvement standards establish infrastructure or site requirements to support new residential development such as streets, sidewalks, water and sewer, drainage, curbs and gutters, street signs, park dedications, utility easements, and landscaping. The City	E	Resolution	Resolution attached as Appendix H (see PDF page 6, Grants 802, accounts 4611 and 4612; pages 13-14, Capital Outlay/Projects 902, accounts 6001 and 6002).	1	5	1	2

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	will continue to implement its Five-Year Capital Improvement Program and continue budgeting revenues into the capital improvement budget to improve streets, sidewalks, storm drainage, wastewater and water lines within the West End area. Further, the City is willing to expedite permit processing for transit-supportive development. Seek Funding for a Pedestrian and Bike Trail along the Railroad Right-of-Way: The TAMC Railroad Right-of-Way runs through Sand City adjacent to Del Monte Boulevard. In order to increase bicycle and pedestrian commuting, the City will seek grant funding to build and pedestrian and bike trail along the TAMC railroad right-of-way. The new trail would pass by the							

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	proposed SURF! Busway and Bus Rapid Transit, which, once completed, will serve as a major transit stop providing public transit service along Del Monte Boulevard every 15 minutes throughout the day. Expand Sand City's Coastal Trail: The Monterey Bay Coastal Recreation Trail is a dedicated pedestrian and bike trail which stretches 18 miles along the Southern Monterey Bay from Castroville in the north to Pacific Grove in the south. The Monterey Bay Recreation Trail runs through Sand City on the west side of State Route 1. There is currently a critical gap in the Monterey Bay Recreation Trail in Sand City between Tioga Avenue and Playa Avenue. In order to increase walkability and bicycle use within							

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	the City, Sand City will continue to apply for grants to construct this segment of trail and to construct dedicated trails within the City to connect residents in the City's core to the coast. This initiative merits enhancement points because the City's continued investment in infrastructure upgrades and expanded pedestrian and bicycle connections directly supports residential intensification in a location-efficient community by improving access to frequent transit, enhancing multimodal mobility, and creating the infrastructure necessary to accommodate higher-density housing in the West End area.							
3I	The City has met with CDFW and property owners over the past three years. Further, as part of the Habitat	P			1	1	2	3

Category Number	Concise Written Description of Prohousing Policy	Enacted or Proposed	Documentation Type (e.g., resolution, zoning code)	Insert Web Links to Documents **or** Indicate that Electronic Copies are Attached as **Appendix 7**	Points	Enhancement Category Number	Enhancement Points	Total Points
	Management Plan and associated Citywide Incidental Take Permit, the City has spent the past three years engaging with CDFW and affected property owners and conducting multiple surveys of the sand dune environmentally sensitive habitat area (ESHA), zoned R-3, in an effort to remove barriers to residential development in this area. The City is working toward a proposal and memorandum of understanding with the property owners; however, implementation is pending identification of a funding source. The City is committed to completing additional habitat surveys within the next two years, which will inform mapping that delineates habitat areas and identifies developable land in the ESHA. The							

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	City is also exploring a 1:1 mitigation swap that would facilitate development in constrained areas by designating and preserving equivalent habitat elsewhere, further reducing development obstacles and costs. The savings estimates are approximately $40,000 per residential unit. In addition, the City owns and operates a desalination plant, eliminating water supply constraints that limit residential development in many Monterey Bay jurisdictions currently under water moratoriums. The City maintains close coordination with Monterey One Water, Cal Am, and the Seaside Sanitation District and is evaluating potential new pump locations to maximize the							

Category Number	Concise Written Description of Prohousing Policy	Enacted or Proposed	Documentation Type (e.g., resolution, zoning code)	Insert Web Links to Documents **or** Indicate that Electronic Copies are Attached as **Appendix 7**	Points	Enhancement Category Number	Enhancement Points	Total Points
	desalination plant's capacity and efficiency. These initiatives merit enhancement points because the Habitat Management Plan efforts and investments in desalination capacity collectively support a unified City strategy to facilitate efficient land use and sustainable development by identifying developable areas, removing water supply constraints, and enabling new housing opportunities—including affordable units—in a region otherwise limited by environmental and infrastructure barriers.							
4B	The City established its Housing Trust Fund in 2011 and provides annual contributions to maintain and grow the fund. The current balance is approximately $143,000. In addition, the City partners with the County each year to	E	Resolution & Design Renderings	Resolution attached as Appendix H (see PDF page 7, housing account 1006). Art Park design	1	-	-	1

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	program CDBG funds and annually applies for PLHA and HOME funds to support affordable housing development. The City is currently utilizing PLHA resources to facilitate the production of new affordable housing. Approximately $586,000 of these funds were used in FY 24-25 by the City to purchase a property adjacent to City-owned property in an effort to consolidate smaller lots and to create a larger parcel for the City-intiated Art Park Capital Improvement Project that includes up to 49 residential units, 16 of which will be designated low-income, geared towards artists. See 4G for more information on the Art Park City-initiated project.			renderings attached as Appendix M (see PDF pages 7-9).				
4C	The City partners with Monterey County to program CDBG funds, coordinating prior to	E	Resolution	Attached as Appendix H (see PDF page 14	2	-	-	2

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	allocation to identify eligible projects such as owner-occupied rehabilitation and critical infrastructure improvements that support housing. The City has worked with the County for the past five years to direct CDBG funds toward the Housing Trust Fund and priority infrastructure needs. In addition, the City submits annual applications for PLHA and HOME funds to support acquisition, rehabilitation, and the imposition or extension of affordability restrictions. The City also conducts ongoing preservation monitoring of 11 deed-restricted units at 600 Ortiz Avenue (The Independent, Phase 1)—10 with covenants through 2063 and one through 2032—and coordinates needed repairs with owners using available CDBG,			(account 6003 PLHA). See resolution establishing the City's relationship with the County's CDBG consolidated program for smaller jurisdictions in the County attached as Appendix N.				

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	HOME, and PLHA resources. As covenants approach expiration, the City will pursue funding to extend affordability terms. Additionally, the City used REAP funds to hire an architecture firm to develop design renderings illustrating the potential size, scale and number of units that can be developed on smaller consolidated lots less than 1 acre.							
4E	Sand City is administering a comprehensive Surplus Land Program in full compliance with the Surplus Land Act (Gov. Code, § 54220 et seq.). The City inventories and designates eligible City-owned parcels as surplus, issues Notices of Availability to qualified affordable housing entities, and prioritizes dispositions for multifamily projects that achieve the highest feasible percentage of units affordable to	E	Resolution	Housing Element Resolution attached as Appendix G (see PDF page 52).	2	1	2	4

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	lower-income households. The program's primary mechanism is long-term, below-market ground leasing of City land. The City has identified surplus lands through the adequate sites inventory of the 6th Cycle Housing Element and reports on these lands annually through the Housing Element Annual Progress Reports. Program 3.I of the Housing Element establishes the general process the City follows. This initiative merits enhancement points because the Surplus Land Program proactively advances multiple planning objectives by directing well-located public land toward lower-income multifamily housing through long-term ground leases that supports live/work							

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	opportunities for artists and incorporates community space, thereby promoting efficient land use, transit-supportive development, and a more inclusive, economically diverse community as part of a unified housing strategy.							
4G	The proposed Art Park is the City's foray into developing residential units, including affordable units using funds in the the City's Housing Trust account. The City-owned Art Park site is proposed to include the following: 1) Residential: 49 residential units: (4) studios, (32) 1-bedroom units, (9) 2-bedroom units, (4) live work artist lofts; minimum of 16 affordable units; 2) Open Space Plaza: 12,000 square feet; benches, stage, lawn, landscaping, outdoor	E	Presentation	See Art Park presentation attached as Appendix M.	2	1	2	4

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	seating, shade structure; and 3) Commercial /Community Space: Food & Beverage: 3,297 square feet; Art Studio: 2,628 square feet. PLHA funds were used to purchase a parcel located adjacent to the Art Park to consolidate it into one larger parcel that can accommodate higher density residential development. Additional PLHA funds are anticipated, which will likely go toward development of the Art Park. The City has funded consultant assistance for this project with local general funds to move the project forward. Renderings and floor plans have been developed by an architecture firm, and a local planning firm is assisting with the							

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	development of the Request for Proposals. This City project, along with the policy actions referenced throughout this application, reflects the vision established in the 2002 General Plan and Vibrancy Plan to support the City's transition from an industrial hub to a more mixed-use community by facilitating the intensification of residential development. This initiative merits enhancement points because the Art Park project advances multiple planning objectives by consolidating City-owned land to support higher-density mixed-use development with affordable and live/work artist housing, community space, and open space amenities, thereby promoting efficient land use and a							

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	more inclusive, walkable community as part of a unified housing strategy. The City is prioritizing local general funds as well as outside funding.							
4J	The South of Tioga project, which includes affordable units, involved sites containing a natural gas well and an oil production well that required mitigation pursuant to the EIR. These facilities were fully mitigated during the clearing, grading, and compliance process, funded in part through General Fund expenditures. With mitigation complete and site preparation substantially advanced, the project is now development-ready, demonstrating meaningful acceleration of housing production. These efforts support the City's General Plan, Vibrancy Plan and nearby MST transit	E	Environmental Documentation	South of Tioga Draft EIR attached as Appendix D (see PDF page 33).	1	-	-	1

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	improvements (SURF Express bus line) and multi-use trail improvements funded in part by the City, AMBAG and Monterey Bay Air Resources District (MBARD).							
4M	There are approximately 20 ELI households (14 percent of total households) in Sand City. Of the ELI households in Sand City, 100 percent are renter-occupied households. In order to support ELI residents, the City will support the construction of affordable housing and the development of support services that are suitable for extremely low-income residents through the following measures: -Consider creating an “Affordable Housing Matching” program in which ELI residents are able to sign up for a list of the City’s available affordable housing	P	Resolution & Appendix 5	Housing Element Resolution attached as Appendix G (see PDF page 45). See Homeless Encampment Response (Appendix 5 of Prohousing Application).	1	6	1	2

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	inventory, and work with the regional Housing Authority to provide Housing Choice Vouchers (HCV) and allocate section 8 vouchers to eligible residents; -Match residents with ADU or JADU owners that accept HCV or Section 8; -Work with local non-profit Salvation Army to support the day center including caseworker services. City staff meets quarterly with Day Center staff to provide additional support and understand current needs. Additionally, the City's Chief of Police meets monthly with Day Center staff in accordance with the City's Homeless Encampment Program; and -Continue Community Human Services (CHS) service agreement to provide mental health,							

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	substance abuse and homeless services. In addition, the City has undertaken significant brownfield remediation efforts for the South of Tioga project and invested in water desalination improvements that remove major development barriers and accelerate the delivery of affordable housing. Remediation of former industrial sites and expansion of desalination capacity ensure that development-ready land and reliable water supplies are available for projects serving low-income households—an uncommon advantage in the Monterey Bay region, where water moratoriums and environmental constraints often hinder housing production.							
	TOTAL				46		14	60

Sample Self-Scoring Sheet

Note: This is a Sample Self-Scoring Sheet; an actual submission may include more specificity when an applicant completes the "Concise Written Description of Prohousing Policy."

Category Number	Concise Written Description of Prohousing Policy	Enacted or Proposed	Documentation Type (e.g., resolution, zoning code)	Insert Web Links to Documents **or** Indicate that Electronic Copies are Attached as **Appendix 7**	Points	Enhancement Category Number	Enhancement Points	Total Points
1B	Permitted missing middle housing uses by allowing duplexes and triplexes by right in existing low-density, single-family residential zones beyond what is required by SB 9.	E	Zoning code	Electronic copy attached	3	6	1	4
1C	Sufficient sites to accommodate 131 percent of the current RHNA with rezoning by total or income category.	P	Resolution	Electronic copy attached	2	1	2	4
1D	Density bonus program exceeds statutory requirements by 12 percent.	E	Zoning code	Electronic copy attached	2			2
1F	Eliminated parking requirements for residential development as authorized by Government Code section 65852.2.	E	Zoning code	Electronic copy attached	2			2
1G	Zoning that that is designed to increase affordable housing for a range of types and for	E	Zoning code	Electronic copy attached	1	1	2	3

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	extremely low-income households.							
1H	Modified development standards/other applicable zoning provisions to allow for residential uses in non-residential zones (light industrial).	E	Zoning code	Electronic copy attached	1	1	2	3
1L	Other zoning and land use actions that measurably support the Acceleration of Housing Production.	P	Resolution	Electronic copy attached	1			1
2B	Streamlined program-level CEQA analysis and certification of general plans, community plans, specific plans with accompanying Environmental Impact Reports (EIR), and related documents.	E	Zoning code	Electronic copy attached	2			2
2G	Consolidated permit processes that minimize the levels of review and approval required for projects.	E	Zoning code	Electronic copy attached	1			1
2I	Established a one-stop-shop permitting process.	P	Resolution	Electronic copy attached	1	1	2	3

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2N	Other actions that quantifiably decrease production timeframes.	E	Zoning code	Electronic copy attached	1			1
3A	Waiver of residential development impact fees.	E	Zoning code	Electronic copy attached	3			3
3B	Adopted policies that result in less restrictive requirements than Government Code sections 65852.2 and 65852.22.	P	Resolution	Electronic copy attached	2	1	2	4
3E	Measures that reduce costs for transportation-related infrastructure.	E	Zoning code	Electronic copy attached	1			1
3I	Other actions that quantifiably reduce construction or development costs.	E	Zoning code	Electronic copy attached	1			1
4A	Local housing trust funds.	E	Zoning code	Electronic copy attached	2			2
4C	Regular use of funding for preserving assisted units at-risk of conversion to market-rate uses.	E	Zoning code	Electronic copy attached	2	2	1	3
4E	Establishes a program that complies with the Surplus Land Act and offers below-market land leases for affordable housing.	E	Zoning code		2			2

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4G	Prioritization of local general funds for affordable housing.	E	Zoning code		2			2
4M	Other actions that leverage financial resources for housing.	E	Zoning code		1			1
TOTAL					33		12	45

Appendix 4: Examples of Prohousing Policies with Enhancement Factors

If a Prohousing Policy incorporates any of the enhancement factors specified in the Scoring Criteria Enhancement Factors chart, it will receive extra points as indicated therein. Examples of such qualifying Prohousing Policies include the following:

Category 1: Favorable Zoning and Land Use

- Rezoning sufficient sites to accommodate 150 percent or greater of the Regional Housing Needs Allocation by total or income category, including sites in Location Efficient Communities.
- Rezoning sufficient sites to accommodate 150 percent or greater of the Regional Housing Needs Allocation by total or income category, including sites in High Resource and Highest Resource areas (as designated in the most recently updated TCAC/HCD Opportunity Maps).
- Rezoning to accommodate 125 to 149 percent of the Regional Housing Needs Allocation in downtown commercial corridors or other infill locations.
- Expanding density bonus programs to exceed statutory requirements by 10 percent or more in Location Efficient Communities.
- Reducing or eliminating parking requirements for residential development as authorized by Government Code section 65852.2 in Location Efficient Communities.
- Increasing allowable density in low-density, single-family residential areas beyond the requirements of state Accessory Dwelling Unit Law in High Resource and Highest Resource areas (as designated in the most recently updated TCAC/HCD Opportunity Maps).
- Modification of development standards and other applicable zoning provisions to promote greater development intensity in downtown commercial corridors or other infill locations.
- Coupling rezoning actions with policies that go beyond state law requirements in reducing displacement of lower-income households and conserving existing housing stock that is affordable to lower-income households.

Category 2: Acceleration of Housing Production Timeframes

- Ministerial approval processes for multifamily housing in High Resource and Highest Resource areas (as designated in the most recently updated TCAC/HCD Opportunity Maps).
- Streamlined, program-level CEQA analysis and certification of specific plans in Location Efficient Communities.
- Documented practice of streamlining housing development at the project level in downtown commercial corridors and other infill locations.
- Expedited permit processing for housing affordable to lower-income households in High Resource and Highest Resource areas (as designated in the most recently updated TCAC/HCD Opportunity Maps).

Category 3: Reduction of Construction and Development Costs

- Fee waivers for affordable housing in High Resource and Highest Resource areas (as designated in the most recently updated TCAC/HCD Opportunity Maps).
- Fee waivers or reductions for higher density housing in downtown commercial corridors or other infill locations.
- Measures that reduce costs and leverage financial resources for transportation-related infrastructure or programs in Low Resource and High Segregation & Poverty areas (as designated in the most recently updated TCAC/HCD Opportunity Maps).
- Adoption of universal design ordinances to increase housing choices and affordability for persons with disabilities in High Resource and Highest Resource areas (as designated in the most recently updated TCAC/HCD Opportunity Maps).
- Permitting innovative housing types, such as manufactured homes, recreational vehicles or park models, in High Resource and Highest Resource areas (as designated in the most recently updated TCAC/HCD Opportunity Maps).

Category 4: Providing Financial Subsidies

- Targeting local housing trust funds to acquisition or rehabilitation of existing affordable units, or to affordable units at risk of converting to market rate uses, in Low Resource and High Segregation & Poverty areas (as designated in the most recently updated TCAC/HCD Opportunity Maps).
- Marketing grants and other financial products for ADUs/JADUs in High Resource and Highest Resource areas (as designated in the most recently updated TCAC/HCD Opportunity Maps).
- Utilizing publicly owned land for affordable housing in High Resource and Highest Resource areas (as designated in the most recently updated TCAC/HCD Opportunity Maps).
- Establishment of an Enhanced Infrastructure Financing District or similar local financing tool in a Low Resource or High Segregation & Poverty area (as designated in the most recently updated TCAC/HCD Opportunity Maps).
- Directing residual redevelopment funds or general funds to conservation or preservation of affordable housing in areas at high risk of displacement.

Appendix 5: Homeless Encampment Template

Subchapter 6.6 Prohousing Designation Program requires applicants to confirm that its treatment of encampments on public property complies with and will continue to comply with the constitutional rights of persons experiencing homelessness. An application must include a one-page summary demonstrating how the applicant has enacted best practices in their jurisdiction related to the treatment of unhoused individuals camping on public property, consistent with the United States Interagency Council on Homelessness' "7 Principles for Addressing Encampments (June 17, 2022). The following template and certification are included to help jurisdictions meet this threshold.

- **Principle 1: Establish a Cross-Agency, Multi-Sector Response to Encampments –** Describe how system partners (name partners) work together to prioritize health and safety both for residents and unsheltered individuals. (350 characters max)

  Given its small size and limited capacity to operate a standalone homelessness program, the City of Sand City collaborates with the City of Seaside, CALTrans, MST, TAMC and Monterey County to provide local homelessness and encampment response services. This collaboration aligns with the goals of the County's Lead Me Home Five-Year Plan to Reduce Homelessness, coordinated by the Monterey and San Benito Counties Continuum of Care (CoC), Coalition of Homeless Service Providers. The regional plan promotes a systems-level approach to addressing homelessness, grounded in the principles of housing first, coordinated entry, equity, and interagency coordination. Through this partnership, Sand City contributes to shared objectives such as expanding affordable and supportive housing, enhancing street outreach and case management, and improving coordination across jurisdictions. Participation in the County's plan enables the City to implement consistent and effective strategies that support broader regional efforts to reduce homelessness.

  The Sand City Police Department is currently developing an Unhoused Resource Fair (URS) in partnership with the Monterey County Public Defenders Office, the Salvation Army, and Helping Empower Re-Entry Service (HERS). The URS will allow our unhoused community access to multiple resources in one location. The goal is to invite all the non-government/non-profit organizations and government entities, that provide homeless resources such as shelter services, short- and long-term housing, justice system resources, veteran's assistance, mental health and crisis services, so our community learn about and obtain services for whatever need they have.

  The Sand City Police Department is also moving forward in participating with the City of Monterey Police Department's Multi-Disciplinary Outreach Team (MDOT). The MDOT is a collaboration between a myriad of diverse agencies, to address homelessness, substance abuse, mental health crisis, and other quality of life issues. The MDOT meets monthly to discuss progress, challenges, and to coordinate outreach. The MDOT is comprised of agencies such as Monterey County Behavioral Health, Interim Inc, the Homeless Exchange, and the CHOMP Community Outreach.

- **Principle 2: Engage Encampment Residents to Develop Solutions –** Describe street outreach efforts to engage with encampment residents to find alternative shelter, housing, and service options using the housing first approach before an existing encampment is closed. (350 characters max)

  When an encampment is scheduled for closure, the City utilizes trained law enforcement personnel, nonprofit homeless services organizations, and other service providers to conduct outreach and engage with individuals residing in the encampment.

  All officers have completed Crisis Intervention Training and are trained in de-escalation techniques, allowing them to recognize when individuals are in crisis and determine appropriate non-enforcement responses. When officers encounter individuals who may benefit from services beyond the City's immediate capacity, they provide a comprehensive regional resource guide or directly contact service providers on the individual's behalf with the goal of providing hope and a path to permanent housing. The City's resource guide provides information on services related to addiction, shelter services, short- and long-term housing programs, veterans aid, meal services, health and wellness services.

  The City has adopted internal written protocols that guide notification and posting procedures on public property. While residents are provided with a minimum of 72 hours' notice prior to closure, in most cases, advance notice is given several weeks ahead of time. Notices are clearly posted in visible locations throughout the encampment to ensure residents are informed and have time to seek alternative shelter and services.

- **Principle 3: Conduct Comprehensive and Coordinated Outreach –** Describe multidisciplinary connection strategies and linkages to resources and permanent housing solutions that is customized to individual needs. If applicable, describe how the jurisdiction uses the coordinated entry system to connect individuals to resources and permanent housing. (350 characters max)

  The City's encampment response follows the same protocol as responding to service calls. Officers engage with the unhoused community members, educate them on the law, provide them with referrals, with enforcement as a last resort. The goal is the same, to provide hope and a path to permanent housing. Encampments encompass multiple jurisdictions, which include state, county, city, and regional agencies. The City created a multidisciplinary regional encampment group to help in the coordination of resources for assistance, enforcement, and clean-ups. Once it has been determined that an encampment needs action, the group will coordinate with agency officials, law enforcement, private contractors, non-government agencies, to give proper notice or eviction, and clean up debris and hazardous materials.

  The City is the home of the Salvation Army's Good Samaritan Day Center. This center provides the unhoused community daily access to food and beverages; multiple showers; laundry machines and dryers; shelter from the elements; on-site counseling or case workers.

  The Sand City Police Department (SCPD) has monthly informal meetings with the Center's unhoused customers, where the Police Chief will engage in conversation, drink

coffee, play card games, and be a resource for any questions. The officers will also visit on a weekly basis as calls for service permit.

- **Principle 4: Address Basic Needs and Provide Storage** – Describe efforts to meet basic needs, health, safety, and access to storage (timeframes) for people experiencing unsheltered homelessness while creating clear pathways to permanent housing. (350 characters max)

  As stated above, all officers have completed Crisis Intervention Training and are trained in de-escalation techniques, allowing them to recognize when individuals are in crisis and determine appropriate non-enforcement responses. When officers encounter individuals who may benefit from services beyond the City's immediate capacity, they provide a comprehensive regional resource guide or directly contact service providers, such as the local Salvation Army Good Samaritan Day Center, on the individual's behalf. This guide includes referrals for shelter, addiction recovery, housing programs, veterans' assistance, food access, and health and wellness services.

  When encampments must be cleared, the City provides storage of property for encampment residents for up to 90 days.

- **Principle 5: Ensure Access to Shelter or Housing Options** – Describe how low barrier resources to housing and supportive services are communicated to encampment residents. Include how strategies involve alternative measures to criminalization, focusing on service engagement and harm reduction. (350 characters max)

  The City partners with the Multi-Disciplinary Outreach Team—made up of Monterey County Behavioral Health, Interim Inc., and Community Hospital of the Monterey Peninsula—and the Salvation Army Good Samaritan Center, located in Sand City, to connect encampment residents with food, showers, laundry, shelter, on-site counseling, and monthly medical and mental health services. The City's law enforcement team engages regularly to build trust and prioritize service-based, harm reduction strategies over enforcement.

  Additionally, the City is working with the Center to expand its services and facilitate the development of five very low-income transitional housing units.

- **Principle 6: Develop Pathways to Permanent Housing and Supports** – Describe Housing First strategies emphasizing low barriers, a harm-reduction model, and services to support people obtaining permanent housing more efficiently. Identify efforts to align federal, state, and local funding/programs to provide clear pathways to permanent housing. (350 characters max)

  As previously mentioned, given Sand City's small size, the City participates in regional Continuum of Care (Coc) efforts to ensure residents have equitable access to resources and permanent housing pathways.

The Coalition of Homeless Service Providers, acting as the region's CoC, leads the implementation of Housing First strategies that emphasize low barriers to entry and a harm-reduction model. Through its Coordinated Assessment and Referral System (CARS), also known as the Coordinated Entry System (CES), encampment residents are connected to permanent housing and supportive services without requirements such as income, sobriety, or treatment participation. Services are voluntary and focused on long-term housing stability. The City aligns its efforts with the CoC's Lead Me Home plan, which integrates federal, state, and local funding—such as HUD CoC, Homekey, and HHAP—to expand access to permanent supportive housing and create efficient, equitable pathways out of homelessness.

- **Principle 7: Create a Plan for What Will Happen to Encampment Sites After Closure** – Describe plans for former encampment spaces (long-term solutions to prevent encampments from reoccurring). Include efforts to emphasize safety, accessibility, and inclusivity that improve infrastructure. Example: Communities can include curb cuts to increase mobility access and enhanced lighting to encourage safety. (350 characters max)

  City staff or designated contractors remove or abates hazardous conditions from encampments on City property. The City works with the County and private partners to plan for former encampment sites. For areas that are unsafe for human habitation or environmentally sensitive, the City takes steps to prevent the site from being reoccupied.

  Key elements of the City's post-closure strategy include:

  - **Environmental Remediation and Safety Improvements:** Following encampment resolution, sites are assessed for environmental hazards, debris removal, and infrastructure damage. The City prioritizes waste removal and pest abatement, particularly in areas with prolonged encampment activity.
  - **Infrastructure Enhancements:** Where appropriate the city updates or fixes fences or lighting in former encampment areas.
  - **Encampment Prevention Measures:** Ongoing outreach and monitoring to support individuals who may return to the area.

  This approach reflects Sand City's commitment to balancing public safety and social services while ensuring that former encampment sites are restored to their intended public use.

Certification and Authorization:

9.5.25

Signature of Authorized Representative Date

Appendix 6: Public Participation Checklist

Pursuant to Sections 6601, 6602, and 6605, applicants are required to demonstrate how they have engaged in a "Diligent Public Participation Process."

Please complete this checklist, and sign, to confirm that the applicant has complied with this requirement. Attach and reference any comments you received during the process.

Regulation Text	Explanation	Yes	No
Outreach through a variety of methods and languages to ensure access to the public process and provide opportunities for public input.	Applicant should use methods such as newspaper ads, email, social media, fliers, etc., to inform the public that an application has been drafted and posted for public comment. Language access should reflect languages spoken in your local community and should be available in multiple languages in print media or upon request for digital media.	☒	☐
Specific effort to engage all segments of the community, including individuals or representatives of lower-income and special needs households, for-profit and non-profit developers, and special needs service providers.	Individuals and organizations representing lower-income and special needs households, for-profit and non-profit developers, and special needs service providers should be engaged, informed of, and offered an opportunity to comment on the application. Outreach lists utilized for Housing Element compliance would suffice.	☒	☐
Availability of the draft document to the public, including notification to interested parties and all segments of the community, for thirty (30) calendar days and subsequent versions for seven (7) calendar days.	Applicants should post the application in print and digital forms, collect comments, and incorporate those comments into the application if necessary. Making the application available to the public could be satisfied by posting the application online and/or announcements through other mediums (e.g., local newspapers) so long as these forums include diverse segments of the community, including individuals or representatives of lower-income and special needs households, for-profit and non-profit developers, and special needs service providers.	☒	☐
Public hearings and informative meetings.	For the purposes of satisfying this requirement, a City Council or Board of Supervisors meeting informing the public of the jurisdiction's intent to submit a Prohousing Designation Program application, in addition to any subsequent meetings necessary to make revisions in response to public comment, will satisfy this requirement.	☒	☐

Consideration of comments, including incorporation of comments into a jurisdiction's application and Prohousing Policies as appropriate.	Provide all comments received with a description of how the comment was incorporated into the application. If the comment is not appropriate for incorporation, please describe why.	☒	☐

Certification and Authorization:

Signature of Authorized Representative Date

Appendix 7: Additional Information and Supporting Documentation

AGENDA ITEM
9D.

Approve a Resolution Authorizing Application for, and Receipt of, Prohousing Incentive Program (PIP) Funds

City of Sand City

STAFF REPORT

TO: Honorable Mayor and City Council
FROM: Nicholas McIlroy, AICP, Planning Manager
SUBJECT: Authorization to Apply for and Receive Prohousing Incentive Program (PIP) Funds
DATE: March 3, 2026

BACKGROUND:
The Prohousing Incentive Program (PIP), administered by the California Department of Housing and Community Development pursuant to Health and Safety Code Section 50470 et seq., provides funding to jurisdictions that have received Prohousing Designation. The program is intended to reward jurisdictions that have adopted policies that promote housing production and reduce regulatory barriers.

On August 20, 2024, the City Council adopted Resolution SC 24-60 authorizing application to and participation in the Prohousing Designation Program. The City submitted its revised Prohousing Designation Application in January 2026 and anticipates receiving designation in the coming weeks.

Receipt of Prohousing Designation is a prerequisite for eligibility under PIP. Adoption of the proposed resolution will authorize the City to submit an application and execute required agreements should designation be awarded.

DISCUSSION:
The PIP provides flexible funding for planning and implementation activities related to housing and community development. Eligible uses include the predevelopment, development, and preservation of affordable housing for lower- and moderate-income households; assistance programs and homelessness prevention; and matching portions of funds placed into local housing trust funds.

The City intends to pursue PIP funding to support housing-related planning and implementation initiatives consistent with its adopted Housing Element, Prohousing policies, and ongoing General Plan and environmental work. These funds could assist with the predevelopment, including planning and design, of the Art Park project. Further, the funds could be utilized for predevelopment activities such as environmental consulting and

planning for necessary housing-related infrastructure to support residential development such as in the East Dunes area. Additionally, they could serve as matching funds for a local housing trust fund pursuant to state health and safety codes.

Adoption of the resolution does not obligate the City to accept funds but authorizes staff to apply for funding and execute a Standard Agreement if awarded. Any funded activities will be required to comply with State guidelines and the terms of the grant agreement.

Notice of Funding Availability (NOFA)
HCD released a Notice of Funding Availability (NOFA) on September 30, 2025, that established the maximum funding each agency is eligible to receive. The base allocation is determined by population; for cities with a population under 20,000, the base amount is $150,000. This is supplemented by a bonus award of up to $500,000, calculated based on the number of points earned in the Prohousing Designation application, where each point is multiplied by $10,000. Based on the City's internal self-score of 45 points, the estimated maximum bonus amount is $450,000. Therefore, the total maximum amount the City could receive if awarded is $600,000, subject to final HCD verification of the City's Prohousing score.

CEQA:
This action does not constitute a "project" as defined by the California Environmental Quality Act (CEQA) guidelines section 15378, because it constitutes administrative and fiscal activity that does not result in a direct or reasonably foreseeable physical change in the environment.

FISCAL IMPACT:
There is no fiscal impact associated with adoption of the resolution. If awarded, PIP funds would provide State grant funding to support housing-related planning and implementation activities. Any required local match or fiscal commitments, if applicable, would be identified at the time of award and brought back to the City Council for consideration and approval.

RECOMMENDATION:
That the City Council adopt a resolution authorizing the City Manager to submit an application for, and receive, Prohousing Incentive Program (PIP) funds from the California Department of Housing and Community Development.

ATTACHMENTS:

1. Resolution

CITY OF SAND CITY
RESOLUTION SC 26-___, 2026

RESOLUTION OF THE CITY COUNCIL OF SAND CITY AUTHORIZING APPLICATION FOR, AND RECEIPT OF, PROHOUSING INCENTIVE PROGRAM (PIP) FUNDS

WHEREAS, pursuant to Health and Safety Code Section 50470 et seq., the California Department of Housing and Community Development ("Department") is authorized to administer the Prohousing Incentive Program ("PIP"); and

WHEREAS, the PIP provides grant funding to jurisdictions that meet eligibility criteria, including, but not limited to, receiving Prohousing Designation pursuant to Government Code Section 65589.9; and

WHEREAS, the City of Sand City has submitted a Prohousing Designation Application to the Department and anticipates receiving designation; and

WHEREAS, pursuant to Health and Safety Code Section 50470 et seq., the California Department of Housing and Community Development ("Department") is authorized to administer the Prohousing Incentive Program ("PIP"); and

WHEREAS, the PIP provides grant funding to jurisdictions that meet eligibility criteria, including, but not limited to, receiving Prohousing Designation pursuant to Government Code Section 65589.9; and

WHEREAS, the City of Sand City has submitted a Prohousing Designation Application to the Department and anticipates receiving designation; and

WHEREAS, the Department issued the PIP Notice of Funding Availability ("NOFA") on September 30, 2025, with approximately $8 million in funding available for this cycle; and

WHEREAS, the City of Sand City desires to submit a PIP grant application ("Application") on forms provided by the Department for eligible planning and implementation activities related to housing and community development, including predevelopment and infrastructure planning; and

NOW, THEREFORE, BE IT RESOLVED that the City Council of Sand City does hereby resolve as follows:

SECTION 1. The City Manager is hereby authorized and directed to submit an Application to the Department in response to the applicable NOFA and to apply for PIP grant funds in a total amount not to exceed six-hundred thousand ($600,000).

SECTION 2. In connection with the PIP grant, if the Application is approved by the Department and upon receipt of Prohousing Designation, the City Manager is authorized and directed to enter into, execute, and deliver on behalf of the City a State of California Standard Agreement in an amount not to exceed $600,000, and any and all other documents required or deemed necessary or appropriate to secure the PIP grant and fulfill the City's obligations related thereto, including any amendments.

SECTION 3. The City shall be subject to the terms and conditions as specified in the PIP Guidelines and the Standard Agreement provided by the Department. The Application and any accompanying documents are incorporated as part of the Standard Agreement. Any activities funded, information provided, and timelines represented in the Application shall be enforceable through the fully executed Standard Agreement. The City agrees to use the funds for eligible uses and allowable expenditures as identified in the approved Application and consistent with applicable law.

PASSED AND ADOPTED by the City Council of the City of Sand City this 3rd day of March 2026 by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

APPROVED:

_____
Mary Ann Carbone, Mayor

ATTEST:
DATED: _____

_____
Kerry Lindstrom, City Clerk

AGENDA ITEM
9E.

Approve a Resolution Objecting to the County Tax Collector's Sale of a Tax-Defaulted property (APN 011-125-040-000) and Authorizing the City Manager to Apply for and Enter into an Agreement to Purchase the Property for Public Purposes

City of Sand City

STAFF REPORT

TO:	Honorable Mayor and City Council
FROM:	City Manager Vibeke Norgaard and Nicholas McIlroy, AICP, Planning Manager
SUBJECT:	Authorization to Object to County Tax Sale and Enter into Agreement to Purchase Tax-Defaulted Property (APN 011-125-040)
DATE:	March 3, 2026

BACKGROUND/DISCUSSION:

The County of Monterey has provided notice, pursuant to Section 3700 of the California Revenue and Taxation Code, that certain properties will be offered for sale at public auction due to non-payment of delinquent property taxes. The Monterey County Board of Supervisors has authorized the County Tax Collector to proceed with the tax sale unless a taxing agency with a recorded special assessment levy objects in accordance with Section 3695 of the Revenue and Taxation Code.

The City of Sand City has received notice that one of the properties scheduled for auction includes Assessor's Parcel Number (APN) 011-125-040-000, currently assessed to Sally S Moy Trust, and located on East Avenue. The subject property is a vacant land parcel consisting of approximately 0.105 acres (4,614 square feet). The County has established a minimum bid of $2,750 for the property.



Highlighted Parcel 1: APN 011-125-040-000



Proximity Map of Parcel

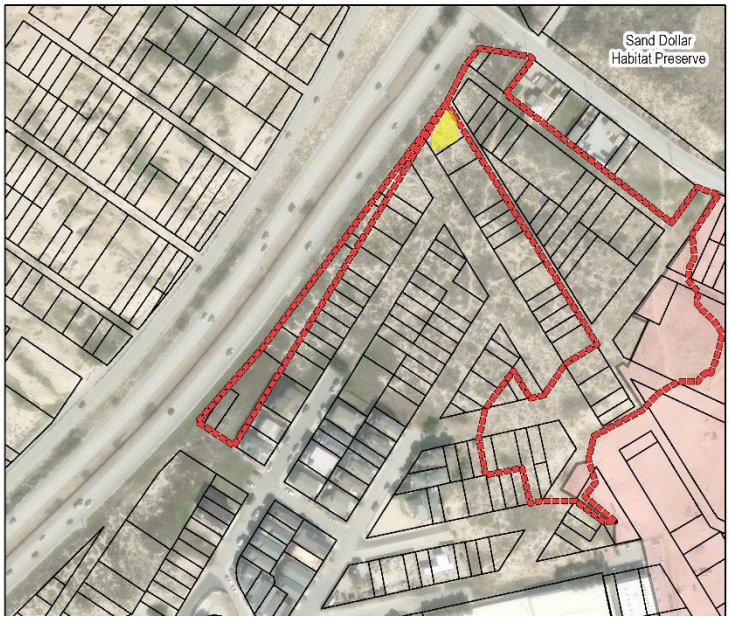
As a taxing agency, the City has the right to object to the sale of properties that include City assessments. If the City elects to object, the Revenue and Taxation Code requires the City to submit:

1. A completed application to purchase the tax-defaulted property;
2. A certified copy of a resolution adopted by the City Council objecting to the sale;
3. A copy of the City's mission statement; and
4. A statement describing the City's intended use of the property.

All required materials must be submitted to the Monterey County Tax Collector no later than March 20, 2026. If the City objects to the sale, it must be prepared to enter into a Chapter 8 agreement to purchase the property for the minimum bid price, plus the County's cost of advertising the sale.

Intended Public Purpose

The subject parcel is located immediately adjacent to the area currently being evaluated as part of the City's City-wide Incidental Take Permit (ITP) effort with the California Department of Fish and Wildlife (CDFW). The City is working toward establishment of a 4.65-acre habitat conservation area within the East Dunes area to support issuance of a City-wide ITP and long-term protection of sensitive habitat and species.



Acquisition of APN 011-125-040-000 would provide the City with strategic flexibility to:

- Incorporate the parcel directly into the proposed habitat conservation area; or
- Use the parcel as part of a future land exchange to facilitate consolidation of habitat lands and advancement of the City-wide ITP program.

The City-wide ITP effort is intended to enable environmentally responsible development on lands outside the conservation area, including housing development by private property owners as well as City projects, while ensuring permanent protection and management of sensitive habitat resources.

Staff finds that acquisition of this parcel for habitat conservation or related land management purposes is consistent with the City's adopted planning goals, environmental objectives, and long-term public interest.

CEQA:

This action does not constitute a "project" as defined by the California Environmental Quality Act (CEQA) Guidelines Section 15378, as it involves administrative and organizational activities related to property acquisition for potential conservation purposes and does not result in a direct or reasonably foreseeable physical change in the environment. Any future use or development of the property would be subject to separate CEQA review, as applicable.

FISCAL IMPACT:

If authorized, the City would be obligated to purchase the property for the minimum bid of $2,750, plus the County's advertising costs and any closing costs, pursuant to a Chapter 8

agreement. An adjustment to the Capital Outlay budget will be reflected in the mid-year budget amendment which will be brought back to Council for approval at a later date. No additional ongoing fiscal impacts are anticipated at this time.

RECOMMENDATION:

Adopt a resolution authorizing the City Manager to:

1. Object to the County of Monterey Tax Collector's sale of APN 011-125-040-000;
2. Submit the required application and supporting documentation to purchase the tax-defaulted property; and
3. Enter into a Chapter 8 agreement with the County of Monterey to acquire the property for public purposes related to habitat conservation and implementation of the City-wide Incidental Take Permit program.

ATTACHMENTS:

1. Resolution

CITY OF SAND CITY
RESOLUTION SC 26-___, 2026

RESOLUTION OF THE CITY COUNCIL OF SAND CITY OBJECTING TO THE COUNTY TAX COLLECTOR'S SALE OF A TAX-DEFAULTED PROPERTY (APN 011-125-040-000) AND AUTHORIZING THE CITY MANAGER TO APPLY FOR AND ENTER INTO AN AGREEMENT TO PURCHASE THE PROPERTY FOR PUBLIC PURPOSES

WHEREAS, pursuant to Section 3700 of the California Revenue and Taxation Code, the Monterey County Board of Supervisors has authorized the Monterey County Tax Collector to sell certain tax-defaulted properties at public auction due to non-payment of delinquent property taxes; and

WHEREAS, the County of Monterey has provided notice to the City of Sand City that Assessor's Parcel Number (APN) 011-125-040-000, located on East Avenue and consisting of approximately 0.105 acres (4,614 square feet) of vacant land, is scheduled for public auction with a minimum bid of $2,750; and

WHEREAS, pursuant to Section 3695 of the California Revenue and Taxation Code, the City of Sand City, as a taxing agency, has the right to object to the Tax Collector's sale of tax-defaulted property upon adoption of a resolution by the City Council and submission of required documentation; and

WHEREAS, the City of Sand City is currently pursuing a City-wide Incidental Take Permit (ITP) in coordination with the California Department of Fish and Wildlife (CDFW), which includes establishment of a 4.65-acre habitat conservation area within the East Dunes area; and

WHEREAS, APN 011-125-040-000 is located adjacent to the proposed habitat conservation area and acquisition of the parcel would further the City's environmental planning objectives by allowing the parcel to be incorporated into the conservation area or used in a future land exchange to facilitate habitat protection and implementation of the City-wide ITP; and

WHEREAS, the City Council finds that acquisition of the subject property serves a valid public purpose related to environmental conservation, habitat protection, and orderly land use planning, and is in the best interest of the City; and

WHEREAS, the City Council desires to object to the Tax Collector's sale of APN 011-125-040-000 and authorize the City Manager to submit the necessary application materials and enter into a Chapter 8 agreement to purchase the property for the minimum bid amount plus associated costs.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Sand City as follows:

1. The City Council hereby objects to the County of Monterey Tax Collector's sale of tax-defaulted property identified as APN 011-125-040-000, pursuant to Section 3695 of the California Revenue and Taxation Code.

2. The City Manager is authorized and directed to submit all required documentation to the Monterey County Tax Collector, including an application to purchase the property, a statement of intended public use, and any other materials required by law.
3. The City Manager is further authorized to enter into a Chapter 8 agreement with the County of Monterey to purchase APN 011-125-040-000 for the minimum bid amount authorized by the Monterey County Board of Supervisors, plus the County's cost of advertising the sale.
4. The City Manager is authorized to take all actions necessary and incidental to carry out the intent of this resolution.

PASSED AND ADOPTED by the City Council of the City of Sand City this 3rd, day of March, 2026 by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

APPROVED:

_____
Mary Ann Carbone, Mayor

ATTEST:
DATED: _____

_____
Kerry Lindstrom, City Clerk

AGENDA ITEM
9F.

New Laws Update from City Attorney Adam Lindgren