NOTICE OF MEETING

CITY OF PACIFIC GROVE

CITY COUNCIL

REGULAR MEETING AGENDA

Wednesday, January 21, 2026, 6:00 P.M.

Council Chamber – City Hall – 300 Forest Avenue, Pacific Grove, CA

The Council will not begin consideration of any item on this agenda later than 10:00 p.m. unless such consideration is approved. Any items on this agenda not considered this evening will be continued to a future meeting.

Copies of the agenda packet are available for review at the Pacific Grove Library, in the Finance Department, and electronically at www.cityofpacificgrove.org/agendas. The most effective method of communication with the City Council is by sending an email to citycouncil@cityofpacificgrove.org. In order to allow the City Council adequate time to review communication related to an agenda item, it is recommended that the communication be sent no later than 9:00 AM on the day prior to the City Council meeting. Public comments received through this email address by noon on the day of the meeting will be posted with the corresponding agenda item.

Under the Brown Act, public comment for matters on the agenda must relate to that agenda item and public comments for matters not on the agenda must relate to the subject matter jurisdiction of this legislative body. This is a warning that if a member of the public attending this meeting remotely or in-person violates the Brown Act by failing to comply with these requirements of the Brown Act, then the Mayor or Chair may request that speaker be muted. If a member of the public attending this meeting in-person engages in disruptive behavior that disturbs the orderly conduct of the meeting, they may be removed from the meeting after a warning, pursuant to Council Policy 000-17.

PACIFIC GROVE COUNCIL MEETINGS ARE CONDUCTED IN PERSON AT CITY HALL COUNCIL CHAMBER AND VIRTUALLY.

PLEASE NOTE THE MEETING WILL PROCEED AS NORMAL EVEN IF THERE ARE TECHNICAL DIFFICULTIES ACCESSING ZOOM.
THE CITY WILL DO ITS BEST TO RESOLVE ANY TECHNICAL ISSUES AS QUICKLY AS POSSIBLE.

THE PUBLIC MAY ALSO VIEW THE MEETING ON PENINSULA CHANNEL 25.

JOIN THE ZOOM WEBINAR TO PARTICIPATE LIVE AT:
https://www.cityofpacificgrove.org/Zoom_CC

Please click here for directions to dial into the meeting audio.

AGENDA

CALL TO ORDER

PLEDGE OF ALLEGIANCE: Mayor Smith

1. **APPROVAL OF AGENDA**

2. **PRESENTATIONS**

   A. Pacific Grove Rotary Club Presentation by Arlene Hardenstein

   B. The Little Car Show Presentation by John Moulton

3. **COUNCIL AND STAFF ANNOUNCEMENTS (City-Related Items Only)**

   A. Other

4. **GENERAL PUBLIC COMMENT**

General Public Comment must deal with matters subject to the jurisdiction of the City and the Council that are not on the Regular Agenda. This is the appropriate place to comment as to items on the Consent Agenda, only if you do not wish to have the item pulled for individual consideration by the Council. Comments from the public will be limited to three minutes and will not receive Council action. Comments regarding items on the Regular Agenda shall be heard prior to Council's consideration of such items at the time such items are called. Whenever possible, written correspondence should be submitted to the Council in advance of the meeting, to provide adequate time for its consideration.

   A. Written General Public Comment

CONSENT AGENDA

The Consent Agenda deals with routine and non-controversial matters, and may include action on resolutions, ordinances, or other public hearings for which testimony is not anticipated. The vote on the Consent Agenda shall apply to each item that has not been removed. Any member of Council, staff, or the public may remove an item from the Consent Agenda for individual consideration. When items are pulled for discussion, they will be automatically placed at the end of their respective section within the Regular Agenda. One motion shall be made to adopt all non-removed items on the Consent Agenda.

5. **APPROVAL OF CITY COUNCIL MEETING MINUTES**

Items pulled from this section will be placed under 12. Unfinished and Ongoing Business

   A. Minutes of the December 17, 2025 City Council Regular Meeting **PG 9**
   Reference: Sandra Kandell, City Clerk
   Recommended Action: Approve minutes.
   CEQA: Does not constitute a Project per California Environmental Quality Act Guidelines Section 15378

6. **RESOLUTIONS**

Items pulled from this section will be placed under 12. Unfinished and Ongoing Business or 13. New Business

A. Comment Letter and Resolution Opposing Offshore Drilling and Seabed Mining, and participation in the Local Government Outer Continental Shelf (OCS) Coordination Program and Coalition

Reference: Councilmembers Lori McDonnell and Tina Rau **PG 15**

Recommended Action:

1. Submit a letter from the City of Pacific Grove Opposing New and Existing Offshore Oil and Gas Drilling and Seabed Mining.
2. Adopt a Resolution Opposing New and Existing Offshore Oil and Gas Drilling and Seabed Mining.
3. Discuss joining the Local Government OCS Coalition, a coordinated effort among California's coastal cities and counties to oppose new offshore oil and gas drilling and related threats.
4. Direct staff to return to City Council with an agenda item detailing the Local Government OCS Coalition with an MOU to join the group and collaborate with coalition representatives to ensure timely engagement in federal and state processes affecting offshore drilling and deep-sea mining.

CEQA: Does not constitute a Project per California Environmental Quality Act Guidelines Section 15378

B. Resolution Authorizing Submittal of a 2025 Community Development Block Grant (CDBG) Application

Reference: Phillip Anderson Housing Program Manager **PG 31**

Recommended Action: Adopt a resolution authorizing submittal of a 2025 CDBG grant application.

CEQA: Categorical Exemption, CEQA Guidelines Section 15061(b)(3)

7. **ORDINANCES**

Items pulled from this section will be placed under 11. Public Hearings

A. Second reading of an Ordinance to Amend the Salary Schedule (Minimum Wage) **PG 35**

Reference: Staphany Arriola, Management Analyst, Leticia Livian, Human Resources Director

Recommended Action: Hold second reading and adopt an ordinance to amend the salary classification schedule modifying salary ranges for Cashier, Intern, Lighthouse Docent Coordinator, and Recreation Assistant I.

CEQA: Does not constitute a Project per California Environmental Quality Act Guidelines Section 15378

B. Second reading of ordinances adopting amendments to certain sections and chapters, except for Chapter 23.31, of Title 23, Zoning, of the Pacific Grove Municipal Code and the Zoning Map and amending Chapter 23.31, Commercial and Industrial Zoning Districts, of Title 23, Zoning, of the Pacific Grove Municipal Code.

Reference: Jon Biggs, Community Development Director **PG 39**

Recommended Action:

1. Hold second reading and adopt an ordinance of the City Council adopting amendments to certain sections and chapters, except for Chapter 23.31, of Title 23, Zoning, of the Pacific Grove Municipal Code and the Zoning Map.

Following recusal by some members of the City Council, staff recommends that the remaining members of the City Council take the following actions:

1. Hold second reading and adopt an ordinance of the City Council amending Chapter 23.31, Commercial and Industrial Zoning Districts, of Title 23, Zoning, of the Pacific Grove Municipal Code.

CEQA: Environmental Impact Report

8. **REPORTS – INFORMATION ONLY**

Items pulled from this section will be placed under 12. Unfinished and Ongoing Business or 13. New Business

A. Boards Commissions and Committees Quarterly Reports **PG 253**

Reference: Sandra Kandell, City Clerk

Recommended Action: Receive Quarterly Reports from Boards, Commissions and Committees.

CEQA: Proposed Ordinance not subject to CEQA based on Guideline Sections: 15060(c)(3) and 15378; 15060(c)(2); 15061(b)(3); and 150308

B. Monterey Salinas Transit Meeting Minutes of November 10, 2025 and December 8, 2025

Reference: Joe Amelio, Mayor Pro Tem **PG 272**

Recommended Action: Receive the minutes.

CEQA: Does not constitute a Project per California Environmental Quality Act Guidelines Section 15378

C. Core Fund Summary and Check Registers - November and December 2025 **PG 286**

Reference: Honorable Mayor and Members of the City Council

Recommended Action:

1. Receive the Check Registers and Core Fund Summary.
2. Alternatively, discuss and take other action related to this item.

CEQA: Does not constitute a Project per California Environmental Quality Act Guidelines Section 15378

D. Quarterly Update to 2025-2027 Community Goals and Workplan **PG 319**
Reference: Matthew Mogensen, City Manager
Recommended Action: Receive and file the 2025-2027 Community Goals and Workplan Matrix Quarterly Update.
CEQA: Does not constitute a Project per California Environmental Quality Act Guidelines Section 15378

E. Report on the December 10, 2026 City/PGUSD Joint Staff Meeting **PG 323**
Reference: Matthew Mogensen, City Manager
Recommended Action: Receive and File a Summary Meeting Update regarding a December 10, 2026 City/PGUSD Joint Staff Meeting
CEQA: Does not constitute a Project per California Environmental Quality Act Guidelines Section 15378

9. **REPORTS – REQUIRING ACTION**
Items pulled from this section will be placed under 12. Unfinished and Ongoing Business or 13. New Business

A. Appointments to City Boards, Committees, Commissions, and Task Force **PG 327**
Reference: Nick Smith, Mayor
Recommended Action: Approve appointments to City Boards, Committees, Commissions, and Task Force.
CEQA: Does not constitute a Project per California Environmental Quality Act Guidelines Section 15378

B. Pacific Grove Golf Links Amendment #2, CourseCo **PG 367**
Reference: Daniel Gho, Public Works Director/Deputy City Manager
Recommended Action:

1. Authorize the execution of Amendment #2, amending the lease agreement for the maintenance and operations of Pacific Grove Golf Links, between the City of Pacific Grove and CourseCo.
2. Alternatively, discuss and take other action related to this item.

CEQA: Does not constitute a Project per California Environmental Quality Act Guidelines Section 15378

10. **MEETING MINUTES OF COMMISSIONS, BOARDS, AND COMMITTEES** *Items pulled from this section will be placed under 13. New Business*

A. Architectural Review Board Meeting Minutes: November 12, 2025 **PG 379**
Reference: Anna Bornstein, Associate Planner
Recommended Action: Receive the minutes.
CEQA: Does not constitute a Project per California Environmental Quality Act Guidelines Section 15378

B. Library Board Meeting Minutes: November 4, 2025 **PG 383**
Reference: Rachel Gaither, Library Director
Recommended Action: Receive the minutes.
CEQA: Does not constitute a Project per California Environmental Quality Act Guidelines Section 15378

C. Task Force on Diversity, Equity and Inclusion Meeting Minutes: October 13, 2025 **PG 386**
Reference: Sandra Kandell, City Clerk
Recommended Action: Receive the minutes.
CEQA: Does not constitute a Project per California Environmental Quality Act Guidelines Section 15378

REGULAR AGENDA

11. **PUBLIC HEARINGS**
For public hearings involving a quasi-judicial determination by the Council, the proponent of an item may be given 10 minutes to speak and others in support of the proponent's position may be given three minutes each. A designated spokesperson for opposition to the item may be given 10 minutes to speak and all others in opposition may be given three minutes each. Very brief rebuttal and surrebuttal may be allowed in the sole discretion of the Council. In public hearings not involving a quasi-judicial determination by the Council, all persons may be given three minutes to speak on the matter.

A. First reading of an ordinance to amend the City Salary Classification Schedule **PG 389**
Reference: Leticia Livian, Human Resources Director
Recommended Action:

1. Request the City Attorney read the title of the ordinance;
2. Motion to waive further reading of the ordinance;
3. Introduce and hold first reading of an ordinance to amend the salary classification schedule salary range for Code Compliance Officer and approve the amendment; and
4. Direct that a summary of a proposed ordinance be published as approved by the City Attorney.

CEQA: Does not constitute a Project per California Environmental Quality Act Guidelines Section 15378

B. Proposed Ordinances (Regular and Urgency) Amending Chapter 11.72 (Aircraft Landing) And Adding Chapter 9.50 (Regulation Of Uncrewed Aircraft Systems) To The Municipal Code, Regulating Uncrewed Aircraft Systems (UAS)

Reference: Lori McDonnell, Councilmember **PG 393**

Recommended Action:

1. Discuss proposed Ordinances Amending Chapter 11.72 (Aircraft Landing) And Adding Chapter 9.50 (Regulation Of Uncrewed Aircraft Systems) To The Municipal Code, Regulating Uncrewed Aircraft Systems (UAS).
2. Request the City Attorney to read the title of the Regular Ordinance and the Urgency Ordinance
3. Motion to waive further reading of the ordinances.
4. Motion to introduce and hold first reading of an Ordinance Amending Chapter 11.72 (Aircraft Landing) And Adding Chapter 9.50 (Regulation Of Uncrewed Aircraft Systems) To The Municipal Code, Regulating Uncrewed Aircraft Systems (UAS).
5. Motion Adopt Urgency Ordinance Amending Chapter 11.72 (Aircraft Landing) And Adding Chapter 9.50 (Regulation Of Uncrewed Aircraft Systems) To The Municipal Code, Regulating Uncrewed Aircraft Systems (UAS).
6. Motion that publication of the ordinances will be satisfied by publication of a summary approved by the City Attorney.

CEQA: Categorical Exemption, CEQA Guidelines Section 15301, Class I, Existing Facilities

12. UNFINISHED AND ONGOING BUSINESS

A. Review the City's 5-Year General Fund and Infrastructure Needs and the Professional Services Agreement with Props and Measures

Reference: Matthew Mogensen, City Manager **PG 427**

Recommended Action:

1. Review the City's 5-Year General Fund and Infrastructure Needs.
2. Review the Professional Service Agreement with Props and Measures Scope of Work.
3. Motion providing direction to the City Manager to proceed, modify, suspend or cancel the Public Services Agreement with Props and Measures.

CEQA: Does not constitute a Project per California Environmental Quality Act Guidelines Section 15378

13. NEW BUSINESS

A. Chautauqua Hall Architectural Award and Funding Agreement **PG 522**

Reference: Daniel Gho, Public Works Director/Deputy City Manager

Recommended Action:

1. Enter into an agreement with Hunter Porter Eldridge Architecture for Chautauqua Hall Architectural Services in an amount not to exceed $176,608 plus a 10% contingency.
2. Authorize the execution of a funding agreement between the Heritage Society of Pacific Grove and the City for the reimbursement for Architectural Services for Chautauqua Hall.
3. Alternatively, discuss and take other action related to this item.

CEQA: Does not constitute a Project per California Environmental Quality Act Guidelines Section 15378

B. Annual Financial Reports and Audit
Reference: Fred Marsh, Administrative Services Director **PG 531**
Recommended Action: Receive the reports noted in this report.
CEQA: Does not constitute a Project per California Environmental Quality Act Guidelines Section 15378

14. **FULL PRESENTATIONS**

15. **CLOSED SESSION**

ADJOURNMENT

NOTICE OF ADA COMPLIANCE: Pursuant to Title II of the Americans with Disabilities Act (Codified At 42 United States Code Section 12101 and 28 Code of Federal Regulations Part 35), and Section 504 of the Rehabilitation Act of 1973, the City of Pacific Grove does not discriminate on the basis of race, color, religion, national origin, ancestry, sex, disability, age or sexual orientation in the provision of any services, programs, or activities. The City of Pacific Grove does not discriminate against persons with disabilities. City Hall is an accessible facility. A limited number of assisted listening devices will be available at this meeting. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting or provide the requested agenda format.

CITY OF PACIFIC GROVE

300 Forest Avenue, Pacific Grove, California 93950

AGENDA REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Sandra Kandell, City Clerk/DEI Coordinator

MEETING DATE: January 21, 2026

SUBJECT: Minutes of the December 17, 2025 City Council Regular Meeting

CEQA: Does not constitute a Project per California Environmental Quality Act Guidelines Section 15378

RECOMMENDATION

Approve minutes.

Attachments

Draft Meeting Minutes 12-17-25

DRAFT MEETING MINUTES

CITY COUNCIL

SPECIAL MEETING

Wednesday, December 17, 2025, 6:00 P.M.
Council Chamber – City Hall – 300 Forest Avenue, Pacific Grove, CA
YOU MAY VIEW THE MEETING LIVE VIA ZOOM AT:
https://www.cityofpacificgrove.org/Zoom_CC

CALL TO ORDER
Mayor Smith called the meeting to order at 6:00 p.m. Present in Chamber: Mayor Smith, Mayor Pro Tem Amelio, Councilmembers Garfield, McDonnell, Rau and Walkingstick. Absent: Councilmember Poduri.

PLEDGE OF ALLEGIANCE
Mayor Pro Tem Amelio led the pledge of allegiance.

1. **APPROVAL OF AGENDA**
   Upon motion by Mayor Pro Tem Amelio and seconded by Councilmember Rau, Council voted 6-0-1, Councilmember Poduri absent, to approve the Special Meeting Agenda.

2. **PRESENTATIONS**

3. **COUNCIL AND STAFF ANNOUNCEMENTS (City-Related Items Only)**

CONSENT AGENDA
Action: Upon motion by Councilmember Rau and seconded by Mayor Pro Tem Amelio, Council voted 6-0-1, Councilmember Poduri absent, to approve the Consent Agenda.

4. **APPROVAL OF CITY COUNCIL MEETING MINUTES**
   A. Minutes of City Council November 5, November 12, and November 19, Special and Regular Meetings
   Action: Approved minutes.
   CEQA: Does not constitute a Project per California Environmental Quality Act Guidelines Section 15378

5. **RESOLUTIONS**

6. **ORDINANCES**

7. **REPORTS – INFORMATION ONLY**

8. **REPORTS – REQUIRING ACTION**
   A. Legal Services Agreement with Fenton & Keller, LLP
   Action: Approved legal services agreement with Fenton & Keller, LLP for City Attorney and Assistant City Attorney positions.
   CEQA: Does not constitute a Project per California Environmental Quality Act Guidelines Section 15378

DRAFT

B. Proposed Agreement for Legal Services with Burke, Williams & Sorensen, LLP
Action: Authorized the Mayor to execute the Proposed Agreement for Legal Services with Burke, Williams & Sorensen, LLP.
CEQA: Does not constitute a Project per California Environmental Quality Act Guidelines Section 15378

A. Amendment to Agreement with HdL for Cannabis Services
Action: Authorized an amendment to the agreement with HdL Companies for Cannabis Services increasing to increase the total contract amount by $26,000.
CEQA: Does not constitute a Project per California Environmental Quality Act Guidelines Section 15378

B. Agreement Amendment with Robert Half for Temporary IT Staffing
Action: Approved the amendment to increase the agreement with Robert Half Inc. by $60,000, extending temporary IT staffing services until March 31, 2026.
CEQA: Does not constitute a Project per California Environmental Quality Act Guidelines Section 15378

9. **MEETING MINUTES OF COMMISSIONS, BOARDS, AND COMMITTEES**

A. Recreation Board Meeting Minutes: June 26, 2025 and July 24, 2025
Action: Received the minutes.
CEQA: Does not constitute a Project per California Environmental Quality Act Guidelines Section 15378

GENERAL PUBLIC COMMENT

General public comment received from Christi Metzner and Jean Anton.

REGULAR AGENDA

10. **PUBLIC HEARINGS**

A. Pacific Grove 2023-2031 Housing Element Update
Public comment received from Laura Davis, Patrick Nevis, Michael Nall, Matt Huerta, Andrew Miller, Melissa Walker, Larry, Mr. Olsen, Steve Tucker, Doug Philbrick, Buddy Sharp, Colleen Ingram, Kevin Carter, Drew Miller, Al Sacks, Unnamed Speaker, Nicolas Sanchez, Robert Watson, Brian Shields, Jay Tully, Susan Goldbeck, Sharon Miller, Charles Alvarez, Tyler Suttle, Christie Italiano-Thomas, Christine A., Carol Marquart, Theresa Burnham Knight, Chris Mack, Kyle Miller, and Eugene Loh.

Action: Upon motion by Mayor Pro Tem Amelio and seconded by Councilmember Rau, Council voted to

1. Adopt resolution (No. 25-029) certifying the Environmental Impact Report (EIR).

Motion carried 6-0-1, by the following roll call vote:

Ayes:	Mayor Smith, Mayor Pro Tem Amelio, Councilmembers Garfield, McDonnell, Rau, and Walkingstick.
Noes:	None.
Absent:	Councilmember Poduri.

DRAFT

Action: Upon motion by Mayor Pro Tem Amelio and seconded by Councilmember Rau, Council voted to

2. Adopt resolution (No. 25-030) adopting the Housing Element, Health and Safety Element, environmental findings pursuant to the California Environmental Quality Act (CEQA), and statement of overriding considerations.

Motion carried 6-0-1, by the following roll call vote:

Ayes:	Mayor Smith, Mayor Pro Tem Amelio, Councilmembers Garfield, McDonnell, Rau, and Walkingstick.
Noes:	None.
Absent:	Councilmember Poduri.

Action: Mayor Pro Tem Amelio requested the City Attorney read the title of the ordinance.

Action: Upon motion by Mayor Pro Tem Amelio and seconded by Mayor Smith, Council voted to

4. Waive further reading of the ordinance.
5. Introduce and hold first reading of an ordinance of the City Council adopting amendments to certain sections and chapters, except for Chapter 23.31, of Title 23, Zoning, of the Pacific Grove Municipal Code and the Zoning Map.
6. Direct that publication of the ordinance will be satisfied by publication of a summary approved by the City Attorney.

Motion carried 6-0-1, by the following roll call vote.

Ayes:	Mayor Smith, Mayor Pro Tem Amelio, Councilmembers Garfield, McDonnell, Rau, and Walkingstick.
Noes:	None.
Absent:	Councilmember Poduri.

Action: Council took a break until 8:25 p.m.

Action: Councilmember Rau recused herself from the remaining action items because of a conflict due to her personal and business addresses.

No public comment was received as to remaining items.

Action: Upon motion by Mayor Smith and seconded by Mayor Pro Tem Amelio, Council voted to

1. Adopt resolution (No. 25-031) amending the Land Use Element and land use maps.

Motion carried 5-0-1-1 by the following roll call vote:

DRAFT

Ayes: Mayor Smith, Mayor Pro Tem Amelio, Councilmembers Garfield, McDonnell, Walkingstick.
Noes: None.
Absent: Councilmember Poduri.
Recused: Councilmember Rau.

Action: Mayor Smith requested the City Attorney read the title of the ordinance.

Action: Upon motion by Mayor Smith and seconded by Mayor Pro Tem Amelio, Council voted to

3. Waive further reading of the ordinance;
4. Introduce and hold first reading of an ordinance of the City Council amending Chapter 23.31, Commercial and Industrial Zoning Districts, of Title 23, Zoning, of the Pacific Grove Municipal Code.
5. Direct that publication of the ordinance will be satisfied by publication of a summary approved by the City Attorney.

Motion carried 5-0-1-1 by the following roll call vote.

Ayes: Mayor Smith, Mayor Pro Tem Amelio, Councilmembers Garfield, McDonnell, Walkingstick.
Noes: None.
Absent: Councilmember Poduri.
Recused: Councilmember Rau.

CEQA: Environmental Impact Report

11. **UNFINISHED AND ONGOING BUSINESS**

12. **NEW BUSINESS**

13. **FULL PRESENTATIONS**

ADJOURNMENT
Council adjourned the regular meeting at 8:34 p.m.

Respectfully Submitted,

Sandra Kandell
City Clerk

Approved by Mayor: _____Date_____

DRAFT

Attest by City Manager: _____Date_____

DRAFT

CITY OF PACIFIC GROVE
300 Forest Avenue, Pacific Grove, California 93950

AGENDA REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Tina Rau, Councilmember, Lori, McDonnell, Councilmember

MEETING DATE: January 21, 2026

SUBJECT: Comment Letter and Resolution Opposing Offshore Drilling and Seabed Mining, and participation in the Local Government Outer Continental Shelf (OCS) Coordination Program and Coalition

CEQA: Does not constitute a Project per California Environmental Quality Act Guidelines Section 15378

RECOMMENDATION

1. Submit a letter from the City of Pacific Grove Opposing New and Existing Offshore Oil and Gas Drilling and Seabed Mining.
2. Adopt a Resolution Opposing New and Existing Offshore Oil and Gas Drilling and Seabed Mining.
3. Discuss joining the Local Government OCS Coalition, a coordinated effort among California's coastal cities and counties to oppose new offshore oil and gas drilling and related threats.
4. Direct staff to return to City Council with an agenda item detailing the Local Government OCS Coalition with an MOU to join the group and collaborate with coalition representatives to ensure timely engagement in federal and state processes affecting offshore drilling and deep-sea mining.

DISCUSSION

Executive Summary:
With the signing of the executive order Unleashing American Energy Act in January of 2025, federal agencies are moving quickly to open new offshore drilling opportunities. The federal government is expected to release a new Five-Year Offshore Oil and Gas Leasing Plan this fall, with only limited opportunities for public comment. Additionally, in April 2025, President Trump signed the Unleashing America's Offshore Critical Minerals and Resources executive order, which promotes deep seabed mining that poses serious threats to California's coastal economies, marine ecosystems, and climate goals.

In response, the Local Governments Outer Continental Shelf (OCS) Coordination Program, has been re-established with Supervisor Justin Cummings serving as the lead board member to ensure coordinated, science-based, and timely engagement with federal decisionmakers regarding offshore drilling and deep seabed mining. Participation in this effort will ensure that our jurisdiction's voice is amplified alongside other cities and counties, without requiring significant diversion of local staff resources.

Background:
Efforts to lease offshore oil drilling sites in California waters have surfaced periodically since the 1970s. In response, the Local Governments OCS Coordination Program was established to oppose these activities and protect our coastal environments (Attachment A). The group's original membership consisted of Santa Cruz, Monterey, San Luis Obispo, City and County of San Francisco, Marin, Sonoma, Mendocino, and Humboldt, along with several cities including Santa Cruz, Laguna Beach, and Newport Beach, and SANDAG. Richard Charter was hired to coordinate and represent the group, which existed from 1980 - 1994. Through this effort the Local Government OCS Coordination Program successfully opposed those efforts, working closely with federal and state partners, which resulted in the protection of our coastal ecosystems and economies.

Today, similar threats have re-emerged. With the signing of the executive order Unleashing American Energy Act in January of 2025, the signing of the "Unleash America's Offshore Critical Minerals and Resources" executive order, and now the Department of the Interior's announcement to re-open the California coast to offshore oil leases, it is critical to ensure that local governments are taking a stance against these efforts. Additionally, on November 24, 2025, the comment period opened on the 11th National Outer Continental Shelf Oil and Gas Leasing Draft Proposal Program, which proposes 6 leases for oil drilling and exploration off the coast of California; three in Southern California, two in Central California, and one in Northern California. The public and local jurisdictions will have until January 23rd at 11:59 pm EST to provide comments on the proposals.

These proposals threaten California's fishing, tourism, and visitor-serving industries—the backbone of local coastal economies—and increase the risks of climate change and marine pollution.

For these reasons we are requesting that the City Council submit a comment letter and adopt a resolution to affirm our City opposition to offshore drilling and seabed mining, and join the Local Governments OCS Coordination Program to join with our local coastal communities to protect our communities and our natural resources.

OPTIONS

1. Do nothing.
2. Provide alternate direction.

FINANCIAL IMPACT:
There is no financial impact.

GOAL ALIGNMENT: Environmental Stewardship

Attachments

OSC Historical Brochure
Letter in Opposition to Offshore Drilling
Proposed Resolution

The California OCS
Local Government Coordination Program

Facilitating the Local Role in Offshore Drilling Decisions

Why Local Governments Need to be Involved in Offshore Drilling Decisions:

Local communities bear the primary impacts of offshore drilling, even though the drilling activities occur on the Outer Continental Shelf (OCS) under the federal jurisdiction of the Department of Interior. Air pollution from drilling operations inevitably blows ashore, the commercial fishing industry is displaced by drilling rigs, oilspills close recreational beaches, and onshore industrial facilities are needed to support petroleum development offshore. For these reasons, local government agencies were granted a role in federal OCS leasing decisions when Congress adopted the OCS Lands Act Amendments in 1978. Post-lease decisions relevant to offshore drilling come under local jurisdiction through the Local Coastal Programs adopted pursuant to the Coastal Zone Management Act, as well as through other local land-use and planning policies.

In spite of a clearly-defined legislative mandate for local participation in the OCS decisionmaking process, experience in California over the past decade has demonstrated that local agencies must protect their interests with an assertive, coordinated, and high-profile strategy. Balanced against the considerable economic power and lobbying clout of the oil industry, local communities have found it necessary to diligently pursue their legitimate role in this dialog or be largely left out of the process. The protection of local interests, such as regional economies based on commercial fishing and coastal-dependent tourism, requires an ongoing effort. An effective local role relies on a constant flow of information between local agencies and the Congress, the Governor, and the Department of Interior. City Councils and County Boards of Supervisors need to remain constantly in close contact with one another, with their Congressional Delegation, with the State Legislature, and with their own constituents. The periodic opportunities for local input need to be met with an appropriate and timely local response. In California, for the past eight years, this critical city and county role in OCS decisions has been effectively facilitated by the Local Government Coordination Program.

The Local Government Coordination Program– Staff Support and Lobbying Services for Local Agencies Statewide

Californians place a very high priority on coastal protection. This fact is evidenced by the extensive system of parklands which grace our coastline, as well the intensive public use which these parklands enjoy. While California remains the fourth largest producer of domestic petroleum nationwide, the public has grown increasingly concerned over how and where new offshore drilling will occur. This intense public concern over coastal drilling has created increasing responsibilities for local governments which must respond to federal OCS leasing proposals and also address plans for creation or expansion of onshore facilities to support offshore drilling. Local elected officials in coastal jurisdictions now find themselves on the front lines of a controversy which pits major multinational corporate interests against public policies favoring coastal protection. Frequently, staff support on OCS issues at the local level is unavailable or overburdened.

Eight years ago, local agencies along the California coast came up with a cost-effective solution to the need for local expertise by creating the Local Government Coordination Program. Since that time, the Local Government Coordination Program, directed by Richard Charter, has responded to the needs of local officials statewide with a proven track record of legislative successes, timely information, and technical expertise on OCS matters. This program has successfully addressed the many facets of the OCS leasing dialog throughout the terms of two federal Administrations, four Interior Secretaries, and two California Governors. The Coordination Program works on an ongoing basis with the California Congressional Delegation in a bipartisan fashion. The results of this cooperative intergovernmental effort speak for themselves.

A Winning Track Record:

The Local Government Coordination Program operates according to a well-defined work program administered by the County Administrative Office at the County of Santa Cruz. This work program emphasizes interagency coordination among participating local governments as well as close cooperation with Congressional representatives. The Local Government Coordination Program does not formulate policy, but rather develops suggested position papers which are made available to local officials for consideration as appropriate OCS decision points present themselves. Local agencies, acting with the staff support provided by the Program, adopt their own resolutions as determined by constituent participation and local concerns. The Coordination Program then works to translate these local positions into legislative policy. This involves coordination with the responsible federal agencies and with the Congress. Frequently, interests shared in common with other coastal states permit multi-state legislative strategies which facilitate major Congressional actions addressing local concerns.

Critical Services Provided by the Local Government Coordination Program:

Interagency Coordination:

Your agency needs to know when it is time to take action on behalf of your coastline. You need to know what comprises an appropriate response in a given situation. You need to know where to direct your views. Important deadlines appear quickly. Your participation in the Coordination Program ensures that key actions are taken by your agency in time to meet these deadlines in concert with other local governments. You will receive regular "OCS Action Alerts" as well as the popular new publication, "On the Coast". These publications make it easy to stay up to date.

Staff Support:

The Program provides timely technical information and legislative analysis which is tailored to the needs of local governments. Clear, concise action alerts let you know what's going on, how to influence decisions, and when you need to act. Your decisions and actions will benefit from the perspective provided by a national overview. Your agency will benefit from a comprehensive knowledge of the legal precedents, the legislative history, the Congressional agenda, and a careful analysis of political strategy.

Tracking Legislation and State and Federal Agencies:

What's going on along your coastline? What is the Department of Interior doing right now? What is the Congress doing and when will they act? What is going on in the State Legislature? Where does the Governor stand? How does the Environmental Protection Agency influence the decision at hand? What authority does the California Coastal Commission have? The OCS issue is moving rapidly on myriad fronts. When something is happening in Washington, D.C. or in Sacramento which affects your coastline, you'll know about it and you will be a participant.

Lobbying Activities:

When the time comes for a group of local officials to engage in direct lobbying in Congress, you will be able to join in the effort. Legislative target lists, talking points, and access to key players is provided. There is no legislative tactic which is more successful than going to the decisionmakers in person, at the appropriate time, to make your case. Legislative action has proven to be one of the greatest successes attributable to the Coordination Program.

Media Relations:

The print media, television, and radio are primary tools utilized by the Program on behalf of local governments. The public wants to know what is happening with regard to federal plans for offshore drilling on the California coast. The Coordination Program provides an educated response to local, regional, and national press whenever OCS news is breaking. Reporters nationwide call the Program every day for OCS information. The news media is constantly seeking basic background, an informed quote for a deadline story, or a list of news sources for detailed research. Because the Coordination Program has been consistent in providing reliable information, it enjoys a long-term credibility with reporters. The Coordination Program maintains state-of-the-art telecommunications contact with news services such as United Press International, Associated Press, and the Washington Post, as well as traditional clipping services which track local papers and the petroleum trade publications. Relevant news items are forwarded to Coordination Program participants as necessary. The Coordination Program has produced successful press events for local officials visiting Washington, DC, as well as conducted numerous press conferences held in California. The Program maintains a membership in the PR Newswire in Washington, DC, enabling instant dissemination of local news items to the national media via computer when needed.

Public Relations Services:

Generating broad public awareness of the concerns of local governments relevant to the OCS issue comprises one of the major work tasks for the Program. Professional graphic arts and video production services are provided by the Coordination Program, based on twenty-two years of public relations experience serving major commercial clients. Newsletters, brochures, posters, and radio and television commercials have been designed and produced for participating local agencies. An aware and educated public is frequently the most important element in determining the outcome of key decisions affecting the coast. Turnout for public hearings, written comments in response to document review periods, or draft letters in support of important legislation have all been provided through the outreach services of the Program. The results of this outreach program have been extremely successful in elevating the OCS controversy in the public consciousness.



A number of the publications which have been designed and distributed by the Local Government Coordination Program.

Information Clearinghouse:

The offshore drilling issue requires local agencies to stay abreast of current information on a broad range of topics. The Local Government Coordination Program serves as an information clearinghouse for technical data relevant to the OCS issue. The Program tracks all relevant technical conferences, reviews scientific and industry publications, and researches relevant technical subjects. When you need information about any facet of the OCS topic, one phone call will bring you prompt answers to your questions. If what you need is not already in the extensive library maintained by the Program, the answer will be researched without delay.

Legal Coordination:

When necessary, the Coordination Program serves as the facilitating entity for a coordinated legal response to inappropriate actions undertaken by federal agencies. The clout of local agencies in the courts has been significantly enhanced through multi-agency legal actions. The Program identifies appropriate legal options, suggests competent counsel, and facilitates cooperative legal strategies. The courts logically exhibit a greater receptivity to an action brought by twenty plaintiff agencies acting in concert than to unilateral actions undertaken by a single entity. The economic efficiency provided by coordinated legal action makes possible the best possible legal representation when such action becomes necessary in defense of the coast.

Speakers Bureau:

Gatherings of civic groups, national conferences, and legislative hearings have all benefitted from detailed presentations on the OCS issue presented by Coordination Program Director Richard Charter. The public awareness of the OCS topic has been greatly enhanced by periodic reports to the state legislature, speeches to national groups, and updates for individual Boards of Supervisors and City Councils provided by the Program. These presentations serve to broaden the understanding of the complex OCS topic by those in a position to influence the outcome.

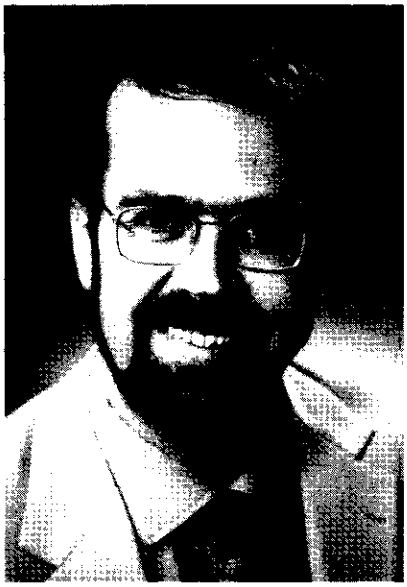


Photo: Marlin L. Nelson

Richard Charter has directed the Local Government Coordination Program since its inception.

Accomplishments of the Program:

Moratorium Provisions–Congressional Protection for the Coast:

Seven consecutive years of protection have been provided through Congressional action. This protection has primarily been accomplished by utilization of annual Congressional funding bans applied to the Appropriations Bill for the Department of Interior. As the aggressive OCS leasing policies of Interior Secretary James Watt threatened the most sensitive portions of the California coastline, local government pressure articulated through the Coordination Program was instrumental in convincing Congress to intervene. After Interior Secretary Hodel reneged on his 1985 agreement over OCS leasing offshore California, the Coordination Program helped to convince Congress to delay all new California OCS leasing until the next Administration (February 1989).

Preserving Coastal Zone Management Authority in OCS Leasing Actions:

When Interior Secretary Watt proceeded to lease environmentally-sensitive tracts offshore central California over the objections of the California Coastal Commission, the Coordination Program enabled numerous local agencies to mount the necessary legal challenge in response. Twenty-four local governments ultimately joined the State of California as Intervenors in pursuing legal action through the U.S. Supreme Court. More recently, the Department of Commerce has undertaken actions aimed at undermining legitimate Coastal Zone Management authority in California. The Coordination Program has facilitated "Dear Colleague" letters and other Congressional actions designed to preserve the important coastal management role being carried out by the California Coastal Commission.

Protecting the Local Role in OCS-Related Land Use Decisions:

The Program has been instrumental in Congress and in California in assisting Santa Barbara County in protecting their local voice in decisions during the development phase of OCS activities. With the assistance of the Coordination Program, Santa Barbara County was able to achieve a favorable outcome in the county's confrontation with Exxon over company plans to continue utilization of a risky and polluting "Offshore Storage and Treatment Vessel" off of the Santa Barbara coast. In addition, the Coordination Program has assisted in the passage of a total of seventeen local ordinances throughout California which are designed to preserve the local voice in land-use decisions related to onshore OCS facilities. Recently, when the Western Oil and Gas Association filed suit seeking to overturn many of these local ordinances, the Coordination Program brought together a collective legal defense strategy which has resulted in a cost-effective and well-planned legal defense.

Accomplishments:

Expanding Local Agency Involvement in OCS Issues in California:

The network of local agencies served by the Local Government Coordination Program in California has undergone extensive expansion since the Program was first established eight years ago. A computer data-base of interested and dedicated local officials is maintained and is constantly being expanded. The Coordination Program has been used as a model by other coastal states seeking to strengthen the local role in federal OCS leasing decisions.

Creation of a National Coalition on OCS Issues:

In March of 1988, representatives of major coastal interest groups from Florida, New England, the Gulf states, Alaska, Oregon, Washington State, and California held their first meeting in Washington, DC. A very considerable constituency nationwide was represented at this three-day meeting. The media coverage of this conference helped to elevate the coastal protection issue from a multi-regional provincial topic to the national political agenda. This meeting saw the formulation of a strategy involving multi-state cooperation in Congress and the courts. Two weeks after this national conference, Interior Secretary Hodel announced that he was deleting the Florida Keys from further consideration for leasing in the current Five-Year OCS Plan, an action potentially related to the national response to his leasing proposal. Continued cooperation among various regions of the country is now taking place, with the Coordination Program playing a key role in these efforts. Congressional intervention in Interior's leasing plans for sensitive areas offshore California and New England, a stronger role in leasing decisions for coastal states under the Coastal Zone Management Act, and a national media campaign focused on coastal protection are a few of the elements encompassed in the national strategy. The offshore drilling controversy has clearly become a national issue in the 1988 Presidential campaigns.

Liaison Between Local Governments and Citizen Groups:

The commercial fishing industry, the visitor-serving industry, and numerous established citizen groups have many interests in common with coastal local governments with respect to the OCS issue. In recognition of this fact, the Coordination Program assisted in the formation, eight years ago, of a statewide coalition of interest groups responding to OCS-related proposals. The Coordination Program continues to participate in the OCS Coalition on an ongoing basis. In addition, a new Southern California OCS Coalition has recently been founded with assistance from the Coordination Program.

Technical Support and Liaison with the California Congressional Delegation:

A bipartisan consensus on OCS topics within the California Congressional Delegation is due in large part to the close communication between local officials and their counterparts on Capitol Hill. This intergovernmental communication has been facilitated by the Coordination Program. Since 1985, Richard Charter has spent as many as three and four months of the year maintaining an office in Washington, DC, for the purpose of providing staff support to Congressional representatives engaged in day-to-day deliberations over OCS proposals for the California coast. This direct ongoing presence has enabled local agencies to stay in close contact with the Congress at critical junctures in the decisionmaking process.

Protection for the Commercial Fishing Industry:

The Local Government Coordination Program has played a key role in legislative and regulatory initiatives aimed at protecting the commercial fishing industry along the California coast. Most recently, the Coordination Program played a pivotal role in helping to convince the California State Lands Commission that permits for seismic survey activities conducted by geophysical vessels operating within state waters should be subject to preparation of an Environmental Impact Report. Evidence of significant impacts on the commercial fishing industry was researched and incorporated in testimony presented by the Program at key hearing opportunities in Sacramento. The resulting unanimous ruling by the State Lands Commission has curtailed all seismic survey activities within state waters until a full environmental impact document is prepared and subjected to public review.

Legal Coordination:

The California Attorney General is presently engaged in litigation challenging the Department of Interior Five-Year OCS Leasing Plan on behalf of the State Lands Commission and the California Coastal Commission. The Coordination Program has facilitated the participation of several local agencies as Intervenors in this litigation on behalf of the State of California. Several other coastal states are also participants in this action. At issue is whether or not the Department of Interior complied fully with relevant federal laws when preparing the current Five-Year OCS Leasing Plan.

National and Statewide Conferences:

The Local Government Coordination Program co-sponsored the successful "Troubled Waters: The Future of the Coast" conference held on November 9, 1987 in Santa Monica, California. This conference attracted an overflow crowd from around the state and the nation. Conference presenters included key Congressional players, local leaders on the OCS issue, informative technical panels, and "Cheers" television star Ted Danson. Mr. Danson presided over a unique awards ceremony for local officials who have played important roles in protection of the coast. All Presidential candidates were invited to address the conference via videotaped interviews. On January 25, 1988, the Coordination Program produced another well-attended conference in San Francisco, entitled "Saving the North Coast: A State of the Coast Conference on Mendocino and Humboldt County Offshore Drilling Issues". Speakers at this conference included California Lieutenant Governor Leo McCarthy, Attorney General John Van deKamp, local elected officials, and several well-received technical panels. This "Saving the North Coast" conference helped to set the stage for the massive turnout for the public hearings on Lease Sale #91 held two weeks later in northern California.



Photo: © 1988 Kent Reno

Over 3500 people attended the Lease Sale #91 public hearings held by the Department of Interior in Ft. Bragg.

The Largest Public Hearing Ever Held in California:

In early February of 1988, a Department of Interior hearing panel traveled to northern California to take public testimony on the Lease Sale #91 proposal, which targets the coast of Mendocino and Humboldt Counties. The hearing panel began to get the idea that something unusual was occurring when the February 1 hearing in Eureka overwhelmed the hearing room and had to be continued for eighteen hours, well into the early morning hours. But the Eureka hearing, extensive as it was, proved to be only a warmup for the followup hearing begun on February 3 in Ft. Bragg. Over 3500 people turned out for the Ft. Bragg event, quickly filling the hearing hall beyond its 600-person capacity. Another 200 individuals gathered in a nearby church to watch the proceedings on a video link. Eventually, an entire block-long section of the street outside was closed, filling with people from end to end. The massive crowd outside was addressed by author Alice Walker and other luminaries, and entertained by singers Bonnie Raitt and Holly Near.

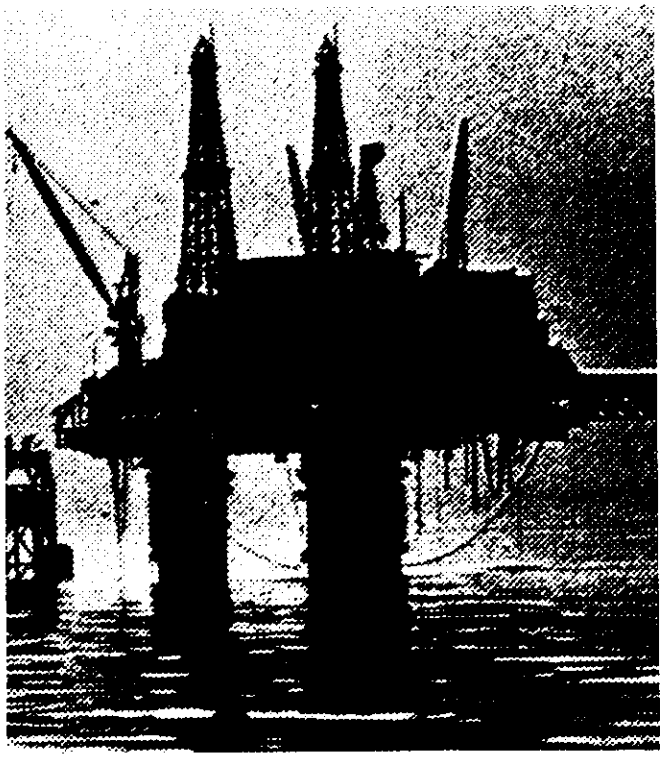
Inside the hearing, Lieutenant Governor Leo McCarthy, Attorney General John Van deKamp, former San Francisco Mayor Dianne Feinstein, and a nearly endless procession of elected officials and citizens testified against Lease Sale #91 and in favor of proposed California Ocean Sanctuary Legislation. The Department of Interior had sent out written confirmation of specific timeslots for presenting testimony to many of the 1000 individuals who had signed up to testify. Over 750 people who had pre-registered to testify were eventually turned away by the Interior Department without being allowed to speak. After two days and half of one night filled with 25 hours of highly-charged testimony, the hearing panel finally gave up due to exhaustion and closed the proceedings. The legal process for Lease Sale #91 may have been seriously flawed by the premature conclusion of the hearing. The national media, in the meantime, had a field day with the immense crowd scene. The Ft. Bragg public hearing was covered on NBC Nightly News by Tom Brokaw, the "Today" Show, and the Boston Globe, among others. All over the nation, and especially on Capitol Hill, Americans were awakened to the threat posed by OCS development to the national treasure represented by the north coast. Logistical support in preparation for the Ft. Bragg hearing provided by the Local Government Coordination Program included design and production of 60,000 brochures publicizing the event, production and distribution of 10,000 posters, funding for 15 television spots, and a 15,000 piece mailing to coastal property owners. Media relations before, during, and after the event were a primary responsibility of the Coordination Program.

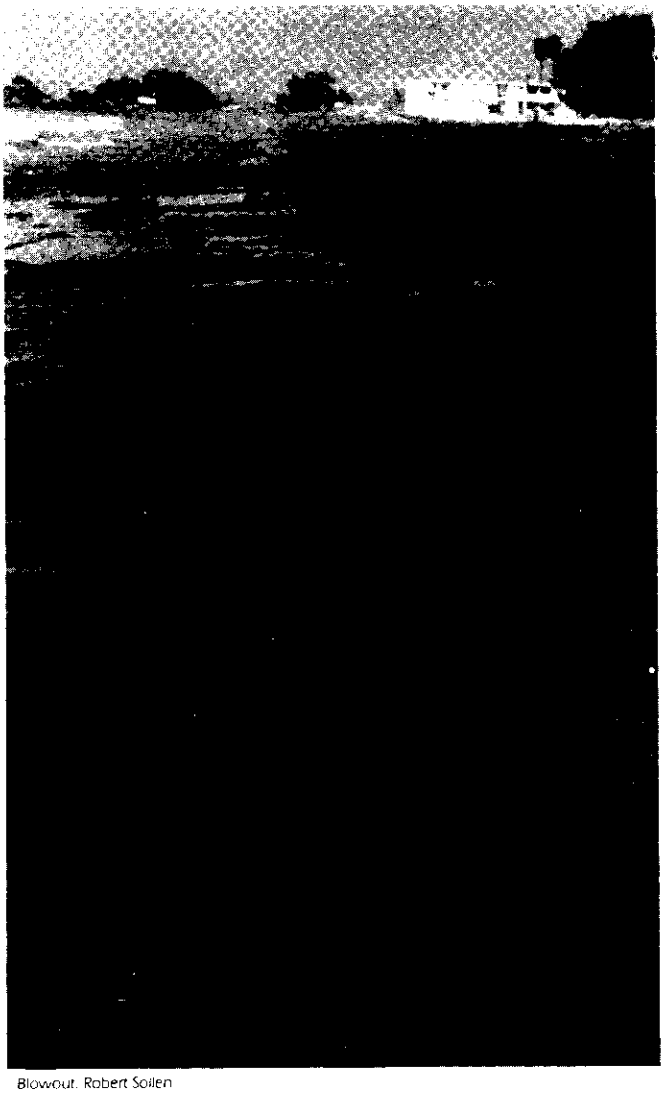


Photo: Rick Frailes

Senator Pete Wilson addresses the November 1987 "Troubled Waters" Conference in Santa Monica.

Future Challenges to the California Coast:





Blowout. Robert Sollen

The Need for Continued Cooperative Action on Behalf of Local Governments:

Congressional Protection:

Congressional intervention in federal OCS leasing proposals which presently threaten environmentally-sensitive portions of the California coast is the single highest priority for the Local Government Coordination Program. This will consist of support for the California Ocean Sanctuary legislation as well as interim measures designed to provide temporary protection. Capitol Hill and national media efforts are planned in support of this task.

Northern California Lease Sale #91:

The pre-lease planning process being conducted by the Department of Interior is continuing to move forward. Recent public hearings on the Sale #91 Draft Environmental Impact Statement resulted in a record turnout of elected officials and citizens opposing this proposal. This massive response was largely the result of media and public relations efforts conducted by the Local Government Coordination Program. Additional important steps in the pre-lease administrative process include publication and public review of the Final Environmental Impact Statement as well as preparation of comments by the Governor and local agencies on the Proposed Notice of Sale. Lease Sale #91 is presently scheduled to be held in February of 1989, targeting nearshore tracts along the entire coastline of Mendocino County and most of the Humboldt County coast. Cooperative legal strategies on behalf of local governments may become necessary in the event that this proposal remains on track as proposed.

Southern California Lease Sale #95:

The initial "Call for Information" and subsequent "Scoping" steps have already taken place in preparation for southern California Lease Sale #95. Indications are that the focus of petroleum industry interest in this lease sale is on areas which have previously been under Congressional protection through the Moratorium process. Lease Sale #95 anticipates leasing activities on nearshore tracts off of San Simeon, within Santa Monica Bay, near the Palos Verdes Penninsula, along the Orange County coast, and offshore Oceanside and La Jolla. The Hodel Five-Year OCS Schedule had called for the release of a Draft Environmental Impact Statement and southern California public hearings during the summer of 1988. Recently, these planning steps have been deferred for approximately four months, presumably to avoid controversy during the period immediately prior to the 1988 general elections. This revision to the Sale #95 planning process will place the public hearings in late November of 1988. As the public hearings and other planning steps for Lease Sale #95 proceed, the Local Government Coordination Program will be assisting local agencies and the public in preparing appropriate technical responses. The sale of tracts under Lease Sale #95 is presently scheduled for January of 1990.

Central California Lease Sale #119:

The third leasing proposal contained in the Hodel Five-Year OCS Leasing Schedule is Sale #119 offshore central California. This sale targets nearshore tracts off of Sonoma, San Mateo, and Santa Cruz counties. Particular areas of geologic interest have been identified near Bodega Bay, Ano Nuevo State Reserve, Half Moon Bay, and Pacifica. The initial planning steps, including the "Call for Information" and "Scoping" hearings, are expected within the next year. After public hearings on the Draft Environmental Impact Statement are completed, the Sale itself is scheduled for March of 1991.

Enhanced Role for Coastal States in OCS Decisionmaking:

Congressional priorities include measures to strengthen the role of coastal states in OCS-related decisionmaking by clarifying the language of the Coastal Zone Management Act (CZMA). Legislation which would accomplish this goal is being actively pursued in the Congress with the assistance of the Local Government Coordination Program.

Defending Coastal Management in California:

Recent efforts by the Department of Commerce to undermine coastal management in California have been met with a cooperative defense on the part of various agencies within the state. The Local Government Coordination Program will continue to work at the local level and in the Congress to defend the regulatory authority of the California Coastal Commission in OCS-related matters.

Stronger Environmental Protections:

The Coordination Program will be working with the Congress on an ongoing basis to ensure that stringent environmental protections are required in federal waters where OCS leasing is presently going forward. Stipulations designed to protect onshore air quality, require oilspill cleanup preparedness, protect the commercial fishing industry, and mitigate the impacts of drilling discharges will be pursued through regulatory and legislative avenues.

Local Response to Geophysical Exploration:

Recent increases in geophysical activities being conducted by seismic ships in anticipation of planned OCS lease sales have resulted in a strong response from local agencies and the public. As the California State Lands Commission proceeds to develop an Environmental Impact Report on geophysical activities, the Coordination Program will encourage local participation in the preparation of this document. In addition, federal permit procedures for seismic ship activity are under study by the Coordination Program at the request of affected local jurisdictions.

Defense of Local Jurisdiction Over Land-Use Decisions:

Local ordinances which protect local authority over OCS-related land use decisions will continue to be defended through the work of the Coordination Program. This activity will consist of legal, legislative, and public relations efforts designed to keep local land use decisions under the purview of local jurisdictions.

Legal Challenges to the Five-Year OCS Program:

A number of California local agencies are presently pursuing a cooperative legal challenge to the Hodel Five-Year OCS Program in conjunction with the California Attorney General and several coastal states. The Coordination Program will continue to assist the plaintiff agencies in pursuing this action as necessary.

CALIFORNIA OFFSHORE LEASE SCHEDULE (As of 4/14/88)

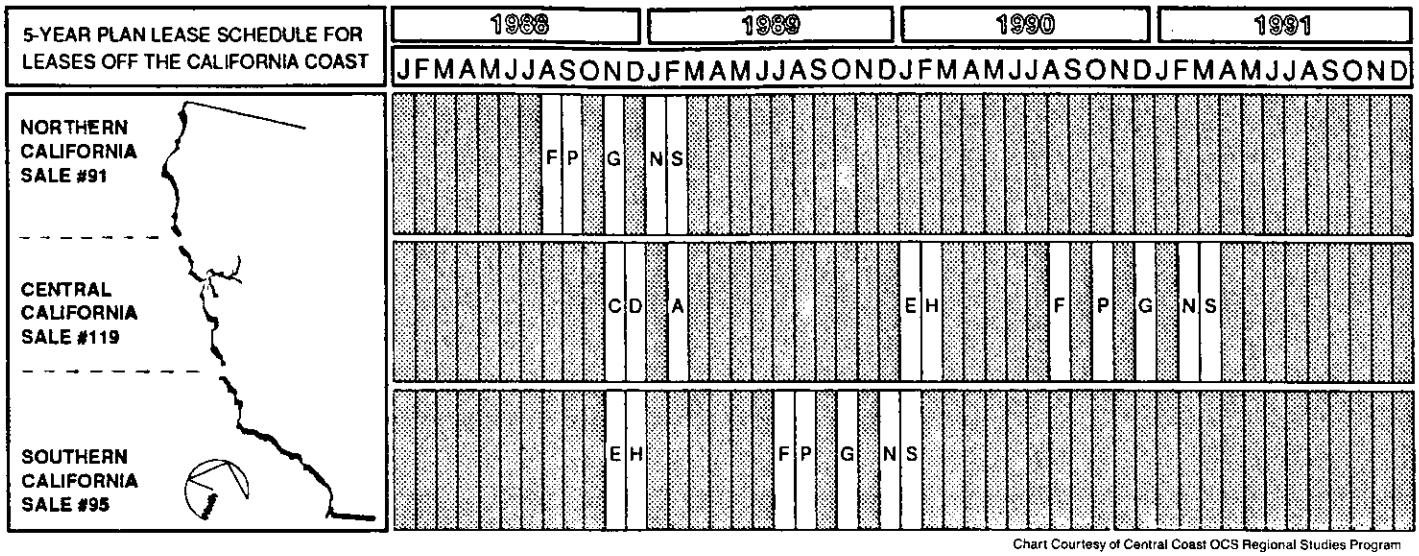


Chart Courtesy of Central Coast OCS Regional Studies Program

C - CALL FOR INFORMATION & NOMINATIONS
D - COMMENTS ON CALL DUE
A - AREA IDENTIFICATION
E - DRAFT EIS
H - PUBLIC HEARING
F - FINAL EIS
P - PROPOSED NOTICE OF SALE
G - GOVERNOR'S COMMENTS DUE
N - NOTICE OF SALE
S- SALE



Program Administration:

Over the years, several counties have volunteered to administer the Local Government Coordination Program, collecting and passing through the funds at no charge to the sponsoring agencies. Currently, the County of Santa Cruz serves as the lead agency for the Program. The Coordination Program is funded on a yearly basis through shared sponsorship provided by participating local agencies statewide, including an equal funding share provided by the County of Santa Cruz. The Program is completely reliant on local sponsorship for financial support. An appropriate yearly share is requested from each county and each city which participates in the Program. The funding cycle for the Program begins each year on July 1, and sponsoring agencies are strongly encouraged to submit their funding share promptly to the County of Santa Cruz to ensure uninterrupted Program services. The Santa Cruz County Administrative Office administers Program funding in compensation for the monthly claims submitted by the consultant. An independent trust fund is maintained by the County of Santa Cruz for the Program, and accrued interest derived from this account is returned to the account itself. The County of Santa Cruz maintains a contractual agreement with the consultant which establishes a monthly ceiling on expenses and consultant services. Periodic written progress reports are provided by the consultant to enable evaluation of each of the specific task elements in the work program. All publications, action alerts, and relevant activities of the Local Government Coordination Program are made available to all participating agencies. In addition, public outreach and public participation activities are emphasized through Program activities in each of the participating jurisdictions.

Protect Your Coastal Resources– Join Us as a Supporting Agency:

The cost savings provided by participation in this shared program are obvious. Retaining additional in-house staff would cost your agency several times the amount required for the shared staff support provided by the Coordination Program. The proven effectiveness of this project and its ability to enable local governments to participate fully in the OCS decisionmaking process guarantees that your agency will receive full value for your commitment as a funding agency. The coming year will offer many challenges to local agencies as the OCS issue enters a very dynamic phase, both in Congress and in the administrative process. Be prepared for the challenges confronting your coastline. Return the coupon below immediately for full information on how your agency can join as a sponsoring member of the Local Government Coordination Program.

Yes, we care about our coastline. Send us, without obligation, a complete information package with details about the Local Government Coordination Program. Thank you.

Send to:
Supervisor Gary A. Patton
Board of Supervisors
County of Santa Cruz
701 Ocean Street
Santa Cruz, CA 95060-4069

April 1988.

name

agency

department

address

state, zip

area code & phone

This publication designed by Richard Charter.

Acting Director Matthew Giacona
Bureau of Ocean Energy Management
1849 C Street, NW
Washington, DC 20240

RE: Docket ID BOEM-2025-0483 — 11th National OCS Oil & Gas Leasing Draft Proposed Program

Dear Mr. Giacona:

The City of Pacific Grove respectfully submits these comments strongly opposing the proposed 11th National Outer Continental Shelf (OCS) Oil & Gas Leasing Draft Proposed Program (Proposed 11th Program) as it pertains to the State of California and, specifically, the Central Coast of California, including waters of the Monterey Bay National Marine Sanctuary (MBNMS), which is adjacent to the City's shoreline. With over 85% of the estimated technically recoverable OCS oil and gas resources proposed to be available for leasing during the 5-year period following program approval, the Proposed 11th Program is massive in scale and represents a large-scale opening of extensive swaths of seabed adjacent to protected waters.

As these lease sales are scheduled to begin in 2027 and 2029, the Proposed 11th Program places waters adjacent to the MBNMS and the City at imminent risk.

1. The Proposed 11th Program Violates Federal, State, and Local Laws and Regulations
The Proposed 11th Program, and particularly its Draft Proposed OCS Program, fails to comply with a host of long-standing state and federal laws and policies, including, but not limited to, the National Environmental Policy Act, the Endangered Species Act, the Marine Mammal Protection Act, the National Marine Sanctuary Act, the Coastal Zone Management Act (CZMA), and the Migratory Bird Treaty Act. These laws enjoy bipartisan support and should not be ignored by this Proposed 11th Program. Of particular relevance to the City, the MBNMS was created by a Republican administration with bipartisan support in response to an oil spill and to protect the greater Monterey Bay environs and the Pacific Coast from oil and gas exploration and to promote protection, research, education, and compatible uses (including economic uses). Moreover, the Proposed 11th Program violates the CZMA as it is fundamentally inconsistent with California's Coastal Zone Management Program, as required and approved by the federal government.

2. Unsubstantiated Need for the Proposed 11th Program
The Proposed 11th Program, if approved, restarts a leasing schedule even though a 5-year program (2024-2029) is already in place; the Proposed 11h Program would replace or supersede parts of the prior schedule. The 11th Program is premature and redundant and undermines recent progress under the 10th Program (which had limited lease sales and no Pacific Coast lease sales), as there is no demonstrated need for expanded leasing, especially off California's coast.

3. Economic and Community Impacts
The Central Coast economy depends heavily on ocean-dependent industries, including tourism, recreation, and fisheries. Potential oil spills, routine operational discharges, or industrial accidents could reduce tourism revenue, threaten local fisheries, and increase cleanup costs. The City's coastal and economic resilience would be directly compromised, harming livelihoods and public well-being.

4. Environmental and Ecological Impacts
Under the statutory review process (Outer Continental Shelf Lands Act Section 18), BOEM must balance environmental, social, and economic factors-including "other uses of the sea and seabed" such as fisheries, navigation, marine sanctuaries, and coastal communities. The expansive Proposed 11th Program, as summarized in BOEM's document (pp. 48-53, Section 3.2, "Environmental Considerations"), fails to adequately account for the high sensitivity of the MBNMS ecosystems and high-value fisheries. Scientific literature demonstrates that offshore oil and gas development introduces significant risks of oil spills, chronic hydrocarbon pollution, noise, and habitat disruption, which threaten marine biodiversity, including protected species such as sea otters, whales, and seabirds. Local waters are also critical for commercial and recreational fisheries. Even small spills or leaks could have catastrophic and long-term ecological impacts, compromising decades of conservation progress in the MBNMS.

5. Public Safety and Climate Considerations
Expanding offshore drilling in a seismically active region increases the risk of accidents and complicates emergency response. The Proposed 11th Program does not sufficiently integrate risks associated with earthquakes or extreme weather events exacerbated by climate change. Additionally, increased fossil fuel extraction directly conflicts with state and local climate goals, including carbon neutrality targets. The Notice of Availability explicitly states that the Proposed 11th Program "considers three of the four OCS Regions...including the program areas that are estimated to have some of the most prospective oil and gas resources." This supports the argument that the Proposed 11th Program is driven by fossil fuel extraction incentives rather than balanced coastal and environmental stewardship and thus undermines the MBNMS and climate protections as well as local economies.

6. Trade-Offs and Alternative Approaches
While proponents of offshore development argue for energy independence and economic growth, the trade-offs for the Central Coast are disproportionately high. Alternative approaches-such as investment in renewable offshore wind, solar, and energy efficiency programs-can meet energy objectives without jeopardizing the marine environment, public safety, or local economies.

The City strongly recommends that BOEM:
1. Exclude the State of California and, specifically, the Central Coast and Monterey Bay National Marine Sanctuary waters from the Proposed 11th Program.
2. Prioritize alternatives to fossil fuel extraction that support cost-effective energy security while protecting marine ecosystems and local economies.

3. Require and conduct additional site-specific environmental review, including cumulative impact assessments and climate risk modeling, prior to any lease consideration.

Based on scientific evidence, economic considerations, local experience, public safety risks, as well as the legal issues that the Proposed 11th Program presents, the City urges BOEM to remove California's Central Coast waters from consideration under the Proposed 11th Program. Protecting the MBNMS and surrounding coastal communities from lease sales aligns with the law, public interest, and long-term sustainability of our economies and ecosystems.

cc: Representative Jimmy Panetta

RESOLUTION NO. 26-XXX

RESOLUTION OF THE PACIFIC GROVE CITY COUNCIL OPPOSING OFFSHORE OIL AND GAS DRILLING AND DEEP SEABED MINING

WHEREAS, the ocean covers roughly 70% of the Earth's surface, produces half the oxygen we breathe through its plant life, serves as a major highway for global trade, provides food, absorbs excess carbon from climate change, and plays a critical role in shaping weather patterns; and

WHEREAS, the City of Pacific Grove and its visitors enjoy California's beaches and the Pacific Ocean for recreational and commercial activities, all of which support our local economy; and

WHEREAS, in California, hundreds of thousands of jobs and billions of dollars of the state's gross domestic product rely on clean water, oil-free beaches, and abundant fish and wildlife; and

WHEREAS, offshore drilling carries countless negative effects including air pollution from toxic emissions known to cause asthma, lung cancer, and other diseases; the constant threat of oil spills that harm wildlife and their habitats; and damage to the fishing and tourism industries, which are vital to California's coastal economy; and

WHEREAS, past oil spill disasters, such as the Deepwater Horizon in the Gulf of Mexico, the massive oil spills in 1969 off the coast of Santa Barbara, the Refugio Spill in 2015 off the coast of Santa Barbara, and the massive oil spill off Huntington Beach in October 2021 have caused catastrophic impacts to human life, wildlife, coastal ecosystems, and local economies; and

WHEREAS, the State of California prohibits new oil and gas leasing in state waters due to unacceptably high risk of harm and disruption to the marine environment; and

WHEREAS, an analysis by Oceana found that protecting all unleased federal waters from offshore drilling in the United States could prevent over 19 billion tons of greenhouse gas emissions—the equivalent of taking every car in the nation off the road for 15 years; and

WHEREAS, on January 20, 2025 President Trump signed the Unleashing American Energy executive order, which encourages energy exploration and production on Federal lands and waters, including on the Outer Continental Shelf, and

WHEREAS, on April 24, 2025, President Trump signed the Unleashing America's Offshore Critical Minerals and Resources executive order to permit deep seabed mining, which would have significant negative impacts on our marine ecosystems, fisheries, and local coastal economies; and

WHEREAS, California's marine sanctuaries—including the Monterey Bay National Marine Sanctuary, Chumash Heritage National Marine Sanctuary, Greater Farallones National Marine Sanctuary and others along the coast—protect unique ecosystems and cultural resources, but significant areas of the Pacific remain vulnerable to offshore oil and gas development; and

WHEREAS, the threat of future leasing proposals persists in the absence of a permanent nationwide prohibition on new offshore drilling; and

WHEREAS, protecting California's coastlines from the impacts of oil and gas development is essential to safeguarding the environment, public health, Tribal cultural resources, climate resilience, and coastal economies.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PACIFIC GROVE that the City Council of the City of Pacific Grove

a) Opposes any new or expanded offshore oil and gas drilling and deep seabed mining leases and activities, and
b) Urges federal and state decision-makers to permanently prohibit offshore drilling and deep seabed mining in all U.S. waters, including the Pacific Ocean off California.

NOW, THEREFORE, BE IT FURTHER RESOLVED BY THE CITY COUNCIL OF THE CITY OF PACIFIC GROVE that the City of Pacific Grove will participate in the Local Government Outer Continental Shelf (OCS) Coordination Program, in order to work collaboratively with other jurisdictions to protect California's coastal communities, economies, and ecosystems from offshore drilling.

PASSED AND ADOPTED BY THE COUNCIL OF THE CITY OF PACIFIC GROVE this _____ day of _____, _____, by the following vote:

AYES:

NOES:

ABSENT:

APPROVED:

_____
NICK SMITH, Mayor

ATTEST:
DATED:_____

_____
SANDRA KANDELL, City Clerk

APPROVED AS TO FORM:

_____
BRIAN A. PIERIK, City Attorney

CITY OF PACIFIC GROVE

300 Forest Avenue, Pacific Grove, California 93950

AGENDA REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Phillip Anderson Housing Program Manager

MEETING DATE: January 21, 2026

SUBJECT: Resolution Authorizing Submittal of a 2025 Community Development Block Grant (CDBG) Application

CEQA: Categorical Exemption, CEQA Guidelines Section 15061(b)(3)

RECOMMENDATION

Adopt resolution authorizing submittal of a 2025 CDBG grant application

DISCUSSION

The City has a successful Housing Rehabilitation Loan Program that has been funded by sources such as this Community Development Block Grant (CDBG) opportunity. There have been many homes in the City that have been improved and made livable through this program.

Staff is requesting that the City Council adopt the attached resolution approving the submission of a grant application for CDBG in the amount of $1,177,000.00.

If awarded this grant will provide funds for the City's Housing Rehabilitation Loan Program, an Affordable Housing Study, Economic Development funds and General Administration overhead. There are no matching funds required for this grant application.

OPTIONS

1. Adopt resolution.
2. Decline adoption of resolution.
3. Provide alternative direction.

FINANCIAL IMPACT:

The award of the CDBG grant will provide the City with $1,177,000.00.

FOCUSED PRIORITY AREA: Community Development

Attachments

Attachment 1

Resolution of the Governing Body

RESOLUTION NO. Insert Number

A RESOLUTION APPROVING AN APPLICATION FOR FUNDING AND THE EXECUTION OF A GRANT AGREEMENT AND ANY AMENDMENTS THERETO FROM THE 2025 FUNDING YEAR OF THE STATE CDBG PROGRAM

BE IT RESOLVED by the City Council of the **City** of Pacific Grove as follows:

SECTION 1:
The **City Council** has reviewed and hereby approves the submission to the State of California of one or more application(s) in the aggregate amount, not to exceed, of **$1,177,000.00** for the following CDBG activities, pursuant to the and 2025 CDBG NOFA:

List activities and amounts

Activity (*e.g. Public Services, Infrastructure, etc.*)	**Dollar Amount Being Requested for the Activity**
Housing Rehabilitation Loan Program	$ 750,000.00
Planning -Affordable Housing Study	$ 300,000.00
Economic Development – Public ADA Restroom facility pre-development	$ 300,000.00
General Administration	$ 77,000.00
	$

SECTION 2:
The **City Council** hereby approves the use of Program Income in an amount not to exceed **$100,000** for the CDBG activities described in Section 1.

SECTION 3:
The **City Council** acknowledges compliance with all state and federal public participation requirements in the development of its application(s).

SECTION 4:
The **City Council** hereby authorizes and directs the **Community Development Director** or designee*, to execute and deliver all applications and act on the **City**'s behalf in all matters pertaining to all such applications.

SECTION 5:
If an application is approved, the **Mayor** or designee*, is authorized to enter into, execute and deliver the grant agreement (*i.e.*, Standard Agreement), any recordable or nonrecordable contract documents, and any and all subsequent amendments thereto with the State of California for the purposes of the grant.

SECTION 6:
If an application is approved, the **Community Development Director** or designee*, is authorized to sign and submit Funds Requests and all required reporting forms and other documentation as may be required by the State of California from time to time in connection with the grant.

PASSED AND ADOPTED at a regular meeting of the **City Council** of the **City** of **Pacific Grove** held on 1/21/2026 by the following vote:

AYES: Enter # of votes or names
NOES: Enter # of votes or names
ABSENT: Enter # absentees or names
ABSTAIN: Enter # of abstains or names

Honorable Mayor Nick Smith
City Council

STATE OF CALIFORNIA
City of **Pacific Grove**

I, **Sandra Kandell**, **City** Clerk of the **City** of **Pacific Grove**, State of California, hereby certify the above and foregoing to be a full, true and correct copy of a resolution adopted by said **City Council** on this **Enter Day.** day of **Enter Month**, 20**Enter Year.**and that said resolution has not been amended, modified, repealed, or rescinded since its date of adoption and is in full force and effect as of the date hereof.

Sandra Kandell, **City** Clerk of the **City** of Pacific Grove, State of California

By: Sandra Kandell, City Clerk

Addendum for Assignment of Designee

By Resolution the **City Council** hereby authorizes the designee on behalf of the **Community Development Director** to be the **Housing Program Manager or Senior Housing Program Manager** which authorizes the designee to execute and deliver all applications and act on the **City**'s behalf in all matters pertaining to all such applications.

CITY OF PACIFIC GROVE
300 Forest Avenue, Pacific Grove, California 93950

AGENDA REPORT

TO:	Honorable Mayor and Members of the City Council
FROM:	Staphany Arriola, Management Analyst, Leticia Livian, Human Resources Director
MEETING DATE:	January 21, 2026
SUBJECT:	Second reading of an Ordinance to Amend the Salary Schedule (Minimum Wage)
CEQA:	Does not constitute a Project per California Environmental Quality Act Guidelines Section 15378

RECOMMENDATION
Hold second reading and adopt an ordinance to amend the salary classification schedule modifying salary ranges for Cashier, Intern, Lighthouse Docent Coordinator, and Recreation Assistant I.

DISCUSSION
There were no substantive changes between the first and second readings of this ordinance. The City Clerk caused a summary of the ordinance to be published on November 27, 2025 and December 25, 2025.

The City salary classification schedule identifies the job classifications approved by Council (e.g., Office Assistant) and the hourly rates of pay for each classification at each step authorized by the Personnel Rules. Pursuant to Charter Article 25 and Pacific Grove Municipal Code (PGMC) Section 4.20.280, approval and amendment to the classification schedule must be adopted by the Council.

Increase to State Minimum Wage
Staff is proposing changes to the salary schedule to comply with an increase to California State Minimum Wage. California's minimum wage will increase from $16.50 to $16.90 per hour for all employers on January 1, 2026.

The salary ranges in the following classifications need to be adjusted to meet the State's minimum wage requirements:

- Cashier
- Intern
- Lighthouse Docent Coordinator
- Recreation Assistant I

The recommended approach is to increase the range of the entire classification, which preserves the City’s ability to hire personnel in the future at the lowest step, while complying with the new minimum wage law.

Proposed New Salary Ranges:

Classifications	Step 1A	Step 2B	Step 3C	Step 4D	Step 5E
Cashier	16.90	17.75	18.63	19.56	20.54
Intern	16.90	17.75	18.63	19.56	20.54
Lighthouse Docent Coordinator	16.90	17.75	18.63	19.56	20.54
Recreation Assistant I	16.90	17.75	18.63	19.56	20.54

The requested change to the salary classification schedule will only impact the classifications listed in this agenda report. All other classification hourly salary ranges will remain the same. To view the entire salary schedule, please refer to the City's website, http://www.cityofpacificgrove.org/about-city/human-resources/salaries-benefits-and-mous.

OPTIONS

Provide alternative direction to staff.

FINANCIAL IMPACT:

There is no financial impact since the minimum wage was taken into consideration for the following fiscal year.

FOCUSED PRIORITY AREA: Not Applicable.

Attachments

Proposed Ordinance

ORDINANCE NO. 25-0XX

ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PACIFIC GROVEAMENDING THE SALARY CLASSIFICATION SCHEDULE TO COMPLY WITH CALIFORNIA MINIMUM WAGE

Findings

1. The State of California has increased minimum wage to $16.90 per hour effectiveJanuary 1, 2026; and

2. Cashier, Intern, Lighthouse Docent Coordinator, and Recreation Assistant I, falls below the $16.90 per hour minimum requirement at the first step; and

3. Amending the salary schedule will meet the State requirements; and

4. Amending the salary schedule by adjusting the range preserves the City's full flexibility for future hiring decisions and observes the intent of the state requirements; and

5. Amending the salary schedule avoids salary compaction issues; and

6. Amending the salary schedule will allow for the new salary rates to take effect; and

7. Amendment to the salary schedule classification plan must be adopted by the City Council pursuant to Pacific Grove Municipal Code (PGMC) Section 4.20.280; and

8. In the enactment of this ordinance, the City followed the guidelines adopted by the State of California and published in the California Code of Regulations, Title 14, Section 15000, et seq. Enactment of this ordinance action does not constitute a "project" as defined by California Environmental Quality Act (CEQA) because it is an organizationalor administrative activity that will not result in direct or indirect physical changes in the environment pursuant Section 15378.

Ordinance

NOW, THEREFORE, THE COUNCIL OF THE CITY OF PACIFIC GROVE DOES ORDAIN AS FOLLOWS:

SECTION 1. The foregoing findings of the City Council are incorporated into thisOrdinance as if set forth in full.

SECTION 2. The position classification plan approved and adopted by the City Council pursuant to PGMC § 4.20.280 is amended for Cashier, Intern, Lighthouse Docent Coordinator, and Recreation Assistant I, classifications with the following salary schedule:

Classifications	Step 1A	Step 2B	Step 3C	Step 4C	Step 5E
Cashier	16.90	17.75	18.63	19.56	20.54
Intern	16.90	17.75	18.63	19.56	20.54
Lighthouse Docent Coordinator	16.90	17.75	18.63	19.56	20.54
Recreation Assistant I	16.90	17.75	18.63	19.56	20.54

SECTION 3. The City Manager is directed to execute all documents and to perform all other necessary City acts to implement this Ordinance.

SECTION 4. Upon approval at second reading, this ordinance shall be given an effective date of 12/21/2025.

PASSED AND ADOPTED BY THE COUNCIL OF THE CITY OF PACIFIC GROVE this 3rd day of December 2025, by the following vote:

AYES:

NOES:

ABSENT:

APPROVED:

_____
NICK SMITH, Mayor

ATTEST:
DATED: _____

_____
SANDRA KANDELL, City

ClerkAPPROVED AS TO

FORM:

_____
BRIAN PIERIK, City Attorney

CITY OF PACIFIC GROVE

300 Forest Avenue, Pacific Grove, California 93950

AGENDA REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Jon Biggs, Community Development Director

MEETING DATE: January 21, 2026

SUBJECT: Second reading of ordinances adopting amendments to certain sections and chapters, except for Chapter 23.31, of Title 23, Zoning, of the Pacific Grove Municipal Code and the Zoning Map and amending Chapter 23.31, Commercial and Industrial Zoning Districts, of Title 23, Zoning, of the Pacific Grove Municipal Code.

CEQA: Environmental Impact Report

RECOMMENDATION

1. Hold second reading and adopt an ordinance of the City Council adopting amendments to certain sections and chapters, except for Chapter 23.31, of Title 23, Zoning, of the Pacific Grove Municipal Code and the Zoning Map.

Following recusal by some members of the City Council, staff recommends that the remaining members of the City Council take the following actions:

1. Hold second reading and adopt an ordinance of the City Council amending Chapter 23.31, Commercial and Industrial Zoning Districts, of Title 23, Zoning, of the Pacific Grove Municipal Code.

DISCUSSION

No substantive changes were made between the first and second readings of the ordinances. The City Clerk caused summaries of the ordinances to be published on December 25, 2025.

NEW INFORMATION for DECEMBER 17, 2025 SPECIAL MEETING OF THE CITY COUNCIL

As the regular December 3, 2025 meeting of the City Council approached, a check on potential conflicts of interest with components of the Housing Element project (See background section below for components included in the Housing Element project) for members of the City Council was conducted. Based on this review, some members have indicated that they will recuse themselves and refrain from taking action on certain components of the Housing Element project. Given this, consideration of the Housing Element project will be conducted in a segmented process that will allow the full Council to act on certain elements and then allow members of the City Council to recuse themselves from acting on other components of the Housing Element project. The following provides some information

on the segmentation of the Housing Element project and considerations by the City Council.

Full City Council Review
Following a presentation by staff with the consultant team, City Council questions, and public comment, the full City Council will be able to take action on the following:

- A resolution certifying the Environmental Impact Report (EIR).
- A resolution adopting the Housing Element, Health and Safety Element, environmental findings pursuant to the California Environmental Quality Act (CEQA), mitigation, monitoring and reporting program, and statement of overriding considerations.
- Introduction of an ordinance amending certain chapters and sections, except for Chapter 23.31, of Title 23, Zoning, of the Pacific Grove Municipal Code and Zoning Map.

Recusal by some members of the City Council
Following the above actions, some members of the City Council will recuse themselves and the remaining members will consider the following:

- A resolution amending the Land Use Element and Land Use Maps.
- Introduction of an ordinance amending Chapter 23.31, Commercial and Industrial Zoning Districts, of Title 23, Zoning, of the Pacific Grove Municipal Code.

The rest of the information contained in this agenda report is the same as that provided in the December 17, 2025 City Council packet.

BACKGROUND
The Pacific Grove Housing Element is a State mandated component of Pacific Grove's General Plan that outlines how the community will meet its current and future housing needs. It includes an assessment of housing needs for all income levels, identification of suitable sites for new housing, and a program of actions to achieve housing goals like development, preservation, and rehabilitation. Each local government must have a Housing Element and they are required to be updated every eight years.

There has been a multi-year effort to update the Pacific Grove General Plan 6th Cycle, 2023-2031 Housing Element (HE) Update (HE Update). The City Council is now holding a public hearing on the HE Update and the Final Environmental Impact Report (Final EIR) that has been prepared to assess the potential environmental impacts of the HE Update and associated policy and code amendments necessary to implement the HE.

In addition to the update to the HE, the policy and regulatory documents that are proposed to be amended to implement the goals, policies, and programs reflected in the HE include:

- Land Use Element, Chapter 2 of the Pacific Grove General Plan
- Health and Safety Element, Chapter 10 of the Pacific Grove General Plan.
- Title 23, Zoning, of the Pacific Grove Municipal Code.
- Land Use Map of the Pacific Grove General Plan; and
- Zoning Map of Pacific Grove.

These documents, along with the update to the HE itself, are collectively referred to as "the Project." The Project itself does not develop housing. Rather, it is a plan to provide for the possibility of housing, supported by appropriate land use policies and zoning standards.

The Planning Commission held a public hearing on this at its regular meeting of November 13, 2025 and adopted a resolution recommending the Project to the City Council. In summary, the Resolution of the Planning Commission recommends City Council approval of:

- A resolution of the City Council certifying the Final EIR,

- A resolution of the City Council approving the "Project', which includes amending the text, policies, figures, and maps of the Pacific Grove General Plan to adopt the 2023-2031 Housing Element; amending the Land Use and Health and Safety Elements and the Land Use Map; adopting the CEQA Findings of Fact, including a Statement of Overriding Considerations; and adopting the Mitigation Monitoring and Reporting Program (MMRP), and
- § An ordinance of the City Council adopting amendments to Title 23, Zoning, of the Pacific Grove Municipal Code and the Zoning Map.

This agenda report includes the following documents, some, due to their size, are accessed on-line by a link provided in the body of this report and are identified by an * in the list below:

- Draft City Council Certifying Final EIR
- Draft Environmental Impact Report (EIR)*
- Draft EIR Appendices*
- Final EIR, Response to Comments
- Draft City Council Resolution Approving Housing Element, Health and Safety Element, Statement of Overriding Considerations and Mitigation Monitoring Program
- CEQA Findings of Fact and Statement of Overriding Consideration
- Draft Health and Safety Element (tracked version)
- Draft Health and Safety Element (clean version)
- Draft Mitigation Monitoring and Reporting Program
- Draft Housing Element*
- Draft CC Ordinance Amending Zoning Code, except for Chapter 23.31, and Map
- Draft Amendments to Zoning Code Sections (tracked version)
- Draft Amendments to Zoning Code Sections (clean version)
- Draft Zoning Map
- Draft CC Resolution Approving Land Use Element and Land Use Maps
- Draft Pacific Grove Land Use Element (tracked version)
- Draft Pacific Grove Land Use Element (clean version)
- Draft Land Use Map (City Wide)
- Draft Land Use Map Low Density Residential
- Draft Land Use Map Medium Density Residential
- Draft Land Use Map High Density Residential
- Draft Land Use Map Commercial
- Draft CC Ordinance Amending Chapter 23.31, Commercial and Industrial Zoning Districts of the Pacific Grove Municipal Code
- Draft Amendments to Zoning Code Sections (tracked version)
- Draft Amendments to Zoning Code Sections (clean version)
- Planning Commission Resolution of Recommendation to the City Council
- Written Public Comments

*Copies of Draft Environmental Impact Report (EIR), Draft EIR Appendices, and Draft Housing Element, along with all the documents referenced above, can be viewed at the following link: **Housing Element Documents for December 17, 2025 Special City Council Meeting.**

DISCUSSION

Environmental Review

An analysis of the Project's potential to cause adverse environmental impacts was conducted through the preparation of a Draft EIR. The Draft EIR sufficiently analyzed the Project's potential for significant environmental impacts, and it evaluated a reasonable range of Project alternatives.

A "significant effect" as defined by the CEQA Guidelines Section 15382:

"…means a substantial, or potentially substantial, adverse change in any of the physical

conditions within the area affected by the Project, including land, air, water, minerals, flora, fauna, ambient noise, and objects of historic or aesthetic significance. An economic or social change by itself shall not be considered a significant effect on the environment. A social or economic change related to a physical change may be considered in determining whether the physical change is significant."

In the Draft EIR, the assessment of the Project's potential to result in a significant adverse environmental impact begins with a discussion of the environmental setting related to a variety of environmental resources, which is followed by analyses of potential impacts to those resources. In each of the impact analysis sections, the first subsection identifies all assumptions made, methodologies used and "significance thresholds" applied, which are thresholds and other criteria adopted by the City and other agencies, universally recognized, or developed specifically for the analysis. The next subsection contains the actual impact analysis and describes each potential impact of the proposed Project, identifies mitigation measures needed to help avoid or reduce potentially significant impacts, and makes determinations regarding the level of significance of all potentially significant impacts after mitigation. Ultimately, the Draft EIR makes one of the following four conclusions, reflected in bold, for all the Project's potential impacts:

- **No Impact.** This conclusion states that the proposed Project would have no adverse effect on environmental conditions, which could include beneficial environmental impacts. Table ES-2 (found in the executive summary section of the Draft EIR and as modified in Section 3.1 of the Response to Comments document) provides a summary of the environmental impacts and related mitigation measures, where feasible.
- **Less than Significant.** This conclusion refers to an impact that may be adverse but does not exceed the applicable threshold of significance and thus does not require mitigation measures. However, measures that could further lessen the adverse but less than significant environmental effect may be suggested if readily available and easily achievable.
- **Less than Significant with Mitigation Incorporated.** This conclusion refers to an impact that may be potentially significant but that can be reduced to below the threshold of significance through implementation of the feasible mitigation measures identified. Such an impact requires findings if the Project is approved under CEQA Guidelines Section 15091.
- **Significant and Unavoidable.** This conclusion refers to a potentially significant adverse impact that cannot be reduced to below the applicable threshold of significance even with implementation of all feasible mitigation measures. Such an impact requires a Statement of Overriding Considerations to be issued if the Project is approved pursuant to CEQA Guidelines Section 15093.

The Draft EIR determined that mitigation measures were required and that the measures identified would mitigate potentially significant impacts to a less than significant level for the following resource areas:

- Air Quality
- Biological Resources
- Cultural Resources (archaeological resources)
- Geology and Soils
- Noise (vibration)
- Utilities
- Service Systems

The Draft EIR further concluded that despite the incorporation of all feasible mitigation measures, the proposed Project would nonetheless result in significant and unavoidable impacts relating to:

- Cultural Resources (historical resources)
- Greenhouse Gas Emissions

- Noise (construction and operational traffic noise)

CEQA Findings and a Mitigation Monitoring and Reporting Program have been prepared for all the impacts analyzed in the EIR and must be adopted as part of any project approval. Further, as noted earlier; to approve a project with significant and unavoidable impacts, a Statement of Overriding Considerations must be adopted and so the City Council is being asked to adopt CEQA Findings that include such a Statement of Overriding Considerations because of the three significant and unavoidable impacts referenced above. A Statement of Overriding Considerations is a statement by the lead agency's decision making body identifying the Project's benefits that, in the decision makers opinion, override and outweigh the Project's significant and unavoidable impacts, making them acceptable in light of those benefits. CEQA permits a broad range of economic, legal, social, technological or other Project benefits as permissible reasons for a Statement of Overriding Considerations. Some of the benefits to the City listed in the Statement of Overriding Consideration that are part of the CEQA Findings for this Project include:

- The adoption of the Project would bring the City's Housing Element into compliance with current State law for the 6th Housing Element Cycle and would facilitate sufficient development at all income levels to meet the City's Regional Housing Needs Allocation, supporting new housing for low- and moderate-income households.
- The adoption of the Project would ensure consistency between the City's Housing Element and Land Use Element by amending General Plan land use designations to meet future housing needs.
- The adoption of the Project is necessary to bring the City into good-faith compliance with State housing laws and to remedy its current noncompliance under Housing Element law. Without adoption of the Project, the City risks significant legal and financial consequences, including exposure to enforcement actions, loss of eligibility for critical State funding programs, and potential referral to the Attorney General's Office with possible court-imposed penalties of up to $100,000 per month.
- The adoption of the Project would enable the City to maintain local control over land use and development by achieving Housing Element compliance, thereby avoiding the imposition of "Builder's Remedy" projects that could bypass local zoning standards and community planning objectives.

The City provided Notice of Availability of the Draft EIR to the public on June 30, 2025, and the Draft EIR was circulated for a 46-day public review comment period from June 30, 2025, to August 15, 2025. During the public review and comment period, the City received 11 written comment letters on the Draft EIR and received an acknowledgment from the State Clearinghouse that the City has complied with CEQA environmental review requirements.

On November 3, 2025, the City released its Responses to Comments document, which consists of all written comment letters received on the Draft EIR, written responses to all written comment letters received on the Draft EIR, minor revisions to the Draft EIR, and the Mitigation Monitoring and Reporting Program (MMRP). The MMRP is a document that will be adopted as part of any Project approval and used thereafter as a tool to track and monitor to ensure that all the mitigation measures imposed on the Project are being implemented and complied with.

The combination of the Draft EIR, its appendices, and the Responses to Comments document constitute the Final EIR. For a useful overview of the Draft EIR and its analysis plus conclusions, staff recommends reviewing at the Executive Summary Section, which begins at page ES-1 of the Draft EIR.

Housing Element Update

Pacific Grove's Draft 2023–2031 Housing Element provides capacity to meet the City's Regional Housing Needs Allocation (RHNA) of 1,125 units across all income levels. This includes planning for 362 very-low, 237 low, 142 moderate, and 384 above-moderate income units for the 2023-2031 planning period. The Housing Element outlines a comprehensive strategy to accommodate this growth through updated policies, programs, and detailed sites inventory.
The updated housing element introduces multiple programs to facilitate housing development and preservation. For example, Program 1 (Housing Preservation and Rehabilitation) continues the City's loan program to assist low-income residents with home repairs. Other programs encourage accessory dwelling unit (ADU) development, incentivize affordable housing, and streamline permitting. In addition, programs commit to pursuing funding and partnerships for affordable housing, updating development standards, and removing governmental constraints to meet state housing law requirements.

The updated housing element also provides an inventory of vacant and underutilized sites that can accommodate the RHNA plus a buffer. These housing opportunity sites are distributed throughout the City, focusing on infill locations near transit, services, and along commercial corridors. Notably, the plan relies on underused commercial parcels (Downtown and Forest Hill areas) being rezoned for mixed-use housing, as well as some City-owned or underdeveloped parcels. The draft element demonstrates that Pacific Grove can accommodate its RHNA of 1,125 units through the sites inventory and planned zoning changes.

The sites inventory provides data on each site's potential unit yield, factoring in realistic development probabilities. In total, the identified sites (plus expected ADUs and pipeline projects) furnish a capacity above the RHNA – roughly on the order of 1,350+ units, which includes a buffer beyond 1,125 to account for contingencies. The State Department of Housing and Community Development (HCD) recommends a buffer of 15-30% in order to comply with State law including the "no net loss" requirements. The element also analyzes population and employment trends for 2031, forecasting that if the housing goals are met, Pacific Grove 's housing stock and population will modestly increase to support local workforce and family needs. Importantly, the City has verified that infrastructure (water supply, sewer, etc.) can support the additional housing growth within this cycle, and it has included programs to monitor infrastructure capacity and pursue improvements if needed.

Consistent with state law, the Housing Element incorporates an analysis for Affirmatively Furthering Fair Housing (AFFH), which examines fair housing issues and access to housing opportunities in Pacific Grove. It evaluates factors such as segregation patterns, income disparities, and displacement risk. The sites selected for new housing are dispersed in a manner to promote fair housing choice – for instance, higher-density sites are not concentrated in one neighborhood but in various parts of the City, including high resource areas. The Housing Element includes programs to advance fair housing, such as outreach and education for tenants and landlords, continued support for the regional fair housing service provider, and annual monitoring of potential housing discrimination or displacement. These actions are intended to ensure the City 's housing growth is equitable and inclusive, aligning with state and federal fair housing requirements.

Overall, the Housing Element's revisions are geared toward creating opportunities for housing at all income levels through proactive rezoning, development incentives, and removal of barriers, while ensuring consistency with State housing laws and affirmatively furthering fair housing in the community.

On July 10, 2025, the City received a letter of conditional approval indicating the revised 2023-2031 Housing Element is in substantial compliance with state Housing Element Law following adoption of the changes and submittal of the final document to HCD.

Land Use Element Amendments

To maintain internal consistency with the updated Housing Element, Pacific Grove's Land Use Element of the General Plan is being amended with targeted changes to land use designations, density standards, and maps. The draft revisions focus on enabling higher density residential development in appropriate areas and reflect the new housing sites in the City's long-range land use policy framework. Key amendments include:

Land Use Designation Changes: Certain General Plan land use categories are being updated or added to accommodate housing. For example, areas that were previously designated purely for commercial use (such as the Downtown and Forest Hill commercial districts) will be amended to allow mixed-use that allows residential uses by right. These changes ensure the General Plan land use map mirrors the Housing Element's strategy of siting new housing in commercial corridors and other underutilized sites. The City is also proposing to remove or modify outdated designations that conflict with housing goals – for instance, if a prior designation prohibited residential use in an area now targeted for housing, it will be amended or replaced. All told, the Land Use Element amendments will ensure zoning and land use designations are consistent with the Housing Element's policies and the rezonings it calls for. In conclusion, the narrative text of the Land Use Element is being updated to describe these new categories and their purpose in meeting housing needs.

Density and Intensity Standards: The draft revisions adjust certain development intensity standards to support higher density housing development. For residential land use classifications, the allowable densities (dwelling units per acre) are being increased in line with Housing Element programs. As an example, the maximum density in the High-Density Residential category may be raised (e.g. from around 20–30 units/acre up to a higher figure that qualifies as suitable for affordable housing development under state law). Similarly, new Mixed-Use designations will stipulate residential density ranges to accommodate multi-story mixed-use projects. These changes are aimed at achieving "default" densities that the state deems appropriate for lower-income housing (often 20 or 30 units/acre in smaller cities). The Land Use Element change also incorporates needed policy language to support these density increases – for instance, emphasizing infill development, transit-oriented development in mixed-use areas, and the allowance of multi-family housing in zones that were formerly commercial-only. By updating density standards, Pacific Grove's General Plan will be consistent with the rezoning/ upzoning efforts driven by the Housing Element, thereby legitimizing higher-density projects envisioned for the 2023–2031 period.

General Plan Map Updates: An updated General Plan Land Use Map will reflect changes to the allowed land use in two areas to accommodate higher density residential development that is also facilitated by changes to the zoning designation for these sites. These map changes make the General Plan a true blueprint of the City's intended land uses, clearly identifying where higher-density housing is expected. The revised maps will be an important reference that will assist in understanding where new housing potential exists.

Zoning Code Updates

A critical component is a rezoning program to create capacity for new housing. The draft Housing Element calls for amending the zoning code for the Commercial Downtown and Commercial Forest Hill districts, to allow higher-density residential or mixed-use development. These zoning amendments will establish "by-right" housing opportunities at target densities sufficient for lower-income housing (in line with state default density standards). Development standards such as height limits, floor-area ratios, and parking requirements (see Municipal Code Section 23.31.040 for amendments to site development standards in the commercial and industrial zoning districts) are proposed to be updated to facilitate multi-family and mixed-use projects. These modifications to the Zoning Code achieve required minimum densities and comply with recent State housing mandates (e.g. laws on accessory dwelling units, low-barrier navigation centers, and objective design standards).

HCD has provided a preliminary review of the proposed zoning code amendments. They recommended that language be added to Section 23.31.040, Commercial and Industrial Zoning District Development Standards, that clarifies 50% of the floor area of mixed-use development projects on sites within C-1, C-2, C-D and C-FH districts identified in the 6th Cycle Housing Element Site Inventory for lower-income households be dedicated to residential use. This language has been included as End Note Number 7 to Section 23.31.040. Although the comments from HCD followed the Planning Commission meeting of November 13, 2025, the added language carries forward the applicable state law requirements and clarifies standards in and does not amend the zoning ordinance recommended by the Planning Commission.

Health and Safety Element Updates

Pacific Grove's Health and Safety Element is being comprehensively updated to address contemporary hazards and meet new state requirements. The draft Health and Safety Element revisions add updated data, maps, and policies on emergency preparedness, natural disasters, and climate resilience. In particular, the City is aligning the Health and Safety Element with State regulations that mandate new considerations for evacuation routes and climate adaptation. Major areas of revision include: Evacuation Planning and Emergency Access: The Health and Safety Element now includes detailed information on the City's evacuation routes and procedures for emergency evacuation. In compliance with State regulations, the City has identified residential areas in hazard zones that have only a single evacuation route and evaluated how to improve emergency access in those neighborhoods.

The element maps out primary evacuation corridors (such as major roads out of Pacific Grove) and discusses their capacity and potential choke points. Pursuant to State regulations, an evacuation route analysis was conducted – assessing the safety, capacity, and viability of evacuation routes under scenarios like wildfires or tsunamis. The Health and Safety Element outlines evacuation plans for various disasters, designates evacuation centers, and includes policies to ensure routes remain passable (e.g. vegetation management along roadways and inter-agency coordination to handle traffic during an evacuation). The update places new emphasis on maintaining at least two emergency egress routes for all large residential developments, or, where that is not feasible due to geography, enhancing the existing route 's resiliency and communication systems. Overall, residents will find clearer guidance on evacuation zones and the City's commitment to improve emergency access, consistent with state law mandates.

Wildfire Hazard Updates: The revised Health and Safety Element addresses wildfire risks using the latest data and mapping from state and regional authorities. It recognizes that while Pacific Grove is largely urbanized, there are interfaces with the forested areas (such as the Del Monte Forest area near the City's boundary) that pose wildfire danger. Updated text describes the Fire Hazard Severity Zones affecting parts of Pacific Grove and the frequency of wildland fires in the region. New policies call for enforcing defensible space around structures, supporting vegetation management in high-risk open space (in coordination with CalFire and neighboring jurisdictions), and ensuring adequate water pressure for firefighting. The element also highlights evacuation considerations for wildfire specifically – identifying neighborhoods adjacent to wildland areas that might need special evacuation plans. For example, wooded upland areas on the outskirts are noted as having elevated wildfire risk, and plans are included to conduct community outreach on wildfire preparedness in those areas. By integrating the Monterey Peninsula Regional Hazard Mitigation Plan findings, the Health and Safety Element ensures consistency with broader wildfire mitigation efforts.

Tsunami and Coastal Hazards: Given Pacific Grove's coastal location, the Health and Safety Element now contains an updated section on tsunami hazard and coastal storm flooding. According to mapping by the California Geological Survey, most of Pacific Grove's shoreline lies within a designated

Tsunami Hazard Area. The new draft includes the official tsunami inundation map for the City, showing areas that could be flooded in a worst-case scenario. It discusses warning systems (sirens, emergency alerts) and evacuation routes for low-lying neighborhoods (for instance, routing evacuees to higher ground inland or to specified safe zones). Policies are introduced to continue public education on tsunami response and to coordinate with the National Weather Service's Tsunami Warning Center for early alerts. Additionally, the Health and Safety Element covers coastal erosion and sea-level rise threats (which can exacerbate storm surge and high tide flooding). While Pacific Grove's cliffs provide some protection, certain beach areas and infrastructure are identified as vulnerable to future sea-level rise. The updated element recommends monitoring erosion rates and planning for shoreline protection or managed retreat where applicable. By addressing tsunami and coastal storm hazards with current data and clear policies, the Health and Safety Element ensures the City's emergency planning is robust for these low-probability but high-impact events.

Climate Change Vulnerability: In line with State requirements, the Health and Safety Element now integrates a Climate Change Vulnerability Assessment and corresponding adaptation strategies. The City evaluated how climate change may intensify local hazards – including increased wildfire risk from hotter, drier conditions; greater coastal flooding from sea-level rise; and potential stress on water and power systems from extreme heat or drought. The element summarizes key findings (for example, identifying which neighborhoods or critical facilities are most vulnerable to these climate-related hazards). It then lays out climate adaptation policies to build resilience. These include actions such as incorporating sea-level rise projections into future land use decisions along the coast, expanding green infrastructure to manage stormwater from intense rain events, improving the grid's resilience to heatwaves (through backup generators or microgrids for emergency facilities), and partnering with regional agencies on climate mitigation and adaptation efforts. The updated policies also cross-reference the City 's Climate Action Plan and the regional hazard mitigation plan to ensure consistency. By doing this, Pacific Grove 's General Plan will meet State requirements and formally address climate adaptation. In summary, the Health and Safety Element commits the City to continuous monitoring of climate vulnerabilities and implementing strategies to protect the community's safety in the face of long-term climatic changes.

New and Revised Safety Policies: Throughout the Health and Safety Element, many policies and implementation measures have been added or strengthened to reflect current best practices and legal mandates. For example, new policies require regular updates to the City's Emergency Operations Plan and conducting periodic multi-agency evacuation drills for scenarios like wildfire and tsunami. There are policies ensuring that new development in high hazard areas (fire zones, flood zones) include adequate emergency access and construction standards for resilience. The element also includes commitments to coordinate with neighboring jurisdictions (Monterey, Pebble Beach/County) for emergency response, recognizing that disasters don 't stop at City limits. Another set of policies is aimed at community education and warning systems – supporting programs like Community Emergency Response Team (CERT) training for residents, maintaining sirens and alert systems, and ensuring residents (especially vulnerable populations) are aware of evacuation procedures. By aligning these policies with state laws, the Health and Safety Element revisions bring Pacific Grove's General Plan into compliance with the latest safety requirements. The result is a more robust, proactive plan that enhances public safety and emergency preparedness for the City.

General Plan Land Use and Zoning Map Amendments

This Project includes amendments to the General Plan Land Use and Zoning Maps for two areas. The first is an area identified as the Dennett, Sinex, and Grove Acre Neighborhood and the second is the church site on Sunset Drive. The land use designation changes from 8.7 to 29.0 dwelling units per acre (dua) and 17.4 to 29.0 dua respectively. The zoning changes from R-2-B-3 to R-3 and from R-2 to R-3 respectively for the sites. A third site in the Del Monte Park Neighborhood is having its General Plan

Land Use Map designation changed from NC (neighborhood commercial) to MDR 9.7 (medium density residential) and reflects the actual use of the property and not a change that would allow an increase in the residential density of the site.

AIRPORT LAND USE COMMISSION REVIEW

The Housing Element Update, along with the updates to the Land Use Element, Safety Element, Health and Safety Element, Zoning Code, plus the Land Use and Zoning Maps, has been reviewed by the County of Monterey Airport Land Use Commission. At its meeting on November 17, 2025, the Commission found that the updates to these documents are consistent with the 2019 Airport Land Use Compatibility Plan for the Monterey Regional Airport.

PLANNING COMMISSION RECOMMENDATION

At its regularly scheduled meeting of November 13, 2025, the Planning Commission held a public hearing on the proposed project. Following presentations by staff and the consultant team, in person and on-line public comment, and debate, the Commission voted 5-0 to adopt a resolution recommending approval of the project along with certification of the EIR to the City Council.

The Planning Commission's discussion on the Housing Element Update focused primarily on the proposed amendments to the Pacific Grove Municipal Code (PGMC) related to "by right" housing development. The amendments to the PGMC to implement the Housing Element include a new Section 23.70.020(b)(10) which provides:

> "Projects which meet the following requirements are entitled to review as a use by-right:
> (1) Project is located on a site suitable for residential development as defined in California Government Code Section 65583.2 and identified for lower-income households in the adopted 6th Cycle Housing Element Site Inventory that are shown to be the following:
> (i) Vacant and listed in the Site Inventory of two or more consecutive Housing Elements; or
>
> (ii) Non-vacant and listed in the Site Inventory of a previous Housing Element.
> (2) The project is proposed to include 20 percent of the total number of housing units available to lower-income households."

In addition, this language was added to PGMC Section 23.70.020(e):

> "Appeals of Determinations. For appeals of these determinations, see PGMC 23.74.020(a).
> (1) Projects pursuant to California Government Code Section 65583.2 may be appealed to the Planning Commission only by the applicant or the owner of the subject property."

These sections implement Government Code Section 65583.2(c), which requires that for sites included in the Housing Element identified to accommodate lower income RHNA residential use by right has to be allowed for projects that include 20% of the units as affordable to lower income households for:

- Vacant sites that have been included in two or more consecutive prior housing element cycles, and
- Non-vacant sites that were included in one prior housing element cycle.

"Use by right" is defined in Government Code Section 65583.2(i) to mean that the City's review of the owner-occupied or multifamily residential use may not require a conditional use permit, planned unit development permit, or other discretionary local government review or approval that would constitute a "project" for purposes of CEQA. A local ordinance may provide that "use by right" does not exempt the use from design review. However, that design review shall not constitute a "project" for purposes of CEQA. However, "any subdivision of the sites shall be subject to all laws, including, but not limited to,

the local government ordinance implementing the Subdivision Map Act. Use by right for "all rental multifamily residential housing" must be provided in accordance with subdivision (f) of Government Code Section 65589.5 (the Housing Accountability Act), which imposes substantial additional limitations on local government review processes.

The Commission raised concerns regarding potential procedural due process implications related to ministerial or by-right approvals that don't require notice and an opportunity for members of the public, particularly, neighbors of the proposed project, to provide input. As part of this discussion, one member of the Commission raised the California Supreme Court's decision in *Horn v. County of Ventura*, 24 Cal. 3d 605 (1979). The Court in the *Horn case* described that procedural due process principles apply to governmental decisions which are adjudicative in nature and not legislative. Id. at 612. The Court noted that subdivisions are subject to environmental evaluation under CEQA and went on to determine that procedural due process applies to subdivision approvals because they involve the "… exercise of judgement, and the careful balancing of conflicting interests, the hallmark of the adjudicative process." Id. at 615. This is in contrast to "ministerial" acts that require no notice or opportunity for hearing. Id.

Here, the California legislature had determined that certain housing projects must be processed ministerially or "by-right." By definition, this means that the projects can not be submitted for discretionary review and in making a determination on such projects only objective standards can be applied. The legislature has also clearly stated that certain housing projects, including projects described above under Government Code Section 65583.2(c), CEQA does not apply."

OPTIONS

Provide alternate direction.

FINANCIAL IMPACT:

Approximately $1,314,835.20 has been budgeted for the Consulant work on the Update to the Housing Element. This does not include time staff and the City Attorney's Office has devoted to this update.

FOCUSED PRIORITY AREA: Community Development

Attachments

1 Proposed Ordinance Amending Zoning Chapters and Map

26-002 A Zoning Code Amendments - Clean

26-002 B Zoning Map

4 Proposed Ordinance Amending Zoning Chapter 31

26-003 A Zoning Code Amendments - Clean

ORDINANCE NO. 26-___

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PACIFIC GROVE AMENDING CHAPTERS 23.08 (DEFINITIONS), 23.24 (R-3 DISTRICTS), 23.26 (R-3-P.G.R. DISTRICT), 23.28 (R-4 DISTRICT), 23.52 (R-3-M DISTRICTS), 23.64 (GENERAL PROVISIONS AND EXCEPTIONS), 23.70 (COMMUNITY DEVELOPMENT PERMIT REVIEW AUTHORITIES AND PROCEDURES), 23.79 (DENSITY BONUS REGULATIONS), AND 23.81 (REASONABLE ACCOMMODATION FOR PERSONS WITH DISABILITIES) OF TITLE 23 (ZONING) OF THE PACIFIC GROVE MUNICIPAL CODE AND AMENDING THE PACIFIC GROVE ZONING MAP

Whereas, on August 17, 2022, the City Council by motion and unanimous vote (7 - 0) authorized and directed City staff to initiate a focused general plan update to meet the minimum requirements in connection with the 2023-2031 6th Cycle Housing Element Update which includes the proposed amendments to the City's Zoning Ordinance and Zoning Map; and

Whereas, the 2023-2031 Pacific Grove Housing Element ("Housing Element") includes an opportunity sites inventory that designates specific densities and zoning classifications for certain parcels as needed to meet the City's Regional Housing Needs Allocation (RHNA) and further establishes policies and programs necessary to implement requirements of State housing law; and

Whereas, amendments to the City's Zoning Ordinance and Zoning Map are required to implement Housing Element Programs including rezoning sites in the Dennett, Sinex, and Grove Acre District, the City has considered the proposed Zoning amendments through two dedicated study sessions of the Planning Commission; and

Whereas, the Zoning Ordinance and Zoning Map amendments were prepared in accordance with applicable statutory requirements taking into account public comment and consistency with the City's General Plan and related City policies; and

Whereas, in accordance with Government Code Section 21676 the proposed amendments to the Zoning Ordinance were submitted to the Airport Land Use Commission for a determination of consistency with the Airport Land Use Compatibility Plan for Monterey Regional Airport; and

Whereas, on November 13, 2025, the Planning Commission held a duly noticed public hearing and adopted Resolution No. 25-001 recommending that the City Council certify the Final EIR, adopt amendments to the City's General Plan, Land Use Map, Zoning Ordinance and Zoning Map, and make CEQA Findings of Fact and adopt a Statement of Overriding Considerations, and adopt the Mitigation Monitoring and Reporting Program; and

Whereas, the Final Environmental Impact Report (EIR) prepared for the project which includes the Zoning Ordinance and Zoning Map amendments was certified by the City Council of the City of Pacific Grove on December 17, 2025, as set forth in Resolution No. 25 - ____; and

Whereas, pursuant to Government Code Sections 65090, 65091, 65355, and 65856, on December 6, 2025, at least 10 days before the public hearing date, notice of the hearing before the City Council was published in the Monterey Herald, posted at City Hall, mailed to affected owners of the subject real property and property owners within 300' of the subject real property, posted on-site at each affected property, posted on the City's Community Development Department and

Housing Element webpages, and emailed to a list of interested parties; and

Whereas, the ordinance was introduced at a special meeting of the City Council on December 17, 2025; and

Whereas, the City Clerk caused a summary of the ordinance to be published in the Monterey County Weekly on _____, 2025; and

Whereas, the City Council held a second reading of the ordinance at a regular meeting of the Council held on _____, 2026; and

Whereas, all other legal prerequisites to the adoption of this Ordinance have occurred.

NOW, THEREFORE, THE COUNCIL OF THE CITY OF PACIFIC GROVE DOES ORDAIN AS FOLLOWS:

SECTION 1. FINDINGS.

The Pacific Grove City Council considered the Environmental Impact Report, Planning Commission and City Council resolutions, agenda reports, written and oral testimony, and administrative record as a whole, and hereby finds as follows:

A. The foregoing recitals are true and correct and are incorporated herein by reference each as an integral part of this Ordinance. All Attachments hereto are hereby incorporated by reference.

B. The proposed amendments to the Zoning Ordinance and Zoning Map are consistent with the General Plan and, if applicable, the certified local coastal program.

C. The proposed amendments to the Zoning Ordinance and Zoning Map would not be detrimental to the public interest, health, safety, convenience, or welfare of the city.

D. The proposed amendments are internally consistent with other applicable provisions of the Zoning Ordinance.

E. The sites are physically suitable (including ability to meet requested zoning regulations, access, provision of utilities, compatibility with adjoining land uses, and absence of physical constraints) for the requested zoning designations and anticipated land uses.

SECTION 2. ZONING ORDINANCE AMENDMENTS.

Chapters 23.08 (Definitions), 23.24 (R-3 Districts), 23.26 (R-3-P.G.R. District), 23.28 (R-4 District), 23.52 (R-3-M Districts), 23.64 (General Provisions and Exceptions), 23.70 (Community Development Permit Review Authorities and Procedures), 23.79 (Density Bonus Regulations), and 23.81 (Reasonable Accommodation for Persons with Disabilities) of Title 23 (Zoning) of the Pacific Grove Municipal Code is hereby amended as set forth in **Attachment A**.

SECTION 3. ZONING MAP AMENDMENTS.

The Pacific Grove Zoning Map is hereby amended as depicted in **Attachment B** and described as follows:

A. Reclassified from R-2-B-3 to R-3: 611 Dennett Street (Assessor's Parcel Number [APN] 006-572-012); 637 Dennett Street (APN 006-572-011); 659 Dennett Street (APN

006-572-009); 679 Dennett Street (APN 006-572-008); 1110 Sinex Avenue (APN 006-572-015); 1114 Sinex Avenue (APN 006-572-016); 1120 Sinex Avenue (APN 006-572-006); 1126 Sinex Avenue (APN 006-572-007); 702 Grove Acre Avenue (APN 006-572-001); 706 Grove Acre Avenue (APN 006-572-002); 708 Grove Acre Avenue (APN 006-572-003); 710 Grove Acre Avenue (APN 006-572-004); 720 Grove Acre Avenue (APN 006-572-013); and 726 Grove Acre Avenue (APN (006-572-014).

B. Reclassified from R-2 to R-3: 915 Sunset Drive (APN 007-101-007).

SECTION 4. SEVERABILITY.

If any section, subsection, phrase or clause of this ordinance is for any reason held to be unconstitutional, such decision shall not affect the validity of the remaining portions of this ordinance. The City Council hereby declares that it would have passed this and each section, subsection, phrase or clause thereof irrespective of the fact that any one or more sections, subsections, phrase or clauses be declared unconstitutional on their face or as applied.

SECTION 5. PUBLICATION.

The City Clerk is hereby directed to certify the passage of this Ordinance by the City Council of the City of Pacific Grove, California and cause the same to be published in accordance with State law.

SECTION 6. EFFECTIVE DATE

This Ordinance shall be in full force and effective thirty (30) days after its adoption and shall be published and posted as required by law.

*****

PASSED AND ADOPTED BY THE COUNCIL OF THE CITY OF PACIFIC GROVE THIS ____ day of _____, 2026, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

_____
NICK SMITH, Mayor

ATTEST:

_____
SANDRA KANDELL, City Clerk

APPROVED AS TO FORM:

_____

BRIAN A. PIERIK, City Attorney

ATTACHMENT A

ZONING ORDINANCE TEXT AMENDMENTS

(to be inserted)

ATTACHMENT B

DEPICTION OF ZONING MAP AMENDMENTS

(to be inserted)

Title 23

ZONING[1]

Chapters:

23.04 Purpose and Effect of Zoning Regulations
23.08 Definitions
23.12 Districts
23.16 R-1 District and R-1-B Combined Districts
23.20 R-2 District and R-2-B-3 Combined District
23.24 R-3 Districts
23.26 R-3-P.G.R. District
23.28 R-4 District
23.29 Condominium and Community Housing Conversions
23.30 M-H Districts
23.31 Commercial and Industrial Zoning Districts
23.32 C-1-T Zone Condominiums
23.33 *Repealed*
23.34 Limited Downtown Commercial (C-D)(C-1-T) Uses
23.36 *Repealed*
23.40 *Repealed*
23.42 O District
23.43 Initiative Restriction of Use of George Washington Park
23.44 U Districts
23.45 Initiative Ordinance Enacting Regulations for Multiple Unit Developments Involving Condominiums, Planned Unit Developments and Timeshares
23.52 R-3-M Districts
23.56 R-H District
23.57 R-3-P.G.B. District
23.58 *Repealed*
23.60 Planned Unit Development – PUD
23.64 General Provisions and Exceptions
23.68 Nonconforming Uses and Buildings
23.70 Community Development Permit Review Authorities and Procedures
23.72 Permit Application Filing and Processing
23.73 Permit Implementation, Time Limits, and Extensions
23.74 Appeals and Call-Ups
23.76 Historic Preservation
23.77 Environmental Impact Reports
23.78 Sale of Residential Buildings
23.79 Density Bonus Regulations
23.80 Accessory Dwelling Units
23.81 Reasonable Accommodation for Persons with Disabilities
23.82 Interpretations of Permitted Use Lists
23.84 Legislative Amendments
23.86 Public Meeting and Hearing Procedures
23.88 Enforcement
23.90 Local Coastal Program Implementation Plan
23.92 Cannabis Businesses

[1] For statutory provisions, see California Government Code § 65800 et seq.

Chapter 23.08

DEFINITIONS

Sections:
23.08.010 Purpose.
23.08.020 Definitions.

23.08.010 Purpose.

This chapter provides definitions of terms and phrases used in this title that are technical or specialized, or that may not reflect common usage. If any of the definitions in this chapter conflict with definitions in other provisions of the Pacific Grove Municipal Code, these definitions shall control for the purposes of this title. If a word is not defined in this chapter, or in other provisions of this title, the most common dictionary definition is presumed to be correct. [Ord. 13-003 § 5, 2013].

23.08.020 Definitions.

A. Definitions.

“Accessory building” means a subordinate building the use of which is incidental to that of the main building on the same lot, and as further defined by PGMC 23.64.180.

“Accessory use” means a use incidental and accessory to the principal use of real property or a building located on the same building site, or for which a use permit has been issued pursuant to PGMC 23.64.185.

“Adult-oriented sales” means the sale, for any form of consideration, of one or more of the following:

(1) Books, magazines, periodicals, or other printed matter, photographs, drawings, motion pictures, slides, films, tapes, video cassettes, records, or other visual or audio representations that are characterized by an emphasis upon the depiction or description of sexual activities or anatomical areas;

(2) Instruments, devices, or paraphernalia that are designed to be used in connection with sexual activities; or

(3) Goods that are replicas of or that simulate anatomical areas, or goods that are designed to be placed on or in anatomical areas or used in conjunction with sexual activities.

“Agreement of sale” means any agreement or written instrument which provides that title to any property shall thereafter be transferred from one owner to another owner, including a lease with option to buy.

“Alcoholic beverage” means any beverage meeting the definition of Section 23004 of the California Business and Professions Code (CBPC).

“Alley” means any public right-of-way for vehicular and pedestrian traffic which is 16 feet or less in width. An alley shall not be considered a street in determining corner lots, required yard setbacks, or street frontages.

Ambulance Service. See “Medical Service.”

“Amplified music, entertainment, or speech” means electronic amplification of recorded music, live music, live entertainment, or of persons speaking at meetings or events. See “Entertainment, live.”

Animal Hospital. See “Animal Keeping/Training Facility or Veterinary Service.”

Animal Keeping/Training Facility or Veterinary Service.

(1) Veterinary Clinic, Animal Hospital. Office and indoor medical treatment facilities used by veterinarians, including large- and small-animal veterinary clinics and animal hospitals.

(2) Kennel, Animal Boarding and Training. A commercial facility for the grooming, keeping, boarding or maintaining of four or more dogs, or four or more cats, or a combination thereof, except for dogs or cats for sale in pet shops or in animal hospitals. Includes pet day care and pet training.

“Antenna” means an apparatus designed for the purpose of emitting or receiving radiofrequency (RF) radiation, to be operated or operating from a fixed location pursuant to Federal Communications Commission (Commission or FCC) authorization, for the transmission or reception of writing, signs, signals, data, images, pictures, and sounds of all kinds. For purposes of this definition, the term “antenna” does not include an unintentional radiator, mobile station, or device authorized under 47 CFR Subpart G, as may be amended.

“Apartment house” means a building or portion thereof used and designated as a nontransient residence for three or more families living independently of each other and doing their own cooking in said building. This shall not be deemed to include cottage courts, auto courts, motels, hotels, or other buildings, used or intended to be used for the accommodation of transient automobile travelers or other transient guests. An apartment house shall not include any timeshare project as defined in Section 11003.5 of the Business and Professions Code, added by Chapter 601 of the Statutes of 1980.

“Appurtenance” means the visible, functional, or ornamental objects accessory to, and part of, buildings or structures. Examples include, but are not limited to, mechanical equipment, chimneys, air conditioner units, elevator and stairway penthouses, church spires and steeples, cupolas, etc.

Automobile Court, Cottage Court, or Motor Lodge. See “Lodging.”

“Automobile/vehicle repair” means all activities involving automobile and vehicle repair, including: top, body, and upholstery repair; auto glass installation; body painting; general repair, rebuilding or reconditioning of engines, motor vehicles, or trailers; and collision service including body or frame.

“Automobile/vehicle sales and rental” means a retail establishment selling or renting new or used automobiles, light trucks, boats, campers, mobile homes, and/or motorcycles. Vehicles for sale may be displayed outdoors or indoors. May also include repair services and the sales of parts and accessories that are incidental to the primary use. Does not include service stations (see “Automobile/vehicle service station”).

“Automobile/vehicle service station” means a building and/or lot with pumps and storage tanks where motor vehicle fuels, lubricating oil, grease, or accessories for motor vehicles are dispensed, sold, or offered for retail sale only. May also include car washing and repair services incidental to the primary use.

B. Definitions.

“Bank or financial service” means banks and financial institutions including: banks and trust companies; credit unions; lending and thrift institutions; brokerage firms; title companies; and vehicle finance leasing agencies.

“Bar/tavern/nightclub” means a drinking establishment where food service is not required. See “Drinking establishment.”

“Base station” has the same meaning as the term used in 47 CFR Section 1.6100(b)(1), as may be amended.

Bed and Breakfast Inn. See “Lodging.”

“Block” means the properties on both sides of a street and lying between the two nearest intersecting streets or city boundary.

Boardinghouse. See “Roominghouse.”

“Bona fide public eating place” means an eating establishment meeting the provisions of Section 23038 of the California Business and Professions Code (CBPC). See “Eating establishment.”

“Brew pub” means an eating establishment at which beer is manufactured in limited quantities for on-site and off-site sales, distribution, and consumption, and is combined with a general restaurant, pub, or sports bar. See “Eating establishment.”

“Building” means any structure having a roof supported by columns or by walls and designed for the shelter or housing of any person, animal, or personal property.

“Building coverage” means the portion of a site which is covered by the fully enclosed portion of all buildings larger than 120 square feet, as well as by open carports. Building coverage is expressed as a percentage. In determining building coverage, the following shall not be counted: eaves and/or cantilevered portions of buildings, decks, open porches, and open stairways and landings.

“Building site” means a lot or parcel of land, in one ownership, and occupied or to be occupied by a main building and accessory buildings, or by a dwelling group and its accessory buildings, together with such open spaces as are required by the terms of this title, and having its principal frontage on a street, road or highway.

“Business support service” means an establishment within a building that provides services to other businesses. Examples of these services include: computer-related services (rental, repair), mailing and mail box services. Does not include printing and copying (see “Printing or creative service”) or the sales, storage, or rental of heavy equipment.

“Buyer” means any person, co-partnership, association, corporation, fiduciary, or other legal or business entity which intends to sign an agreement or instrument which on its face appears to be legally binding or is intended to be legally binding, subject to specified conditions. Such agreement or instrument shall include, but is not necessarily limited to, a deposit receipt, seller’s instructions, contract of sale, exercise of option to buy, or executed deed when there is no prior written agreement.

“By-right” or “use by-right” means that the land use or development is permitted without discretionary review or public hearing, as defined and governed by Government Code Sections 65583.2(i), as may be amended.

C. Definitions.

“Catering and events” means a business that prepares food either for an on-site event or for consumption off-premises.

“Chief planner” is deemed a reference to the community development director or designee.

Clinic or Lab. See “Medical service.”

Coffee House. See “Restaurant, specialty.”

“Commercial recreation facility, indoor” means uses that include all indoor commercial recreation and amusement facilities including: bowling alleys, indoor sports arenas, indoor sports facilities, dance halls, video arcades, and billiard parlors. Does not include movie theaters (see “Theater or auditorium”).

“Commercial recreation facility, outdoor” means uses that include outdoor commercial amusement facilities including: golf driving ranges, outdoor stadiums, racing facilities, music arenas, amusement parks, miniature golf establishments, water slides, and batting cages.

“Commercial uses” means, in addition to the common definitions of the term, any sale or whole- sale of personal property, whether new or used, except for sales which may be permitted by Chapter 11.10 PGMC.

“Community development director” is deemed a reference to the director of the Pacific Grove community development department or designee.

“Community garden” means an area where neighbors, residents, and members of the public have the opportunity to contribute and manage the cultivation of plants.

“Concealed facility” means a wireless telecommunications facility that is integrated as an architectural feature of an existing supporting structure or any new wireless telecommunications facility that is camouflaged or concealed so that the presence of the facility is either: (1) virtually imperceptible to the casual observer, such as an antenna behind louvers on a building, or inside a steeple or similar structure; or (2) camouflaged so as to blend in with its surroundings to such an extent that, to a casual observer, it does not appear to be a wireless telecommunications facility. To qualify as a concealed facility, the facility in question must match the character of its surroundings and the type of item that it is mimicking in size, scale, shape, dimensions, color, materials, function, and other attributes as closely as possible. The elements that make a facility a concealed facility are concealment elements.

“Concealment element” means any design feature, including but not limited to painting, landscaping, shielding requirements and restrictions on location, proportions, or physical dimensions in relation to the surrounding area or supporting structures that are intended to and do make a wireless telecommunications facility or its supporting structure less visible or obtrusive to the casual observer.

“Construction and other large-scale equipment sales and rental” means retail establishments selling or renting construction, farm, or other heavy equipment. Examples of heavy equipment include cranes, earth moving equipment, tractors, motorized farming equipment, heavy trucks, tools and machinery, and refrigeration equipment.

“Consumer-end antennas” means antennas which are either: subject to the Federal Communications Commission (FCC) Over-the-Air-Receiving Devices Rule (47 CFR Section 1.4000) placed at an end user’s premises location used solely for the purpose of the provision of services to that end user; or solely for amateur radio communications.

“Contract construction, no outdoor storage” means an establishment providing contract construction related services such as building construction, general contractors, and subcontractors as defined in the Business and Professions Code of the state of California with no outdoor storage. Examples of these uses include: cabinet and carpenter shops; concrete and masonry; drywall; electrical; flooring; glass and glassing; heating and air conditioning; insulation; landscaping; painting; plumbing and fire sprinkler; roofing; swimming pool installation; and similar builder and contractor businesses.

“Contract construction, outdoor storage” means an establishment providing contract construction related services such as building construction, general contractors, and subcontractors as defined in the Business and Professions Code of the state of California, with outdoor storage of large equipment, vehicles, and/or materials commonly used in the establishment’s type of business. Examples of these uses include: cabinet and carpenter shops; concrete and masonry; drywall; electrical; flooring; glass and glassing; heating and air conditioning; insulation; landscaping; painting; plumbing and fire sprinkler; roofing; swimming pool installation; and similar builder and contractor businesses.

Coverage. See “Building coverage” and “Site coverage.”

D. Definitions.

“Deer fence” means fencing used specifically to prevent the passage of deer.

“Development” means the division of a parcel of land into two or more parcels; the construction, reconstruction, conversion, structural alteration, relocation, or enlargement of any structure; any mining, excavation, landfill, or land disturbance; or any use or extension of the use of land.

“Discretionary development” means a development application that, by code, is required to be considered by a review authority that has the discretion to approve, conditionally approve, or deny the application.

“District” means a portion of the city within which certain uses of land and buildings are permitted or prohibited and within which certain yards and other open spaces are required and certain height limits are established for buildings, all as set forth and specified in this title.

“Drinking establishment” means an establishment where the primary activity is the on-site service and consumption of alcoholic beverages. The limited service of food may or may not be included.

“Duplex” means a building designed for or occupied exclusively by two families living independently of each other.

“Dwelling group” means a group of two or more detached or semidetached one-family, two-family, or multiple dwellings occupying a parcel of land, in one ownership and having any yard or court in common. This shall not be deemed to include cottage courts, auto courts, motels, hotels, or other buildings used or intended to be used for the accommodation of transient automobile travelers or other transient guests. A dwelling group shall not include any timeshare project as defined in Section 1103.5 of the Business and Professions Code as added by Chapter 601 of Statutes of 1980.

E. Definitions.

“Eating establishment” means a business primarily engaged in preparing and serving food and/or beverages for consumption on or off the premises.

“Emergency shelter” means housing with minimal supportive services for homeless persons that is limited to occupancy of six months or less by a homeless person. No individual or household may be denied emergency shelter because of an inability to pay.

“Employee Housing” means any portion of any housing accommodation, or property upon which a housing accommodation is located as defined in the California Employee Housing Act, as it may be amended from time to time.

“Entertainment, live” means a musical, theatrical, dance, or comedy performance by one or more persons. Dancing by patrons or guests is considered live entertainment. Does not include adult live entertainment (see “Entertainment, live (adult)”), but shall include belly dancing and hula dancing (see “Entertainment, live (belly dancing/hula)”).

“Entertainment, live (adult)” means live entertainment by one or more persons characterized by an emphasis on the display of anatomical areas, or the performance of physical human body activity that depicts or relates to sexual activities, whether or not anatomical areas are covered. Does not include belly or hula dancing (see “Entertainment, live (belly dancing/hula)”).

“Entertainment, live (belly dancing/hula)” means a dance marked by sinuous movements of the hips, belly, arms and hands.

“Equipment/appliance rental and repair” means a service establishment that may offer a wide variety of household and business equipment, furniture, and materials for rental. Also includes repair service for business equipment and furnishings, household yard equipment and appliances, and audio, video and computer machines.

Existing Grade. See “Grade.”

F. Definitions.

“Family” means an individual or two or more persons living together as a single household in a dwelling unit. Family shall not be construed to include a fraternity, sorority, club, or other group of persons occupying a hotel, lodging house, or institution of any kind.

Family Day Care Home.

(1) “Small family day care” means a day care facility in a single residence where an occupant of the residence provides family day care for eight or fewer clients, including adult clients, and children under the age of 10 years who reside in the home.

(2) “Large family day care” means a day care facility in a single residence where an occupant of the residence provides family day care for nine to 14 clients, inclusive, including adult clients, and children under the age of 10 years who reside in the home.

“Farmers market” means a business established and operated at a specific time, oftentimes on the same day each week, which consists of individual vendors, mostly local farmers, where fresh fruits, vegetables, flowers, nuts, other produce, and sometimes prepared foods and beverages and other wares are sold directly to the public. Such business may be conducted within or outside a building.

“Fence” means any vertical structure, not integral to any building, used as a barrier to define boundaries, to prevent the passage of people and animals, and/or screen off or enclose a portion of property, not including structures, or portions of structures, designed to support a roof, awning, or other horizontal structure, such as the wall of a building. Wing walls or other extensions of a building wall that do not support the building shall be included in the definition of a fence for purposes of this title.

Finished Grade. See “Grade.”

Fitness Studio. See “Health/fitness studio.”

“Flea market” means a business established and operated at a specific time, oftentimes on the same day of the week, which consists of a group of coordinated vendors selling wares directly to the public. Such business may be conducted within or outside a building.

Funeral Home. See “Mortuary or funeral home.”

G. Definitions.

“Garage space” means a covered parking space of not less than nine by 20 feet.

“Garden structures” includes arbors, trellises, pergolas, arches, and other similar open structures that are primarily designed to support the growth of plants or to provide shade and shelter in a garden or yard. Garden structures do not include accessory buildings, gazebos with a solid roof and floor, cisterns, hot tubs, fountains, walls, fences, hedges, and other similar features. The area of a garden structure area is calculated from the structure’s largest horizontal dimensions.

Grade.

(1) “Existing grade” means the surface of the ground as it exists prior to disturbance in preparation for a project regulated by the Pacific Grove Municipal Code.

(2) “Natural grade” means the elevation of the ground in its natural state, before grading, excavation, or filling.

(3) “Finished grade” means the final elevation of the ground level after grading, excavation, or filling.

“Gross floor area” means the total enclosed areas of all floors of buildings greater than 120 square feet, plus carports, where the ceiling is at least seven feet tall. In calculating gross floor area, buildings shall be

measured to the outside surface of exterior walls, and carports to the outside surfaces of supporting posts. Gross floor area is expressed in square feet.

(1) In determining gross floor area, the following shall be counted:

(A) Covered and fully enclosed porches, regardless of whether conditioned/unconditioned; and

(B) Mezzanines, hallways, breezeways, and corridors.

(2) In determining gross floor area, the following shall not be counted:

(A) Accessory structures less than or equal to 120 square feet;

(B) Covered open, or partially open, porches;

(C) Those portions of cellars/basements where the ceiling is not more than two feet above finish grade at any point;

(D) Eaves and/or cantilevered portions of buildings;

(E) Garden structures.

(3) In determining gross floor area, the following provisions shall also apply:

(A) Areas with an interior finished height that is greater than 16 feet shall be counted twice, with the exception of interior stairways that are no wider than eight feet.

(B) If required covered parking is not provided, the allowed gross floor area shall be reduced by the equivalent square footage.

“Group quarters” means residential living arrangements, other than the usual house, apartment or mobile home, in which two or more unrelated persons share living quarters and cooking facilities. Included are “institutional” group quarters, such as orphanages, and “noninstitutional” group quarters, such as dormitories, and large boarding houses. This definition does not include residential care facilities.

H. Definitions.

“Health/fitness studio” means a fitness center, gymnasium, or health and athletic club, which may include any of the following: dancing studios or academies; indoor tennis, handball, or racquetball; yoga studios; martial arts studios; sauna, spa or hot tub facilities; and other indoor sports activities.

“Height” means the vertical distance from any point on the top of a structure (minus allowable vertical appurtenances) to a line connecting grades directly below it. The lowest grade (finished, natural, or existing) shall be used in applying this definition. In zones where multifamily residential and multifamily mixed-use buildings are allowed, the allowable height shall include up to half of the vertical height of sloped roofs (i.e., half of the distance between lowest eave and the highest point within roof volume above the highest floor).

“Home business” means a use of a type customarily carried on entirely within a dwelling, which business shall be carried on by only the inhabitants of the dwelling for gain, but incidentally and secondarily to the use of the dwelling for dwelling purposes, and which does not, either by noise, attraction of customers, exterior architectural changes or signs of any kind, give any hint to the surrounding neighborhood that the dwelling is being used for other than dwelling purposes.

Hospital. See “Medical service.”

Hotel. See “Lodging.”

“Household” means a family jointly occupying a single dwelling unit, including the joint use of and responsibility for common areas, and sharing housekeeping activities and responsibilities such as meal, chores, maintenance, and expenses.

I. Definitions.

“Impervious surface” means a surface artificially constructed so that it prevents or largely inhibits the infiltration of rainwater or runoff into the natural soils or underlying geologic materials.

“Industrial, light” means a manufacturing or processing facility that is more consumer-oriented than business-oriented (i.e., produced for end users rather than as intermediates for use by other industries). Light industries require only a small amount of raw materials, area, and power. The value of the goods is typically low, the number of products is high, and/or they are easy to transport. Light industry typically causes relatively little or no pollution or environmental impacts. Examples of light industries include the manufacture, assembly, or processing of clothes, shoes, furniture, consumer electronics, home appliances, food, and other similarly intensive activities without harmful levels of lead or chemical wastes. Also includes dry cleaning plants and auto towing and storage yards.

“Integral group quarters facilities” means one or more residential housing units within which an integral use occurs that operates in combination with a group quarters facility, which may or may not be located on the same or contiguous parcels of land.

“Integral use” means one or more licensed or unlicensed residential housing units under the control and management of the same owner, operator, management company or licensee, or any affiliate, as a group quarters facility, in which occupants are entitled to receive care, services or amenities of the group quarters facility. Examples include, but are not limited to, the provision of housing in one residential housing unit and treatment, meals, or any other service or services to those occupants in the group quarters facility or facilities, or by assigning staff or a consultant or consultants to provide services or amenities available in the group quarters facility to the occupants of the residential housing units.

J. Definitions.

“Junkyard” means the use of more than 200 square feet of the area of any lot or the use of any portion of that half of any lot, which half adjoins any street, for the storage of junk, including scrap metals or other scrap materials, or for the dismantling or “wrecking” of automobiles or other vehicles or machinery, whether for sale or storage.

K. Definitions.

Kennel, Animal Boarding and Training. See “Animal Keeping/Training Facility or Veterinary Service.”

L. Definitions.

Large Family Day Care. See “Family Day Care Home.”

“Laundry or dry cleaning service” means establishments offering on-site laundry services (may be self-serve or wash/fold/press services) and dry cleaning drop-off and pick-up store fronts. For dry cleaning plants, see “Industrial, light.”

Lodging.

(1) “Bed and breakfast inn” means the use of a residential property for commercial lodging purposes, where there are at least eight rooms available to guests and where the principal buildings were constructed at least 75 years prior to the date of application for the use.

(2) “Hotel” means any building or portion thereof containing six or more guest rooms used, designed or intended to be used, let or hired out to be occupied by transients, and having one principal entryway or entrance, a lobby, or other public room.

(3) “Motel” means any building or portion thereof containing six or more guest rooms used, designed or intended to be used, let or hired out to be occupied by transients, and having dwelling units or guest rooms some or all of which have a separate entrance leading directly from the outside of the building.

(4) “Automobile court, cottage court, or motor lodge” means an establishment designed for or used primarily for the accommodation of transient automobile travelers or other transient guests and having dwelling units or guest rooms some or all of which have a separate entrance leading directly from the outside of the building.

“Low barrier” shall have the meaning set forth in California Government Code Section 65660(a), as it may be amended from time to time.

“Low barrier navigation center” means a housing-first, low-barrier, service-enriched shelter focused on moving people into permanent housing that provides temporary living facilities while case managers connect individuals experiencing homelessness to income, public benefits, health services, shelter, and housing.

M. Definitions.

“Main building” means a building in which is conducted the principal use on the lot on which it is situated. In any “R” district any dwelling shall be deemed to be a main building on the lot on which the same is situated.

Medical Office. See “Medical Service.”

Medical Service.

(1) “Ambulance service” means a facility where ambulance vehicle and crews not based at a hospital or fire department stand by for emergency calls.

(2) “Clinic or lab” means a facility other than a hospital where medical, dental, mental health, surgical and other personal health services are provided on an outpatient basis. Examples of these uses include: medical offices with five or more licensed practitioners and/or medical specialties; outpatient care facilities; urgent care facilities; and other allied health services. These facilities may also include incidental medical laboratories and testing facilities. Counseling services by other than medical doctors or psychiatrists are included under “Offices, business and professional.”

(3) “Medical office” means a facility other than a hospital where medical, dental, mental health, surgical, and/or other personal health care services are provided on an outpatient basis, and that accommodates no more than four licensed primary practitioners within an individual office suite. A facility with five or more licensed practitioners is classified under “Medical service – clinic or lab.”

(4) “Hospital” means a facility engaged primarily in providing diagnostic services, and extensive medical treatment, including surgical and other hospital services. These establishments have an organized medical staff, inpatient beds, and equipment facilities to provide complete health care. May include on-site accessory clinics and laboratories, accessory retail uses, on-site ambulance dispatch facilities, and meal service.

“Meeting facility, public or private” means a facility for public or private meetings, including churches and other religious facilities, Grange halls, union halls, and meeting halls for clubs, fraternal organizations, and other membership organizations. Also includes functionally related internal facilities such as kitchens, multi-purpose rooms, and storage. Does not include commercial entertainment facilities (see “Commercial recreation facility”) or conference and meeting rooms accessory and incidental to another primary use, such as office space or a hotel/motel.

“Micro-brewery” means a small-scale brewery operation that is solely dedicated to the production of specialty beers, but may include beer tasting under specified conditions pursuant to Section 23357.3 of

the California Business and Professions Code (CBPC). If combined with a general restaurant, pub, or sports bar, see “Brew pub.”

“Mobile home” means a vehicle other than a motor vehicle used as semipermanent housing designed for human habitation and containing a minimum of 400 square feet of floor space.

“Mobile home park” means an area of land not less than five acres in size containing facilities to accommodate semipermanent mobile homes.

“Mortuary or funeral home” means a funeral home or parlor where the deceased are prepared for burial or cremation and funeral services may be conducted. Does not include on-site cremation.

Motel. See “Lodging.”

N. Definitions.

Natural Grade. See “Grade.”

“Nonconforming use” means a use which was legal when it was created, but because of subsequent changes in regulations no longer conforms with the regulations for the district in which it is situated.

O. Definitions.

“Offices, business and professional” means premises available for the transaction of general business and services including professional, management, legal, social, or government offices, but excluding retail, artisan, and manufacturing uses. Does not include medical offices. See “Medical services – medical office” or “Bank or financial service.”

“Open yard” means a required open space other than a garage space, which open space is unoccupied and unobstructed from the ground upward, except by eaves, uncovered porches or decks not more than three feet above finished grade, swimming pools, walkways, tennis courts, putting greens, or similar recreational uses, and landscaped with suitable living plant material. The area must be rectangular or composed of a series of rectangles, each having a minimum width of not less than 10 feet. Further, the yard shall not have a slope of more than five percent.

“Owner” means any person, co-partnership, association, corporation, fiduciary, or other legal or business entity having legal or equitable title or any interest in any residential property, or any realtor, real estate broker, or agent representing said owner.

P. Definitions.

“Parapet” means a portion of a wall, that extends above the roofline at the edge of a roof.

“Park, playground (public)” means outdoor sports grounds, indoor sports structures within a park area, playgrounds, tot lots, passive park areas, and other areas of use to the general public for recreation or outdoor diversions, not including commercial recreation facilities (see “Commercial recreation facility”), community gardens (see “Community garden”), or community centers (see “Public or quasi-public facility”).

"Parking, covered" means a structure, building or portion of a building having a solid roof which may be open or enclosed by walls or doors, used to shelter a parking space.

“Parking aisle” means the vehicular access route to allow for safe movement and effective traffic flow through a parking facility to and from parking spaces.

“Parking facility” means parking lots or structures operated by the city or private entity providing parking with or without a fee. Does not include towing, impound and storage facilities, which are defined under “Industrial, light.”

“Parking lifts” means a mechanical system that lifts or lowers a parked vehicle to make space available for another parked vehicle above or below it.

“Parking, shared” means a public or private parking area used jointly by two or more uses.

“Parking space” means an area not less than nine feet wide by 20 feet deep designated for parking a single vehicle.

“Parking space, compact” means a space not less than eight feet by 16 feet.

“Parking space, tandem” means two or more vehicles that are parked on a driveway or in any other location on a lot, arranged one behind the other.

“Personal service” means establishments providing nonmedical services to individuals as a primary use. Examples of these include barber and beauty shops, including body, skin, and nail care; therapeutic massage certified under California Business and Professions Code Section 4612; garment repair and alteration; locksmiths; and shoe repair shops and shoeshine parlors. These uses may also include accessory retail sales of products related to the services provided.

“Personal service, restricted” means establishments providing nonmedical services to individuals, such as noncertified therapeutic massage, tattooing and body art parlors, or bath houses.

Pet Grooming. See “Animal Keeping/Training Facility or Veterinary Service.”

Pet Training. See “Animal Keeping/Training Facility or Veterinary Service.”

“Printing or creative service” means an establishment within a building that provides the following services to individuals or businesses: creative or graphic arts; copying and print shops, including blueprinting; photographic or camera shops and studios; and sign painting or manufacture.

“Pub” means an eating establishment where the primary activity is split between the service of food and the service of alcoholic beverages. Pubs are regularly, and in a bona fide manner (as defined by California Business and Professions Code Section 23038), kept open for the service of meals, and maintain suitable kitchen facilities connected therewith. Includes “sports bars.” See “Eating establishment.”

“Public or quasi-public facility” means public, semi-public, and private preschools, elementary schools, high schools, civic buildings, community centers and other community buildings and uses, and governmental buildings, museums, fire houses, post offices, police stations, libraries, and essential services, any of which may have additional requirements for such use set forth herein.

“Public utility” means installations, facilities or means for furnishing to the public electricity, gas, steam, communications, water, drainage, sewage disposal, or flood control, irrespective of whether such facilities or means are underground or above ground, indoor or outdoor. Utilities may be owned and operated by any person, firm, corporation, municipal department, or board, duly appointed by state or municipal regulations. “Utility” or “utilities” as used herein may also refer to such persons, firms, corporations, departments or boards. Does not include “wireless telecommunications facility.”

R. Definitions.

“Radio or television station” means a building serving a broadcasting organization, consisting of one or more transmitters or receivers used for radio communications or telecommunications.

Recycling Facility.

(1) “Processor” means a state-certified receiver of redeemable recyclable materials providing either collection, storage, separation, distribution, or primary reprocessing of recycled materials.

(2) “Retail certified” means a state-certified recycler providing convenient locations for consumers to redeem beverage containers.

(3) “Wholesale certified” means a state-certified recycler providing both consumer redemption of beverage containers and collection of redeemable containers from other certified recyclers.

“Research and development facility” means a facility for scientific research, which could include the design, development and testing of electrical, electronic, magnetic, optical, computer and telecommunications components in advance of product manufacturing, and the assembly of related products from parts produced off site, where the manufacturing activity is secondary to the research and development activities. Includes pharmaceutical, chemical and biotechnology research and development. Also includes research laboratories, defined as facilities for testing, experimenting, analysis, and/or research. Examples of research and development facilities include medical labs, soils and materials testing labs, and forensic labs.

“Residential care” means residential care facilities for alcoholism recovery, mentally disabled, handicapped, elderly, and dependent and neglected children (including residential care facilities for the elderly (RCFEs) as licensed by the State Department of Social Services). State-licensed residential care facilities for six or fewer persons, excluding the facility operator and staff, shall be considered a family use subject only to the same regulations as apply to other residential dwellings of the same type in the same zone.

“Residential property” means all real property, whether improved or unimproved, which is or, by virtue of the zoning thereon, may be used for residential purposes.

“Restaurant, drive-in/drive-through” means an eating establishment which (1) prepares food intended for consumption in vehicles that may or may not be parked on the site; or (2) provides for the ordering of food while the customers are seated in vehicles. Does not include drive-in/drive-through restaurants that are required by contractual or other arrangement to offer standardized menus, ingredients, food preparation, employee uniforms, interior decor, signage, or exterior design. See “Eating establishment.”

“Restaurant, fast food” means an eating establishment that specializes in short order or quick service; serves food or beverage products primarily in paper, plastic or other disposable containers; and delivers food or beverage products in such a manner that customers may remove such products from the restaurant for consumption. Does not include formula fast food restaurants that are required by contractual or other arrangement to offer standardized menus, ingredients, food preparation, employee uniforms, interior decor, signage, or exterior design. See “Eating establishment.”

“Restaurant, formula general” means an eating establishment that falls under the definition of a general restaurant, and that is required by contractual or other arrangement to offer standardized menus, ingredients, food preparation, employee uniforms, interior decor, signage, or exterior design. See “Eating establishment.”

“Restaurant, general” means an eating establishment where the primary activity is the on-site preparation and service of meals for consumption on the premises using nondisposable dishes and utensils. These include establishments where customers are served from an interior walk-up counter and establishments where customers are served food at their tables, and may include limited takeout. General restaurants are regularly, and in a bona fide manner (as defined by California Business and Professions Code Section 23038), kept open for the service of meals, and maintain suitable kitchen facilities connected therewith. See “Eating establishment.”

“Restaurant, specialty” means an eating establishment where the primary activity is selling one or more of the following specialty food or beverage products for on- or off-premises consumption: coffee, tea, juice, smoothies, ice cream, frozen yogurt, cookies, or similar specialty food or beverage. A specialty restaurant offers seating, and includes, but is not limited to, coffee and tea houses, juice bars, and ice cream/frozen yogurt shops. Such an establishment may include limited service of preprepared foods including but not limited to salads, soups, and sandwiches. A specialty restaurant does not require a full kitchen, and does

not include formula specialty restaurants that are required by contractual or other arrangement to offer standardized menus, ingredients, food preparation, employee uniforms, interior decor, signage, or exterior design. See “Eating establishment.”

“Retail, general” means a retail business selling merchandise directly to the end consumer. Examples of these stores and lines of merchandise include:

Apparel and accessories	Food and grocery, including convenience markets with accessory catering for consumption off-premises, produce markets, delicatessens, bakeries, candy shops, and cheese shops
Antiques	Furniture, including home and office furniture
Art supplies and art galleries, including framing shops	Hardware and garden supply, including plant nurseries
Auctioneers	Hobbies and craft shops, including stationery stores, toy stores, yarn shops, and other miscellaneous hobbies and crafts
Bicycle sales, service, and rental	Jewelry stores
Books, new and used	Luggage and leather goods
Computers and electronic equipment	Magazine stores and newsstands
Cameras and photographic supplies	Music stores, including instruments and records, tapes, compact discs, audio and video
Drug stores	Optical stores
Department stores	Sporting goods stores, including exercise equipment
Electronics and appliances	Watch and clock sales and service
Florists	Variety stores

“Retail, outdoor storage display” means a retail business where customers are encouraged to examine and/or experience merchandise in its typical configuration and/or manner of use. Examples include garden shops, plant nurseries, and stone or monument yards.

“Retail, restricted” means a retail business with one of the following specialties: gunsmiths and smoke, cigar, and tobacco shops.

“Roominghouse” means a dwelling other than a hotel, motel, bed and breakfast inn, or apartment house, and accommodating a nontransient occupancy, where lodging and/or meals for three or more persons are provided for compensation.

S. Definitions.

“School, specialty” means a school that provides education and/or training, including vocational training, in limited subjects including: art; business, secretarial and vocational skills; drama; driver education; including courses by mail or on-line; language; music; professional (law, medicine, etc.); and

seminaries/religious ministry training facilities. See also “Public or quasi-public facility.” Does not include family day care facilities (see “Family day care home”).

“Second unit” means a second unit as defined in PGMC 23.80.020.

“Shared housing building” means a residential or mixed-use structure, with five or more shared housing units and one or more common kitchens and dining areas designed for permanent residence of more than 30 days by its tenants as defined by Government Code Section 65915 (o)(7)(A)(i), as it may be amended from time to time.

"Single-Room Occupancy” or “SRO” means housing consisting of single-room dwelling units that serve as the primary residence for their occupants.

“Site coverage” means the sum of building coverage plus areas covered by impervious surfaces. Site coverage is expressed as a percentage.

(1) In determining site coverage, the following shall be counted:

(A) Sand-set bricks and/or pavers, paving and/or flagstones, asphalt, concrete, mortared brick and stone, and decomposed granite;

(B) Open porches; and

(C) All accessory structures not already counted towards building coverage.

(2) In determining site coverage, the following shall not be counted:

(A) Four hundred square feet of any driveway, except for portions that serve as required parking space(s) or which occupy a required side yard;

(B) Sixty square feet of walkway, stoop, landing, stairway and/or steps in the front yard on building sites which are 50 feet or more in width;

(C) Turf block driveways and walkways, unless covered; and eaves and/or cantilevered portions of buildings.

“Site Inventory” or “Housing Element Site Inventory” means a list of suitable land identified for residential development during the planning period as part of the 6th Housing Element update process, which includes a list of parcels with their size, general plan and zoning designations, existing uses, the development capacity of the parcel, and the determination of how the parcel may meet the housing unit need by income-level.

“Site Width” means the dimension of the lot at the street line. In the case of a lot with more than one street line, it refers to the lesser dimension.

Small Family Day Care. See “Family day care home.”

Sports Bar. See “Pub.”

“Storage, self-storage facility” means a structure containing individual compartments, stalls, or lockers rented as individual storage spaces and characterized by low parking demand.

“Supporting structure” means any structure, other than a wireless tower, capable of supporting, or supporting, a base station. An existing supporting structure is a structure in place at the time an application is filed; a replacement support structure is a structure that replaces an existing structure, which structure must be removed; a new support structure is a structure that is not in place at the time an application is filed, and that will be constructed as part of the placement of the base station.

“Supportive housing” means housing with no limit on length of stay, that is occupied by the target population, and that is linked to an on-site or off-site service that assists the supportive housing resident in retaining the housing, improving his or her health status, and maximizing his or her ability to live and, when possible, work in the community. “Target population” means persons with low incomes who have one or more disabilities, including mental illness, HIV or AIDS, substance abuse, or other chronic health condition, or individuals eligible for services provided pursuant to the Lanterman Developmental Disabilities Services Act (Division 4.5 (commencing with Section 4500) of the Welfare and Institutions Code) and may include, among other populations, adults, emancipated minors, families with children, elderly persons, young adults aging out of the foster care system, individuals exiting from institutional settings, veterans, and homeless people. Supportive housing is a residential use subject only to the same requirements as apply to other residential dwellings of the same type in the same zone.

T. Definitions.

“Taxi service” means a facility where multiple taxis and/or limousines are stored until dispatched. May also include dispatch services, but does not include dispatch services that have no on-site vehicle storage, which are instead included under “Offices, business and professional.”

“Temporary wireless telecommunications facilities” means a wireless telecommunications facility intended or used to provide wireless services on a temporary or emergency basis, such as a large-scale special event in which more users than usual gather in a confined location or when a disaster requires additional service capabilities. Temporary wireless telecommunications facilities include, without limitation, cells on wheels (COW), sites on wheels (SOW), cells on light trucks (COLTs), or other similar wireless telecommunications facilities: (1) that will be in place for no more than 60 days (or such other longer time as the city may allow in light of the event or emergency); (2) for which required notice is provided to the FAA; (3) that do not require marking or lighting under FAA regulations; (4) that will be less than 100 feet in height; and (5) that will either involve no excavation or involve excavation only as required to safely anchor the facility, where the depth of previous disturbance exceeds the proposed construction depth (excluding footings and other anchoring mechanisms) by at least two feet.

“Theater or auditorium” means a facility for group entertainment, other than sporting events. Examples of these include: civic theaters, facilities for live theater and concerts, and movie theaters.

Transient. Any building or portion thereof used or designed for accommodations of persons or families staying for a period of less than 30 days, or used, designed to be used, let, or rented on a daily or weekly basis, or advertising accommodations for transient travelers, shall be deemed to be “transient.”

“Transit center” means a sheltered waiting area located where public transportation routes converge. Transit centers serve as hubs to allow transit riders from various locations to assemble at a central point to take advantage of express trips or other route-to-route transfers.

“Transitional housing” means buildings configured as rental housing developments, but operated under program requirements that mandate the termination of assistance and recirculation of the assisted unit to another eligible program recipient at a predetermined future point in time that shall be no less than six months from the beginning of the assistance. Transitional housing is a residential use subject only to the same requirements as apply to other residential dwellings of the same type in the same zone.

U. Definitions.

“Use” means the purpose for which land or premises of a building thereon is designed, arranged or intended or for which it is or may be occupied or maintained.

V. Definitions.

Value, Market Value. The community development director’s determination of value shall be deemed prima facie correct. Any person aggrieved by such determination may appeal to the planning commission

within 15 days of such determination. The appellant and the owner of the property shall have 10 days' written notice of the date the planning commission will hear the appeal.

Veterinary Clinic. See "Animal Keeping/Training Facility or Veterinary Service."

"Visually insignificant" means an exterior building modification that does not noticeably alter the character or architectural style of the structure as viewed from a public street.

W. Definitions.

"Warehousing, wholesaling and distribution" means an establishment engaged in wholesale storage within a building, and selling merchandise to retailers; contractors, industrial, commercial, institutional, farm, or professional business users; other wholesalers, or acting as agents or brokers in buying merchandise for or selling merchandise to such persons or companies. Examples of these establishments include:

Agents, merchandise or commodity brokers, and commission merchants	Trucking and general warehousing
Assemblers, buyers and associations engaged in the cooperative marketing of farm products	Stores primarily selling electrical, plumbing, heating and air conditioning supplies and equipment
Frozen food lockers	Wholesale bakeries
Merchant wholesalers	Wholesale trade, durable and nondurable
Miscellaneous retail and wholesale commercial uses, stores or storage and service establishments	

"Wine bar" means a drinking establishment where the primary activity is the tasting and drinking of wine. Food must be available during all hours of operation, but may be limited to snacks, appetizers, small plates, or other similar offerings. A full kitchen is not required. See "Drinking establishment."

"Wine tasting room" means a drinking establishment where wine and related products are offered for retail sale, and where on-site consumption of wine may be tasted for a fee, or without charge. Food service is not required. See "Drinking establishment."

"Wireless eligible facilities request" has the same meaning as eligible facilities requests under 47 CFR Section 1.6100(3), as may be amended.

"Wireless telecommunications facility" means all elements of a facility at a fixed location used in connection with the provision of any FCC-licensed or authorized wireless service to the public, including the base station and tower, if any, but excluding any supporting structure to which the base station is attached or within which it is enclosed; provided, that the term does not include the following, which facilities shall remain subject to other provisions of the PGMC applicable to similar structures:

(1) Facilities entirely enclosed within an existing building outside of the rights-of-way, where no modification to the exterior of the building is required;

(2) Facilities attached to the exterior of a building (including the roof), which would constitute an accessory use of the building permitted under this code, and where the wireless telecommunications facility located on the exterior is less than three cubic feet in size;

(3) Customer-end antennas; or

(4) Wireless telecommunications facilities owned and operated by the city for its use, or by any governmental agency for its own or public safety uses.

"Wireless tower" means any structure built for the sole or primary purpose of supporting any FCC-licensed or authorized antennas and their associated facilities.

Y. Definitions.

"Yard" means an open space other than a court on the same lot with a building, which open space is unoccupied and unobstructed from the ground upward, except as otherwise permitted in PGMC 23.64.150 to 23.64.180, inclusive. [Ord. 21-008 § 2, 2021; Ord. 20-001 § 2 (Exh. A), 2020; Ord. 16-005 § 3, 2016; Ord. 13-008 § 2, 2013; Ord. 13-003 § 5, 2013].

Chapter 23.24

R-3 DISTRICTS

Sections:
23.24.010 Generally.
23.24.020 Uses permitted.
23.24.030 Building height limit.
23.24.040 Building site area required.
23.24.050 Allowed building coverage.
23.24.051 Allowed site coverage.
23.24.060 Yards required.
23.24.070 Garbage areas.

23.24.010 Generally.

The regulations found in this chapter shall apply to all R-3 districts and shall be subject to the provisions of Chapter 23.64 PGMC. [Ord. 20-016 § 2, 2020; Ord. 382 N.S., 1962; Ord. 210 N.S. § 11-133(1)(a), 1952].

23.24.020 Uses permitted.

The following uses shall be permitted in the R-3 district:

(a) Single- or two-family dwellings;

(b) Second units as permitted by Chapter 23.80 PGMC;

(c) Low-barrier navigation centers;

(d) Transitional and supportive housing.

(e) Employee housing.

(f) Multiple dwellings, apartment houses and dwelling groups;

(g) Rooming or boarding houses, subject to first securing a use permit (except for employee housing);

(h) Accessory uses and buildings normally incidental to any in this section;

(i) Single-Room Occupancies (SROs) subject to first securing a use permit;

(j) State-licensed residential care facilities for seven or more persons, subject to first securing a use permit. [Ord. 20-016 § 2, 2020; Ord. 16-005 § 4, 2016; Ord. 03-08 §§ 4, 5, 2003; Ord. 811 N.S., 1974; Ord. 795 N.S., 1974; Ord. 720 N.S. §§ 9, 10, 1972; Ord. 532 N.S. § 5, 1966; Ord. 453 N.S., 1964; Ord. 382 N.S., 1962; Ord. 210 N.S. § 11-133(1)(a), 1952].

23.24.030 Building height limit.

The maximum height of main buildings shall be 30 feet. [Ord. 20-016 § 2, 2020; Ord. 00-18 § 6, 2000; Ord. 1141 N.S. § 3, 1979; Ord. 720 N.S. § 3, 1972; Ord. 210 N.S. § 11-133(1)(b), 1952].

23.24.040 Building site area required.

For each building, or group of buildings, a minimum of 4,000 square feet and minimum width of 40 feet shall be required on interior lots. A minimum of 6,000 square feet and a minimum width of 60 feet shall be required on corner lots. In the subdivisions designated as additions to Pacific Grove Retreat and in the Pacific Grove Retreat, where the lot sizes, as legally subdivided, are 30 by 60 feet, the minimum lot size shall be 3,600 square feet, with the lot lines along the lines of said subdivisions. Nothing contained herein shall authorize such smaller minimum lot sizes for any future subdivisions.

For each family unit in any building or group of buildings, a minimum of 1,500 square feet of land area shall be required. [Ord. 20-016 § 2, 2020; Ord. 1260 N.S. § 2, 1981; Ord. 720 N.S. § 1, 1972; Ord. 210 N.S. § 11-133(1)(c), 1952].

23.24.050 Allowed building coverage.
Maximum building coverage on all sites is 50 percent. [Ord. 12-003 § 5, 2012; Ord. 1193 N.S. § 2, 1980; Ord. 720 N.S. § 8, 1972; Ord. 593 N.S., 1968; Ord. 210 N.S. § 11-133(1)(d), 1952].

23.24.051 Allowed site coverage.
Maximum site coverage on all sites is 60 percent. [Ord. 12-003 § 5, 2012].

23.24.060 Yards required.
(a) Front Yards. The minimum required front yard shall be 12 feet. Driveways shall not occupy more than 40 percent of the street frontage, and on a corner lot, the combined coverage on all frontages shall not exceed 25 percent of the total street frontage. Fifty percent of the front yard area shall be landscaped. Such areas shall not be surfaced, covered, enclosed or treated in such a manner as to make it impossible or impractical to establish and maintain landscaping and gardening thereon. The area must be rectangular or composed of a series of rectangles not less than 10 feet in width.

(b) Side Yards. Side yards shall be 10 percent of lot width with a minimum requirement of three feet and a maximum of 10 feet; provided, however, on corner lots, the side yard abutting the street shall be 20 percent of the width of the lot, but need not exceed 10 feet.

(c) Rear Yards. Rear yards, excluding allowable horizontal projections described in PGMC 23.64.150, shall have the following minimums:

(1) One-story building: five feet.

(2) Two-story building: eight feet.

(3) Three-story building: 10 feet.

(4) Where a rear yard fronts on a street, the minimum rear yard shall be 12 feet.

(d) Special Yards and Distances Between Buildings.

(1) Distance between any buildings, which shall be free from the encroachment of overhanging eaves, shall be a minimum of eight feet. For buildings of three stories, the minimum shall be increased to 10 feet and for buildings of four stories or more the minimums shall be increased to 12 feet.

(2) Side yards providing access to single-row dwelling group: minimum 12 feet.

(3) Inner court providing access to double-row dwelling group: minimum 20 feet.

(e) Open Yard. Open yard required shall be 200 square feet per unit for all construction of five units or more.

(f) Decks, Porches and Parking Spaces. Decks and open porches over three feet above grade may project or extend four feet over a required yard area, but not closer than three feet to the property line and no closer to other buildings than the minimums set forth in subsection (d) of this section. Parking spaces in excess of the required space for each family unit may project into the rear yard area set forth in subsection (c) of this section. [Ord. 720 N.S. § 6, 1972; Ord. 593 N.S., 1968; Ord. 532 N.S. § 6, 1966; Ord. 478 N.S., 1964; Ord. 382 N.S., 1962; Ord. 210 N.S. § 11-133(1)(e), 1952].

23.24.070 Garbage areas.
Where there are three or more units, garbage areas for holding of garbage or refuse shall be constructed with a concrete floor and curb. The area shall be enclosed by a view-obscuring wall or fence designed in

harmony with the building design. The enclosure shall be not less than five feet in height and equipped with a self-closing gate or door. Trash area shall have access to a driveway or public way. [Ord. 720 N.S. § 14, 1972].

Chapter 23.26

R-3-P.G.R. DISTRICT[1]

Sections:
23.26.010 Generally.
23.26.020 Permitted uses.
23.26.030 Building site area required.
23.26.040 Building height limit.
23.26.050 Allowed building coverage.
23.26.051 Allowed site coverage.
23.26.060 Allowed gross floor area.
23.26.070 Yard requirements.
23.26.080 Garbage/recycling areas.
23.26.090 Off-street parking.

23.26.010 Generally.

The regulations in this chapter shall apply in the R-3-P.G.R. district and shall be subject to the provisions of Chapter 23.64 PGMC unless the provisions of this chapter are in conflict with said Chapter 23.64 PGMC, in which event the provisions of this chapter shall prevail. [Ord. 98-05 § 1, 1998].

23.26.020 Permitted uses.

(a) All of the uses permitted and prescribed for the R-3 district at PGMC 23.24.020 shall apply in the R-3-P.G.R. district.

(b) In addition, bed and breakfast inns are permitted, subject to first securing a use permit.

The city council shall have the authority to set forth, by resolution, standards for bed and breakfast inns including, but not necessarily limited to: the number of visitors who may be accommodated; the amount and the type of signing to be provided; the length of permissible stay; the type of cooking and dining facilities to be provided; the amount of parking to be provided; and any similar standard necessary to protect the neighborhood from unreasonable changes in character. Provided however, that in no case shall the number of rooms be less than eight, excluding the primary residence of the owner or manager. The setting of such standards shall in no way limit the authority or the ability of the planning commission to impose such conditions as may be deemed appropriate upon any use permit granted for bed and breakfast use. [Ord. 98-05 § 1, 1998].

23.26.030 Building site area required.

(a) Except as provided in subsections (b) and (c) of this section, building site area shall be as set out in PGMC 23.24.040.

(b) The minimum land area for each unit other than bed and breakfast units shall be 2,200 square feet.

(c) Any parcel which has the following characteristics shall constitute a separate building site for future building purposes:

(1) It has, prior to March 15, 1986, been designated on the assessor’s map as a separate parcel.

(2) It has at least 1,800 square feet, but not more than 3,600 square feet, and is not part of a larger building site.

(3) It has been unimproved with any building or structure for a minimum of five years immediately preceding March 15, 1986.

(4) It has access to a public street.

(5) Its transfer will not create additional aspects of nonconformity to this title.

(d) Development of parcels qualifying as building site pursuant to subsection (c) of this section shall, at a minimum, be subject to the following:

(1) A use permit shall be first secured in each case.

(2) Architectural review board approval shall be required.

(3) Any construction shall conform to the requirements with respect to separate parcels in the R-3-P.G.R. district; however, in considering a use permit application the planning commission is authorized to prescribe requirements other than those prescribed by PGMC 23.26.670 where it finds that the qualification of PGMC 23.72.090 apply to the land, building or use. [Ord. 98-05 § 1, 1998].

23.26.040 Building height limit.
The maximum height of main buildings shall be 30 feet; provided, the maximum height of the top plate shall be no more than 24 feet. [Ord. 00-18 § 7, 2000; Ord. 98-05 § 1, 1998].

23.26.050 Allowed building coverage.
Maximum building coverage on all sites is 50 percent. [Ord. 12-003 § 6, 2012; Ord. 98-05 § 1, 1998].

23.26.051 Allowed site coverage.
Maximum site coverage on all sites is 60 percent. [Ord. 12-003 § 6, 2012].

23.26.060 Allowed gross floor area.
Maximum gross floor area is as follows:

Table 23.26.060 – Maximum Gross Floor Area*

Lot Size	Floor Area
1,000	833
1,100	917
1,200	1,000
1,300	1,083
1,400	1,167
1,500	1,250
1,600	1,333
1,700	1,417
1,800	1,500
1,900	1,556
2,000	1,611
2,100	1,667
2,200	1,722
2,300	1,778
2,400	1,833
2,500	1,889

Lot Size	Floor Area
2,600	1,944
2,700	2,000
2,800	2,044
2,900	2,089
3,000	2,133
3,100	2,178
3,200	2,222
3,300	2,267
3,400	2,311
3,500	2,356
3,600	2,400
3,700	2,433
3,800	2,467
3,900	2,500
4,000	2,533
4,100	2,567
4,200	2,600
4,300	2,633
4,400	2,667
4,500	2,700
4,600	2,733
4,700	2,767
4,800	2,800
4,900	2,833
5,000	2,867
5,100	2,900
5,200	2,933
5,300	2,967
5,400	3,000
5,500	3,017
5,600	3,033
5,700	3,050
5,800	3,066
5,900	3,083

Lot Size	Floor Area
6,000	3,099
6,100	3,116
6,200	3,132
6,300	3,149
6,400	3,165
6,500	3,182
6,600	3,198
6,700	3,215
6,800	3,231
6,900	3,248
7,000	3,264
7,100	3,281
7,200	3,297
7,300	3,314
7,400	3,330
7,500	3,347
7,600	3,363
7,700	3,380
7,800	3,396
7,900	3,413
8,000	3,429
8,100	3,446
8,200	3,462
8,300	3,479
8,400	3,495
8,500	3,512
8,600	3,528
8,700	3,545
8,800	3,561
8,900	3,578
9,000	3,594
10,000	3,759
11,000	3,924
12,000	4,089

Lot Size	Floor Area
13,000	4,254
14,000	4,419
15,000	4,584
16,000	4,749
17,000	4,914
18,000	5,079
19,000	5,244
20,000	5,409
21,000	5,574
22,000	5,739
23,000	5,904
24,000	6,069
25,000	6,234
26,000	6,399
27,000	6,564
28,000	6,729

* Note: For every 1,000 square feet above 28,000, add 165 square feet of floor area.
[Ord. 12-003 § 6, 2012; Ord. 98-05 § 1, 1998].

23.26.070 Yard requirements.

(a) The minimum front yard shall be eight feet; however, to encourage architectural variety in footprint and massing, the front yard may be reduced to no less than four feet for up to 50 percent of the front of the building.

(b) The minimum side yards shall be 10 percent of lot width, and 20 percent of lot width for side yards abutting the street on corner lots; provided, that the minimum allowable side yard shall be three feet, and the maximum required side yard shall be 10 feet.

Exception: With a use permit, the total of side yards may be 20 percent of lot width with a minimum three feet required on each side, maximum required on either side 10 feet.

(c) Rear yards shall have the following minimums:

(1) One story building: five feet.

(2) Two story building: eight feet.

(3) Three story building: 10 feet.

(4) Where a rear yard abuts a street: 12 feet.

(d) Open Yard. Open yard required shall be 200 square feet per unit for all construction of five units or more.

(e) Decks and Porches. Decks and open porches over three feet above grade may project or extend four feet over a required yard area, but not closer than three feet to the property line. [Ord. 98-05 § 1, 1998].

23.26.080 Garbage/recycling areas.
Where there are three or more units, garbage/recycling areas for holding of garbage or recyclable materials shall be provided. The garbage/recycling area shall be enclosed by a view-obscuring wall or fence designed in harmony with the building design. The enclosure shall be not less than five feet in height and equipped with a self-closing gate or door. Garbage/recycling area shall have access to a driveway or public way. Placement and design of the garbage/recycling areas shall be approved by the public works director and the architectural review board prior to issuance of a building permit. Garbage/recycling areas shall be maintained in a sanitary condition, free of graffiti and in good repair. [Ord. 98-05 § 1, 1998].

23.26.090 Off-street parking.
Storage or parking space to be provided, and driveway requirements, shall be as follows:

(a) Single-family dwellings:

Lot Size	Off-Street Parking Required
To and including 2,700 square feet	None
Larger than 2,700 square feet	One covered and one uncovered*

* A driveway at least 20 feet in length may serve as a required uncovered space.

(b) Multifamily Units. One and one-half spaces/unit having less than two bedrooms; two spaces for all other units. Mechanical parking lifts may be used, and individual units may utilize tandem parking.

(c) The distance from a property line to the garage or carport opening shall be a minimum of 20 feet; provided, that a shorter driveway may be approved through the use permit process.

(d) Driveway width shall not exceed 40 percent of lot width; provided, that a greater width may be permitted subject to obtaining a use permit. [Ord. 21-008 § 3, 2021; Ord. 98-05 § 1, 1998].

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[1] Editor's Note: Prior ordinance history includes Ord. 1166 and part of Ord. 1331.

Chapter 23.28

R-4 DISTRICT

Sections:
23.28.010 Generally.
23.28.020 Uses permitted.
23.28.030 Building height limit – Site area – Lot coverage – Yards.

23.28.010 Generally.

The regulations found in this chapter shall apply in all R-4 districts and shall be subject to the provisions of Chapter 23.64 PGMC. [Ord. 20-016 § 3, 2020; Ord. 382 N.S., 1962; Ord. 210 N.S. § 11-133.1(1), 1952].

23.28.020 Uses permitted.

The following uses shall be permitted in the R-4 district:

(a) Single- or two-family dwellings;

(b) Second units as permitted by Chapter 23.80 PGMC;

(c) Low-barrier navigation centers;

(d) Transitional and supportive housing;

(e) Employee housing.

(f) Multiple dwellings, apartment houses;

(g) Rooming or boarding houses, subject to first securing a use permit;

(h) Dwelling groups;

(i) Professional uses allowed are: accountants, advertisers, appraisers, architects, assayers, attorneys, beauty shops, building designers, chiropractors, chiropodists, clinical laboratories, collection agencies, contractors (no warehousing of material), dental laboratories, detective agencies, dentists, geologists, insurance adjusters, interior decorator services (no display rooms, retail sales, and no warehousing of materials), insurance offices, land surveyors, medical doctors, medical laboratories, oculists, opticians, optometrists, osteopaths, physical therapists, podiatrists, private detectives, professional engineers, psychologists, real estate offices, secretary services and telephone answering services, subject to first securing a use permit;

(j) Community centers, social halls, lodges, clubs and rest homes, subject to first securing a use permit in each case;

(k) Accessory uses and buildings normally incidental to any of the above;

(l) Professional uses in other categories than described in subsection (f) of this section, which are found by the community development director to be similar in nature, as regards size, activity, and impact, as the professions listed in said subsection (f) of this section, subject to first securing a use permit in each case;

(m) Bed and breakfast inns, subject to first securing a use permit. Standards adopted by resolution of the council for bed and breakfast inn use in the R-3-P.G.R. district shall apply as well to that use in the R-4 district. The setting of such standards shall in no way limit the authority or ability of the planning commission to impose such conditions as may be deemed appropriate upon any use permit granted;

(n) Single-Room Occupancies (SROs), subject to first securing a use permit;

(o) State-licensed residential care facilities for seven or more persons, subject to first securing a use permit. [Ord. 20-016 § 3, 2020; Ord. 16-005 § 5, 2016; Ord. 03-08 §§ 6, 7, 2003; Ord. 1418 N.S. § 3, 1984; Ord. 1417 N.S., 1984; Ord. 1307 N.S. § 1, 1982; Ord. 936 N.S. § 1, 1977; Ord. 811 N.S., 1974; Ord. 795 N.S., 1974; Ord. 720 N.S. §§ 11, 12, 1972; Ord. 532 N.S. § 7, 1966; Ord. 506 N.S., 1965; Ord. 382 N.S., 1962; Ord. 210 N.S. § 11-133.1(1), 1952].

23.28.030 Building height limit – Site area – Lot coverage – Yards.
Regulations for building height limit, building site area required, percentage of lot coverage, and yards required shall be those regulations set forth in PGMC 23.24.030 through 23.24.070. [Ord. 382 N.S., 1962; Ord. 210 N.S. § 11-133.1(1)(b), 1952].

Chapter 23.31

COMMERCIAL AND INDUSTRIAL ZONING DISTRICTS

Sections:

23.31.010 Purpose.
23.31.020 Commercial and industrial zoning districts.
23.31.025 C-V-ATC zoning district – American Tin Cannery zoning.
23.31.030 Commercial and industrial zoning districts allowable land uses and permit requirements.
23.31.040 Commercial and industrial zoning districts development standards.

23.31.010 Purpose.

This chapter lists the commercial and industrial zoning districts as established by PGMC 23.12.010 and establishes the development standards and types of land uses permitted in each commercial and industrial zoning district. [Ord. 13-003 § 2, 2013].

23.31.020 Commercial and industrial zoning districts.

(a) Light Commercial (C-1). The C-1 zoning district provides for neighborhood scale and locally oriented retail, service, office uses, as well as residential uses.

(b) Light Commercial and Hotel (C-1-T). The C-1-T zoning district was enacted by citizen initiative, and the standards of the district are included in the applicable sections of this chapter without modification from the initiative.

(1) Intent of District. The intent of the C-1-T district as described by the initiative is as follows:

(A) It is the intent of the people of the city of Pacific Grove in enacting the ordinance codified in this chapter to establish a zone district in the city's downtown area where hotel use is permitted, as are all other uses listed in the C-1 district of this code, as said district may be from time to time amended by the council. The people have determined that the area of downtown defined by subsection (b)(2) of this section is appropriate for hotel development. Further, except as modified by this chapter, all provisions of the motel/hotel regulation ballot measure enacted by the people at the June 3, 1986, special municipal election, as set out at Chapter 23.52 PGMC, shall remain unchanged and in full force and effect.

(B) It is also the intent of the people of the city of Pacific Grove in enacting the ordinance codified in this chapter to provide for an exception to the strict regulations governing condominium development at Chapter 23.45 PGMC, said section enacted by the people at an election held in the city on November 2, 1982. The people have determined that the area of the downtown defined in subsection (b)(2) of this section is appropriate for condominium development in a manner less restrictive than defined by regulations set out in Chapter 23.45 PGMC. Further, except as modified by this chapter, the provisions of Chapter 23.45 PGMC shall remain unchanged and in full force and effect.

(2) Boundaries of District. The C-1-T district shall be that area defined by the block bounded by Lighthouse Avenue, Grand Avenue, Central Avenue and Fountain Avenue.

(3) Amendment. No provision of the C-1-T zoning district shall be repealed or amended except by a vote of the people.

(c) Downtown Commercial (C-D). The C-D zoning district is intended to provide for a range of uses including retail, restaurants, services, entertainment, and upper floor residential, and other compatible uses which enhance the vitality and character of the city's historic commercial core.

(d) Forest Hill Commercial (C-FH). The C-FH zoning district serves as an entrance to the city, offering a variety of commercial and service uses, as well as residential uses, while respecting nearby residential uses.

(e) Heavy Commercial (C-2). The C-2 zoning district is applied to areas of the city that are appropriate for limited residential uses, service commercial and light manufacturing uses, which may involve outdoor storage or activity areas.

(f) Visitor Commercial (C-V). The C-V zoning district is applied to areas of the city appropriate for retail sales, commercial services, and institutional uses oriented to tourism.

(g) Restricted Industrial (I). The I zoning district is applied to areas of the city that are appropriate for limited commercial uses, service commercial and light manufacturing uses, which may involve outdoor storage or activity areas. [Ord. 13-003 § 2, 2013].

23.31.025 C-V-ATC zoning district – American Tin Cannery zoning.

(a) Boundaries of District. The C-V-ATC zoning district shall apply to the American Tin Cannery site that is comprised of Assessor's Parcel Numbers 006-231-001, 006-234-004, and 006-234-005 and that segment of Sloat Avenue that is continuous to the American Tin Cannery site.

(b) Uses Permitted. Notwithstanding any other provision of the Pacific Grove Municipal Code, the following uses shall be permitted in the C-V-ATC zoning district:

(1) Hotels and any accessory uses, such as restaurants, bars and lounges, meeting and event facilities, spa and fitness facilities, parking, and buildings, spaces, and structures incidental to such uses, subject to first securing a use permit.

(2) All uses that are permitted in the C-V zoning district and additional uses permitted by subsequent amendment to the zoning ordinance.

(c) Development Standards. Development standards in the C-V-ATC zoning district, including floor area coverage, density, setbacks and height limits shall be in accordance with the applicable standards set forth in the local Coastal Program Land Use Plan, as updated or amended, or if no such standards are provided in the local coastal Program Land Use Plan, as updated or amended, in accordance with the standards set forth in the use permit or other required permit for a use allowed in the C-V-ATC zoning district.

(d) Except as modified by this section, all provisions of the motel/hotel regulation ballot measure enacted by the people at the June 3, 1986, special election, as set out at Chapter 23.52 PGMC, shall remain unchanged and in full force and effect. [Ord. 16-009A § 1, 2016].

23.31.030 Commercial and industrial zoning districts allowable land uses and permit requirements.

Key to Zoning District Symbols					
C-1	Light Commercial	**C-FH**	Forest Hill Commercial	**I**	Restricted Industrial
C-1-T	Light Commercial and Hotel	**C-2**	Heavy Commercial		
C-D	Downtown Commercial	**C-V**	Visitor Commercial		
P = Permitted use; counter review and determination required (see PGMC 23.70.020)				**UP** = Use permit required (see PGMC 23.70.080)	
AUP = Administrative use permit required (see PGMC 23.70.030)				-- = Use not allowed	

Table 23.31.030 Commercial and Industrial Zoning Districts Allowable Land Uses and Permit Requirements

Use	Specific Use Regulations (PGMC)	C-1[1]	C-1-T[1]	C-D[1]	C-FH[1]	C-2	C-V[1]	I
Industry, Manufacturing and Processing								
Contract construction – no outdoor storage		P[2]	P[2]	--	P[2]	P[3,4]	P[2]	P[3]
Contract construction – outdoor storage		--	--	--	--	P[3,4]	UP	UP
Construction, large-scale equipment sales and rental		--	--	--	--	P[3,4]	UP	UP
Industrial, light		UP	UP	--	UP	AUP[3,4]	UP	AUP[3,4]
Recycling facility		UP	UP	--	UP	UP	UP	UP
Research and development facility		AUP[2]	AUP[2]	AUP[2]	AUP[2]	AUP[3]	AUP[2]	AUP[3]
Storage – self-storage facility		--	--	--	--	AUP[3]	AUP[2]	AUP[3]
Warehousing, wholesaling and distribution		--	--	--	--	P[3]	P[2]	P[3]
Recreation, Education and Public Assembly								
Commercial recreation facility – indoor (≤ 10,000 sf)	7.08, 7.12, 23.64.035	P[2]	P[2]	P[2]	P[2]	P[3]	P[2]	P[3]
Commercial recreation facility – outdoor		AUP[2]	AUP[2]	--	--	AUP[3]	AUP[2]	AUP[3]
Community garden		AUP[5]	AUP[5]	AUP[5]	AUP[5]	AUP[5]	AUP[5]	--
Health/fitness studio (≤ 10,000 sf)		P[2]	P[2]	P[2]	P[2]	P[3]	P[2]	P[3]
Meeting facility, public or private (≤ 10,000 sf)		P[2]	P[2]	P[2]	P[2]	P[3]	P	P[3]
Park, playground (public)		P[2]	P[2]	P[2]	P[2]	P[3]	P[2]	P[3]
Public or quasi-public facility (≤ 10,000 sf)		P[2]	P[2]	P[2]	P[2]	P[3]	P[2]	P[3]
School, specialty (≤ 10,000 sf)		P[2]	P[2]	P[2]	P[2]	P[3]	P[2]	--
Theater or auditorium (≤ 10,000 sf)		P[2]	P[2]	P[2]	P[2]	P[3]	P[2]	P[3]
Residential								

Use	Specific Use Regulations (PGMC)	C-1[1]	C-1-T[1]	C-D[1]	C-FH[1]	C-2	C-V[1]	I
Accessory building or structure		P	P	P	P	P	--	UP
Condominium		UP	UP[6]	UP	UP	UP	--	UP
Duplex		P	P	P	P	P	--	UP
Dwelling group		UP	UP	UP	UP	UP	--	UP
Emergency shelters[9]		--	--	P	P	P	--	P[9]
Employee housing for 6 or fewer persons[12]		P	P	P	P	P		UP
Home business	23.16	P	P	P	P	P	--	UP
Large family day care home		UP	UP	UP	UP	UP	--	--
Low barrier navigation centers				P[9]	P[9]	P[9]	--	P[9]
Mixed-use (residential above or behind commercial)		P[2]	P[2]	P[2]	P[2]	P[3]	--	--
Mobile home park		--	--	--	--	UP	--	UP
Multifamily dwelling								
7 or fewer units	23.28.020	P	P	P	P	P	--	UP
8 or more units	23.28.020	P	UP	P	P	UP	--	UP
Residential care								
Housing 6 or fewer persons		P [10]	P [10]	P [10]	P [10]	P [10]	--[10]	UP[10]
Housing 7 or more persons		UP	UP	UP	UP	UP	--	UP
Rooming and boarding house[14]		UP	UP	UP	UP	UP	--	UP
Second unit	23.80	P	P	P	P	P	--	UP
Single-family dwelling		P	P	P	P	P	--	UP
Single-Room Occupancy		P	P	P	P	P	--	UP
Transitional or supportive housing		P	P	P	P[11]	P[11]	--	UP[11]
Retail Sales								
Automobile/vehicle sales and rental		AUP[2]	AUP[2]	AUP[2]	AUP[2]	AUP[3]	AUP[2]	AUP[3]
Automobile/vehicle service station		AUP[2]	AUP[2]	--	AUP[2]	AUP[3]	AUP[2]	AUP[3]
Bar/tavern/nightclub		--	--	--	--	--	--	--

Use	Specific Use Regulations (PGMC)	C-1[1]	C-1-T[1]	C-D[1]	C-FH[1]	C-2	C-V[1]	I
Brew pub with food service	23.64.290	AUP[2]	AUP[2]	AUP[2]	AUP[2]	AUP[3]	AUP[2]	--
Farmers market		UP	UP	UP	UP	UP	UP	--
Flea market		UP	UP	UP	UP	UP	UP	--
Micro-brewery	23.64.290	--	--	--	UP	UP	UP	UP
Pub or sports bar with food service	23.64.290	AUP[2]	AUP[2]	AUP[2]	AUP[2]	AUP[3]	AUP[2]	--
Restaurant, general and formula general								
w/ no alcohol sales	23.64.134	P[2]	P[2]	P[2]	P[2]	P[3]	P[2]	--
w/ alcohol sales	23.64.134, 23.64.290	AUP[2]	AUP[2]	AUP[2]	AUP[2]	AUP[3]	AUP[2]	--
Restaurant, specialty (not formula)								
w/ no alcohol sales	23.64.134; if formula, see also 23.64.115	P[2]	P[2]	P[2]	P[2]	P[3]	P[2]	--
w/ beer and wine sales only	23.64.134, 23.64.290; if formula, see also 23.64.115	AUP[2]	AUP[2]	AUP[2]	AUP[2]	AUP[3]	AUP[2]	--
Restaurant, fast food (not formula) – w/ no alcohol sales	23.64.134; if formula, see also 23.64.115	AUP[2]	AUP[2]	AUP[2]	AUP[2]	AUP[3]	AUP[2]	--
Restaurant, drive-in/drive-through (not formula) – w/ no alcohol sales	23.64.134; if formula, see also 23.64.115	--	--	--	UP	--	--	--
Retail – general, except the following:		P[2]	P[2]	P[2]	P[2]	P[3]	P[2]	UP
Adult-oriented sales		UP[7]	UP[7]	--	UP[7]	--	--	--
Alcoholic beverage sales		UP	UP	UP	UP	UP	AUP[2]	--
Auction houses		P	--	--	P	P	P	P
Automobile rental		P	--	--	P	P	P	P
Bail bonds		P	--	--	P	P	P	P
Blood, plasma, tissue donation		P	--	--	P	P	P	P
Body piercing/tattoo parlor		P	--	--	P	P	P	P
Check cashing stores		--	--	--	P	P	P	P

Use	Specific Use Regulations (PGMC)	C-1[1]	C-1-T[1]	C-D[1]	C-FH[1]	C-2	C-V[1]	I
Dollar/99 cent stores		--	--	--	P	P	P	P
Electric cigarette/e-vapor		P	--	--	P	P	P	P
Gold and silver exchange stores		P	--	--	P	P	P	P
Kennels or pet boarding**		P	--	--	P	P	P	P
Pawn shops		P	--	--	P	P	P	P
Recreational vehicle sales		P	--	--	P	P	P	P
Meeting halls or places of assembly		P	--	--	P	P	P	P
Tire sales and repair		P	--	--	P	P	P	P
Businesses from which minors excluded by law or owner		UP	UP	UP	UP	UP	UP	--
Floor area over 10,000 sf		AUP[2]	AUP[2]	AUP[2]	AUP[2]	AUP[3]	AUP[2]	AUP[3]
Operating between 12:00 a.m. and 7:00 a.m.		UP	UP	UP	UP	UP	UP	UP
Outdoor storage or displays		AUP	AUP	AUP	AUP	AUP[1]	AUP	AUP[1]
Retail – restricted		UP	UP	--	UP	UP	UP	UP
Wine bar	23.64.290	AUP[2]	AUP[2]	AUP[2]	AUP[2]	AUP[3]	AUP[2]	AUP[3]
Wine tasting room	23.64.290	AUP[2]	AUP[2]	AUP[2]	AUP[2]	AUP[3]	AUP[2]	AUP[3]
Services								
Animal keeping/training facilities or veterinary service		AUP[2]	AUP[2]	AUP[2]	AUP[2]	AUP[3]	AUP[2]	AUP[3]
Automobile/vehicle repair		AUP[2]	AUP[2]	AUP[2]	AUP[2]	AUP[3]	AUP[2]	AUP[3]
Bank or financial service, except the following:		P[2]	P[2]	P[2]	P[2]	P[3]	P[2]	P[3]
Floor area over 10,000 sf at street level		AUP[2]	AUP[2]	AUP[2]	AUP[2]	AUP[3]	AUP[2]	AUP[3]
w/ drive-through		UP	UP	--	UP	UP	UP	UP
Business support service		P[2]	P[2]	P[2]	P[2]	P[3]	P[2]	P[3]
Car wash and detailing		AUP[2]	AUP[2]	--	AUP[2]	AUP[3]	AUP[2]	AUP[3]

Use	Specific Use Regulations (PGMC)	C-1[1]	C-1-T[1]	C-D[1]	C-FH[1]	C-2	C-V[1]	I
Catering and events	23.64.290	AUP[2]	AUP[2]	AUP[2]	AUP[2]	UP	UP	UP
Equipment/appliance rental and repair		AUP[2]	AUP[2]	AUP[2]	AUP[2]	AUP[3]	AUP[2]	AUP[3]
Laundry or dry cleaning service		AUP[2]	AUP[2]	AUP[2]	AUP[2]	AUP[3]	AUP[2]	AUP[3]
Lodging								
Bed and breakfast inn –w/ beer and wine sales only	23.64.290	AUP[2]	AUP[2]	AUP[2]	AUP[2]	AUP[3]	AUP[2]	AUP[3]
Hotel or motel	23.64.290	--	UP[8]	--	--	--	--	--
Medical service								
Ambulance service		UP	UP	--	UP	UP	UP	UP
Clinic or lab		P[2]	P[2]	P[2]	P[2]	P[3]	P[2]	P[3]
Medical office		P[2]	P[2]	P[2]	P[2]	P[3]	P[2]	P[3]
Hospital		UP	UP	--	--	UP	UP	UP
Mortuary or funeral home		UP	UP	--	UP	UP	UP	UP
Office, business or professional		P[2]	P[2]	P[2]	P[2]	P[3]	UP	UP
Personal service	7.06	P[2]	P[2]	P[2]	P[2]	P[3]	P[2]	UP
Personal service – restricted		UP	UP	UP	UP	UP	UP	UP
Printing or creative service		P[2]	P[2]	P[2]	P[2]	P[3]	P[2]	P[3]
Transportation and Infrastructure								
Parking facility		UP	UP	UP	UP	UP	UP	UP
Public utility		UP	UP	UP	UP	UP	UP	UP
Radio or television station		UP	UP	UP	UP	UP	UP	UP
Taxi service	7.16	UP	UP	UP	UP	UP	UP	UP
Transit center		UP	UP	UP	UP	UP	UP	UP
Wireless telecommunication facility		UP	UP	UP	UP	UP	UP	UP
Temporary wireless telecommunications facility		CRD	CRD	CRD	CRD	CRD	CRD	CRD
Wireless eligible facilities request		AUP	AUP	AUP	AUP	AUP	AUP	AUP

End Notes:

1. No merchandise, tools, machinery, equipment, or materials shall be stored or displayed outside of a building, except as specifically permitted for retail uses under an administrative use permit. Temporary administrative use permits, good for not over 30 days, may be granted, pursuant to PGMC 23.70.030(b)(7), for temporary outdoor sales events of new merchandise by merchants holding use permits or otherwise qualified to operate within the applicable district; provided, that such outdoor sales are operated in conjunction with their established retail operations, and for Christmas tree sales, or other sales on private property, connected with festivals or holidays.

2. The permit type specified in this table applies to any new or enlarged commercial use which totals 10,000 square feet or less of interior floor space. An administrative use permit is required for any new or enlarged commercial use which results in either the use of more than one structure on a building site or a total of more than 10,000 square feet of interior floor space. A use permit is required where any new or enlarged commercial use exceeds 25,000 square feet in interior floor space.

3. A use permit is required for any new building or addition which adds more than 25,000 square feet of interior floor space or which results in a building having more than 40 feet in height.

4. Such uses may be granted subject to a use permit, when conducted within a building or enclosed by a fence, subject to architectural approval by the appropriate review authority for design and landscaping pursuant to Chapter 23.70 PGMC; and provided, that said fence and landscaping shall be of sufficient height and screening capacity to prevent the view thereof from any adjacent street or sidewalk.

5. Community gardens on vacant lots may be permitted by administrative use permit, pursuant to PGMC 23.70.030(b)(7), and shall be reviewable every six months and subject to such conditions as the administrative use permit may prescribe. The application shall be accompanied by a written agreement by the owner to grant the city a lien for any cost incurred by the city in restoring such property to its condition prior to such use, in the event the owner fails to make such restoration after such use ceases.

6. Condominium use shall be allowed, subject to first securing a use permit in each case, and subject to the building height, site coverage, and yard requirements of this chapter. The provisions of Chapter 23.45 PGMC shall not apply to development of condominiums in the C-1-T district. The council shall, by ordinance, establish standards, conditions and other regulations to govern the development of condominiums in the C-1-T district. Until and unless such standards, conditions and other regulations are in place, no application for such development shall be accepted or processed. Such standards, conditions and regulations established by the council shall be in addition to and harmonious with state law governing condominium development. See also PGMC 23.31.020(b)(1)(B).

7. Adult-oriented sales may comprise no more than 25 percent of floor area or stock-in-trade of a general retail business, must be located in the rear of the general retail business, and must not be visible from the exterior of the general retail business.

8. Hotel uses shall be allowed, subject to first securing a use permit in each case, and subject to the building height, site coverage, and yard requirements of this chapter. All other regulations and conditions of approval shall be as provided by use permit approved pursuant to this title. Said regulations and conditions shall include, without limitation, provisions for architectural review, land area per unit, neighborhood compatibility, landscaping, parking, traffic and accessory buildings. Required parking, if any, may be located on or off site, the location to be designated by the use permit. See also PGMC 23.31.020(b)(1)(A).

9. Outside the coastal zone only. In addition to the requirements of PGMC 23.31.040, emergency shelters shall be subject to the following standards:

a. Maximum of 25 beds.

b. Off-street parking shall be provided at a rate of one space per each staff person on duty.

c. On-site management shall be provided at all times the shelter is open. A management and security plan shall be prepared in consultation with the city manager or his or her designee which shall describe hours of operation; staffing; house rules and occupant screening procedures; on- or off-site services to be provided; security measures to ensure the safety of the occupants of the shelter and surrounding areas; and communications protocols to ensure effective coordination between shelter management, adjacent property owners and residents, and public safety personnel.

d. No emergency shelter shall be established closer than 300 feet from another emergency shelter, measured from the nearest property line.

e. Waiting and intake areas shall be screened from view from the public right-of-way.

10. Permitted subject to the same standards as apply to other residential dwellings of the same type in the same zone.

11. Transitional and supportive housing developments shall be subject to the parking requirements of PGMC 23.64.190, with the exception of developments located within a one-half (0.5) mile distance of a transit stop where no off-street parking shall be required.

12. Rooming houses or boarding houses accommodating employee housing shall be subject to Employee Housing Act. See permitted uses and standards under employee housing.

**When not associated with a veterinary clinic.

[Ord. 20-001 § 2 (Exh. A), 2020; Ord. 16-005 § 6, 2016; Ord. 15-013 § 4, 2015; Ord. 13-003 § 2, 2013].

23.31.040 Commercial and industrial zoning districts development standards.

Table 23.31.040 Commercial and Industrial Zoning Districts Development Standards

	C-1[7]	C-1-T	C-D[7]	C-FH[1,7]	C-2[7]	C-V	I
Building Placement Requirements							
Setbacks[1,2,3,4]							
Front, min. (max.)[6]	0’	0'	0'	0' (20')	0'	0'	0'
Side (min.), except:	0’	0'	0'	0'	0'	0'	0'
Residential/ Mixed-use	10’	0’	5’	10'	0’	0’	0’
Adjacent to residential zone	5’	5'	5'	5'	5'	10'	10'
Rear (min.), except:	0’	0'	0'	10'	0'	0'	0'
Adjacent to residential zone	5’	5'	5'	10'	5'	10'	10'
Building Form Requirements							
Building height (max.)[4]	45’	40' with max. site coverage of 75%; 30' with max. site coverage of 90%	40'	35'	40'	40' with max. site coverage of 75%; 30' with max. site coverage of 90%	40'
Site coverage (max.)	90%	75 – 90%, depending on building height	100%	75%	90%	75 – 90%, depending on building height	90%
Stepbacks for portion of building above 25 feet							
Front, min	8’[5]	0’	0’	8’	0’	--	--
Side, min	0’	0’	0’	0’	0’	--	--
Rear, min[6]	30’	0’	10’	30’	0’	--	--
Density Requirements							
Dwelling units per net acre	Max. 30 units per acre. For Coastal Zones – Max. allowed by the general plan residential land use category nearest to the site, up to 30 units per net acre.	Max. allowed by the general plan residential land use category nearest to the site, up to 30 units per net acre.	Max. of 45 units per acre; with a minimum density requirement of 30 units per acre.	Max. of 45 units per acre; with a minimum density requirement of 30 units per acre.	Max. 30 units per acre. For Coastal Zones – Max. allowed by the general plan residential land use category nearest to the site, up to 30 units per net acre.	N/A	Max. allowed by the GP residential land use category nearest to the site, up to 30 units per net acre.[6]
Floor area ratio		Max. allowed by the general plan					
Lot Requirements							

Lot area for new parcels (min.)		2,000 sf
Other Requirements		
Landscaping		See PGMC 23.64.195
Parking		See PGMC 23.64.190
Signs		For C-D district see Chapter 20.05 PGMC. For all other districts see Chapter 20.04 PGMC

End Notes:

1. For mixed-use residential/commercial development where residential ground-floor street frontage is allowed and constructed, the setback standards in PGMC 23.31.50 shall apply.

2. Cornices, eaves, and other horizontal projections may be allowed, consistent with PGMC 23.64.150 and 23.64.160.

3. Along Central, Lighthouse, and Forest Avenues, commercial ground-floor street frontage standards in PGMC 23.31.050 also apply.

4. Chimneys and other vertical projections may be allowed, consistent with PGMC 23.64.120.

5. In C-1 and C-FH districts, front stepbacks requirements shall not apply for up to 30 feet of a building's width.

6. Rear stepback requirements shall not apply within 70 feet of front property line, while rear setback requirements shall continue to apply.

7. Pursuant to Government Code Section 65583.2(h)(2) for mixed-use development projects on sites within C-1, C-2, C-D and C-FH districts, identified in the 6th Cycle Housing Element Site Inventory for lower-income households, a minimum of 50 percent of the total floor area shall be residential.

The 6th Cycle Housing Element can be found on the City's website:
https://www.cityofpacificgrove.gov/our_city/departments/community_development/housing/housing_element.php

Sites within the C-1, C-2, C-FH and C-D that are identified for lower-income housing units include the following:

Site No.	Address	APN(s)
8	601 Lighthouse Ave.	006294017000, 006294015000
9	525, 531 Lighthouse Ave.	006284015000, 006284001000, 006284002000
18	95 Central Ave.	6238005000
20	2749 Forest Hill Blvd.	007651013000, 007651017000
21	1146, 1152 Forest Ave.	7651022000, 7651014000
22	1125, 1129, 1133, 1137 Forest Ave.	006713031000, 006713032000, 006713027000, 006713026000
26	1157 Forest Ave.	6713023000
27	1193 Forest Ave.	6713019000
29	1124, 1140 Forest Ave.	7641009000, 7641008000
30	1160 Forest Ave.	7651019000
31	1180 Forest Ave.	7611031000
33	1219 Forest Ave.	6725023000
48	2184 Sunset Dr.	7091025000
49	17 Mile Dr.	7091026000
55	801 Sunset Dr.	7101036000

[Ord. 17-009 § 3, 2017; Ord. 13-003 § 2, 2013].

Chapter 23.52

R-3-M DISTRICTS

Sections:
23.52.010 Regulations generally.
23.52.020 Uses permitted.
23.52.030 Regulations for R-3-M uses.
23.52.035 Special regulations for motels and hotels built prior to 1986.
23.52.040 Statement of intent.
23.52.050 Other provisions.
23.52.060 Amendment.

23.52.010 Regulations generally.

Effective the date of the adoption of the ordinance codified in this section by the city council or by the voters of the city of Pacific Grove, the regulations of the ordinance codified in this section shall apply in the R-3-M district in lieu of any ordinance or resolution to the contrary:

(a) The R-3-M district is defined as those areas so designated on the official zoning map of the city of Pacific Grove referred to in PGMC 23.12.020. Said districts may be classified by the city council to R-1, R -H, or R-2, where already developed as such, but no new R-3-M districts shall be created.

(b) Motel and hotel uses shall be restricted to the R-3-M district, including any uses accessory or ancillary to a motel. The ordinance codified in this section shall also apply to any use described in PGMC 23.52.020 proposed for the construction or expansion in any R-3-M district, including uses accessory or ancillary to such use. [Ord. 1536 N.S. § 2, 1986].

23.52.020 Uses permitted.

The following uses are permitted in the R-3-M districts:

(a) Any use permitted in the R-3 district, subject to obtaining a use permit for any use for which such is required in an R-3 district;

(b) Motels, subject to first securing a use permit in each case;

(c) Hotels, subject to first securing a use permit in each case;

(d) Adult communities, retirement homes and rest homes, subject to first securing a use permit in each case. [Ord. 575 N.S., 1967; Ord. 453 N.S., 1964; Ord. 263 N.S., 1955; Ord. 210 N.S. § 11-139(1)(a), 1952].

23.52.030 Regulations for R-3-M uses.

(a) A minimum of 2,500 square feet of land shall be required for each family unit and each motel or hotel unit. For other uses described in PGMC 23.52.020(d), the planning commission and/or city council shall determine the amount of land area per occupied unit by judging its similarity to a family unit or motel unit in actual use and impact. For example, a rest home affording separate apartments and parking facilities would be judged a family unit; a hotel which offers amenities identical or substantially similar to a motel would be judged a motel. In no event shall less than 2,000 square feet per occupied unit be allowed, for any PGMC 23.52.020(d) use.

(b) A minimum setback of 20 feet shall be required for all structures in a R-3-M development which abut R -1, R-H, or R-2 property, including streets abutting same. The setback shall be 10 feet for commercial or R-3-M. Eave projections may extend up to three feet into any required yard, but in no case may be closer than three feet to any property line.

(c) The height of the structures shall not exceed 25 feet nor two stories above grade. The height shall be one story above grade and not more than 18 feet where the R-3-M property, or any portion thereof, is within 200 feet of any portion of any property zoned R-1, R-H, or R-2.

(d) The architectural review board, the planning commission and/or the city council shall require the configuration and layout of structures so as to assure that residential areas are not impacted by guest activities such as registration, parking, food and beverage services. Said bodies shall require a design which blends with the residential neighborhood and minimizes the nonresidential impact and use. Appropriate landscaping shall be required throughout the site. Setback areas shall be landscaped and shall not be used for automobile parking, or storage of any kind. Access to the site, where feasible, shall be from a street and/or driveway which does not abut said residential areas.

(e) Wood-burning fireplaces and wood-burning heaters shall be limited to the rate of six per acre, and any additional fireplaces shall be limited to natural gas fireplace inserts.

(f) Any use permit for new construction or other activity resulting in an increase in the number of units or the amount of floor space shall expire one year from its issuance unless construction of the project for which the permit was issued is substantially complete.

(g) Uses which do not conform hereto as of the date of publication of the notice of intention to circulate the petition for the ordinance codified in this section may continue if legally installed prior thereto. Any expansion or alteration of such existing nonconforming use shall require complete compliance herewith for the entire use. The conversion of sliding doors to swinging doors, and similar changes, are not considered an expansion or alteration.

(h) Variances and/or exceptions hereto shall not be granted, except upon strict compliance with state and local law governing such. No variance or exception shall be granted on the basis of failure of opposition thereto.

(i) Any R-3-M district property shall be deemed to be upon a street which abuts or abutting to R-1, R-H, or R-2 property, whenever any part of the R-3-M property is within 20 feet of the abutting street or the R-1, R -H or R-2 property. [Amended by vote of the people on November 8, 2011, general election; Res. 11-061 § 4, 2011; Res. 11-060 § 4.1, 2011; Ord. 1536 N.S. § 3, 1986].

23.52.035 Special regulations for motels and hotels built prior to 1986.
This section modifies the development standards in PGMC 23.52.030 for R-3-M motels and hotels built prior to the adoption of Ordinance No. 1536, in order to enable and encourage hoteliers to upgrade and modernize their businesses to stay competitive. Where this section differs from PGMC 23.52.030, the provisions of this section shall take precedence. Where this section is silent on a provision that is in PGMC 23.52.030, the provision in PGMC 23.52.030 shall apply.

(a) Motels and hotels built prior to 1986 are categorized into groups and are allowed additional guest units over the number of permitted guest units, as of the effective date of this section, as follows:

New Guest Units Allowed for Motels and Hotels Built Prior to 1986

Address	Permitted Guest Units as of Effective Date of This Section	Additional Guest Units Allowed over Permitted Guest Units in Column to Left
Group A[1]		
569 Asilomar Avenue	16	3
1095 Lighthouse Avenue	10	2
800 Asilomar Avenue	54	11
221 Asilomar Avenue	18	1

Address	Permitted Guest Units as of Effective Date of This Section	Additional Guest Units Allowed over Permitted Guest Units in Column to Left
1073 Lighthouse Avenue	27	5
701 – 709 Asilomar Avenue	28	6
775 Asilomar Avenue	18	4
1100 Lighthouse Avenue	38	8
1101 Lighthouse Avenue	33	7
Group B[2]		
1111 Lighthouse Avenue	49	10
740 – 750 Crocker Avenue	49	3
650 Dennett Street	31	6
1150 Lighthouse Avenue	66	6
1140 Lighthouse Avenue	37	3
133 Asilomar Avenue	19	4
Group C[3]		
635 Ocean View Boulevard	60	0
625 Ocean View Boulevard	52	0
1038 Lighthouse Avenue	24	0

[1] Group A – Motels and hotels where the number of permitted guest units, as of the effective date of this section, is less than 170 percent of the 1:2,500 density ratio in PGMC 23.52.030(a). Motels and hotels in Group A may construct additional guest units or ancillary facilities by conversion of existing buildings or by new construction.
[2] Group B – Motels and hotels where the number of permitted guest units, as of the effective date of this section, is greater than 170 percent, but less than 250 percent, of the 1:2,500 density ratio in PGMC 23.52.030(a). Motels and hotels in Group B may construct additional guest units or ancillary facilities by conversion of existing buildings only.
[3] Group C – Motels and hotels where the number of permitted guest units, as of the effective date of this section, is greater than 250 percent of the 1:2,500 density ratio in PGMC 23.52.030(a). Motels and hotels in Group C may not construct any additional guest units.

(b) For motels and hotels in Group A, each new guest unit shall be a maximum size of 360 square feet. Since new guest units in Group B motels and hotels must be created by conversion of existing buildings, they may conceivably be greater than 360 square feet in size. No existing guest unit that is less than 360 square feet, as of the effective date of this section, may be enlarged to exceed 360 square feet in size. No existing guest unit that is 360 square feet or more in size, as of the effective date of this section, shall be enlarged.

(c) Motels and hotels in Group A may use up to three of the additional guest units allowed to instead create a new ancillary facility (e.g., meeting space, dining room, fitness facility), with a maximum size of 1,080 square feet (or 360 square feet for each additional guest unit substituted). Motels and hotels in Groups B and C may create new ancillary facilities only through conversion of existing buildings and are not limited in size.

(d) For motels and hotels in Group A, the setback requirements of PGMC 23.52.030(b) shall also apply to new guest units or new ancillary facilities that abut any public street or any single-family residence.

(e) For motels and hotels in Group A, building height is two stories and not more than 25 feet for new guest units that are at least 50 feet from any property zoned R-1, R-H, or R-2, any public street, and any

single-family residence. Building height is one story and not more than 18 feet for new guest units that are at least 20 feet from any property zoned R-1, R-H, or R-2, any public street, and any single-family residence. For property lines of Group A motels and hotels that do not abut any property zoned R-1, R-H, or R-2, a public street, nor single-family residence, building height for new guest units may be two stories and up to 25 feet within 10 feet of the property line. New ancillary facilities in Group A motels and hotels may be one story, with a maximum building height of 18 feet.

(f) For motels and hotels in Groups A and B, the following additional requirements apply to new construction or conversion of existing buildings:

(1) A use permit approval is required. As part of this review, the planning commission may impose specific standards pertaining to building design (e.g., building mass, bulk, height, and wall articulation), outdoor lighting, driveway locations, parking areas, landscaping, signs, street dedication, and related public improvements, upon finding that such requirements are necessary to meet the intent of the R-3-M district.

(2) No outdoor living areas are allowed within setbacks abutting residential zones or residential uses. This includes balconies, decks, open porches, patios, or similar outdoor guest activity areas.

(3) Existing landscaping requirements in PGMC 23.52.030 are expanded to require that within setback areas adjacent to the new development or building conversion, especially abutting residential zones and residential uses, plantings include numerous trees, shrubs and plants that will reduce visual and noise impacts of the motel or hotel use on adjacent properties.

(4) New guest units do not have to be built at one time, but may be developed in phases.

(5) All other R-3-M standards shall apply including, but not limited to, parking and building coverage. New guest units and ancillary facilities must have available water.

(g) For motels and hotels in Groups A, B and C, a nonconforming building damaged or destroyed by catastrophic event or demolished under any other circumstance may be rebuilt to the condition or configuration of the building that existed immediately prior to the event or demolition, as long as the reconstruction is carried out in a manner consistent with PGMC 23.68.040. While reconstruction to pre-existing conditions is allowed, elimination of nonconformities is encouraged. Reconstructed one-story buildings may be built to a maximum height of 18 feet, regardless of the pre-existing building height.

(h) For motels and hotels in Groups A, B and C, exterior remodeling within the existing footprint of a nonconforming building may retain existing nonconformities as long as the remodel does not:

(1) Extend or expand an existing nonconformity;

(2) Add any new nonconformity; or

(3) Adversely affect the privacy of adjacent residential-zoned property or residential uses.

(i) No other reconstruction or remodeling may take place, beyond what is allowed in this section for motels and hotels in Groups A, B and C, without bringing the entire property into conformance with PGMC 23.52.030. [Added by vote of the people on November 8, 2011, general election; Res. 11-061 § 4, 2011; Res. 11-060 § 4.2, 2011].

23.52.040 Statement of intent.
It is the intention of the ordinance codified in this section to preserve the essential residential character of the city, and the residential appearance of the city, and to prevent the adverse impacts of such from developments in the R-3-M districts. [Ord. 1536 N.S. § 4, 1986].

23.52.050 Other provisions.
Regulations found in this chapter are subject to the provisions of Chapter 23.24 PGMC, unless there is a conflict, in which event the regulations found in this chapter shall prevail. [Ord. 1536 N.S. § 5, 1986].

23.52.060 Amendment.

PGMC 23.52.010, 23.52.030, 23.52.035 and 23.52.040 shall not be repealed or amended except by a vote of the people. [Amended by vote of the people on November 8, 2011, general election; Res. 11-061 § 4, 2011; Res. 11-060 § 4.3, 2011; Ord. 1536 N.S. § 6, 1986].

Chapter 23.64

GENERAL PROVISIONS AND EXCEPTIONS

Sections:

23.64.010 Application of chapter.
23.64.020 Use permit – Circus, open-air theater, racetrack.
23.64.030 *Repealed.*
23.64.035 Coin-operated amusement devices.
23.64.040 Accessory uses in C, I, U districts.
23.64.050 Use permit – Parking lots – R district.
23.64.055 Use permit – Downtown public gathering area.
23.64.060 Use permit – Public buildings, parks, etc.
23.64.063 Use permit – Wireless telecommunications facilities.
23.64.065 Use permit – Group quarters.
23.64.067 Use permit – Integral group quarters facilities.
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23.64.310 Swimming pools.
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23.64.340 Consistency with county hazardous waste management plan.
23.64.350 Transient use of residential property for remuneration.
23.64.360 *Repealed*.
23.64.370 Permitting home sharing.

23.64.010 Application of chapter.

The regulations specified for this title shall be subject to the general provisions and exceptions found in this chapter. [Ord. 210 N.S. § 11-141(1), 1952].

23.64.020 Use permit – Circus, open-air theater, racetrack.

No circus, carnival, amusement park, open-air theater, racetrack, private recreation center, or other similar establishment shall be established in any district where permitted, unless and until a use permit is

first secured for the establishment, maintenance and operation of such use. [Ord. 210 N.S. § 11-141(1)(a)(1), 1952].

23.64.030 Use permit – Dancehall, roadhouse, nightclub, etc.
Repealed by Ord. 13-003. [Ord. 210 N.S. § 11-141(1)(a)(2), 1952].

23.64.035 Coin-operated amusement devices.
For the purposes of this section, an "arcade" shall be defined to mean any place in which any coin-operated amusement device has been installed for purposes of use and operation by the public upon payment of a consideration. Such term shall include a "video" game, or any device or machine played for amusement in exchange for payment of a consideration, howsoever activated.

(a) It is unlawful to operate, maintain, or offer for operation more than two such devices or machines at any one location, business, or establishment within the city of Pacific Grove, or to operate, maintain or offer for operation any such device or machine, at any location without a use permit when a use permit is required under this section.

(b) Any coin-operated vending or amusement machines displayed outside of a building shall require a separate administrative use permit.

(c) A use permit from the planning commission shall be required for any location as to which the planning commission finds, after hearing upon 10 days' notice, that personal supervision has not been at all times provided for the use of any such device or machine by the public. The planning commission shall establish appropriate terms and conditions, including review periods, for the issuance or denial or revocation of any such use permit. The provisions of this section shall apply in lieu of PGMC 23.31.030 for any use permit for any device or machine herein described. [Ord. 13-003 § 18, 2013; Ord. 1322 N.S. § 1, 1983; Ord. 1298 N.S. § 1, 1982].

23.64.040 Accessory uses in C, I, U districts.
Accessory uses and buildings in any C, I, or U district may be permitted where such uses or such accessory building shall be allowed only when constructed concurrent with or subsequent to the main building. [Ord. 210 N.S. § 11-141(1)(a)(3), 1952].

23.64.050 Use permit – Parking lots – R district.
Public or private parking lots for automobiles may be permitted in any R district . adjacent to any C or I district, providing a use permit shall first be obtained in each case. [Ord. 210 N.S. § 11-141(1)(a)(4), 1952].

23.64.055 Use permit – Downtown public gathering area.
Public gatherings and events, other than parades specified in Chapter 16.60 PGMC, may be allowed on the public streets rights-of-way within the bounds of the downtown commercial area "D" designation, as depicted on the Pacific Grove general plan land use map of commercial areas. Single occasion events, and special events approved by the city council in accord with the council special events policy, shall not require a use permit. Events that occur multiple times in any 12-month period within the public right-of-way shall require a use permit. Closures of the public right-of-way associated with either recurring and nonrecurring events shall be coordinated with the city manager to ensure emergency access, traffic flow and parking are appropriately managed during the public gathering. [Ord. 08-014 § 2, 2008].

23.64.060 Use permit – Public buildings, parks, etc.
Churches, schools, hospitals, parks and playgrounds, public utility, and public and quasi-public buildings may be permitted in any district, except the O district, providing a use permit shall first be obtained in each case. [Ord. 20-001 § 2 (Exh. A), 2020; Ord. 13-003 § 18, 2013; Ord. 96-15 § 1, 1996; Ord. 210 N.S. § 11-141(1)(a)(5), 1952].

23.64.063 Use permit – Wireless telecommunications facilities.
(a) This section governs use permits for installation or modification of wireless telecommunications facilities outside of the rights-of-way, except wireless eligible facilities and temporary wireless facilities,

which are permitted as otherwise provided in this title, but shall be subject to subsection (g) of this section.

(b) Wireless telecommunications facilities may be permitted in any district providing a use permit shall first be obtained in each case.

(c) With the exception of use permits for wireless eligible facilities and temporary wireless facilities, the city may only issue a use permit in any of the following locations if an applicant shows that the issuance of the permit is required by federal law:

(1) Any residential district;

(2) The planned unit development district;

(3) Within 300 feet of or within the Monarch Butterfly Sanctuary;

(4) Within any environmentally sensitive area (ESHA); or

(5) Within any public view corridors outside the public right-of-way which is regulated under separate authority.

(d) In the O district, except for wireless telecommunications facilities placed on existing supporting structures, and complying with the city's wireless design standards, a use permit may only issue if an applicant shows that the city is required by federal law to issue the permit.

(e) In all other districts, a use permit may only be issued if applicant proposes a facility that complies with design standards in the city's wireless design standards or if applicant shows that the city is required by federal law to issue a permit.

(f) Notwithstanding the subsections (c) and (d) of this section, a use permit may issue if applicant proposes a facility that complies with the city's wireless design standards and be placed upon:

(1) City Hall or other city-owned buildings.

(2) City of Pacific Grove sewage treatment plant tanks adjacent to the PG Municipal Golf Course.

(3) Golf course poles used to hang protective netting except along the perimeter of the fifth hole.

(4) New, existing or replacement structures in any parking lot.

(5) New, existing or replacement structures at the California American (Cal Am) Water Reservoir on Hillcrest Avenue.

(6) Existing or replacement supporting structures installed for lighting purposes.

(g) Minimum Standards.

(1) Every wireless telecommunications facility must comply at all times with FCC standards for radiofrequency ("RF") emissions as now existing or as hereafter amended.

(2) Every wireless telecommunications facility must comply with other applicable laws and regulations, including the Americans with Disabilities Act.

(3) No wireless telecommunications facility may be installed speculatively.

(4) Every wireless telecommunications facility shall comply with the city's wireless design standards unless an application shows that:

(A) The city is required to issue the permit under federal law and the proposed wireless telecommunications facility varies from the wireless design standards only to the extent required in order to comply with federal law; or

(B) Because of unique characteristics of the location proposed, the design proposed better serves the city's wireless design goals than designs otherwise preferred under the wireless design standards.

(5) Any permit for a wireless telecommunications facility shall be limited to a period of 10 years, except that permits for temporary wireless facilities shall be for the shortest period consistent with the purpose for which the permit is issued. A permit for modification of a wireless telecommunications facility does not alter the duration of the underlying permit.

(h) Wireless Design Standards.

(1) The community development director shall prepare wireless design standards, which may be approved and amended by city council resolution.

(2) The wireless design standards shall prescribe designs for installation and modification of wireless telecommunications facilities consistent with this section and the general plan, so that permitted wireless telecommunications facilities are installed and modified in a manner that minimizes the impacts on the community, conceals the facilities as far as possible, avoids risks to public safety and complies with applicable law, avoids placement of aboveground facilities in underground areas, and maintains the integrity and character of the neighborhoods in which the facilities are located.

(3) Wireless design standards may be developed for temporary wireless facilities and for placement of wireless facilities on property owned and controlled by the city whether or not subject to a use permit.

(i) Municipally Owned or Controlled Supporting Structures and Property.

(1) While the placement of wireless telecommunications facilities may be submitted for review, in accordance with the PGMC, the review authority cannot grant access, and access shall only be by agreement, approved by the city, which agreement shall specify the designs that may be used at particular locations. City finds that it is in its interests as proprietor of these supporting structures or property to control the design of the structures used, in the same manner as any owner of a facility, and to prevent any change in the design without its permission, even if such design is also subject to review by the planning commission. In exercising its decision to agree to access to a supporting structure or property, the city will generally consider factors and consider designs consistent with this section and the Wireless Design Manual. Any design must be consistent with the supporting structure to be used, and the property on which it will be located and result in no uncompensated cost to city. Without limitation, for example, the design for a wireless telecommunications facility to be attached to a light pole in a parking lot must be consistent with designs in use at the same location. Further, use will not be permitted if it requires the city to incur uncompensated costs, or accept risks or liability it would not otherwise face. Access will only be granted if it presents no safety issues, causes no harm to a structure, does not interfere with present or planned uses of the structure, and is in the city's best interests as facilities owner. Subject to lawful limits imposed by state or federal law, the agreement shall specify the compensation to the city for use of the structures. Except as prohibited by law, the person seeking the agreement shall additionally reimburse the city for all costs the city incurs in connection with its review of, and action upon, the person's request for an agreement. The agreement is not in lieu of any use permit or other permit required by the PGMC.

(j) Pre-Approval of Designs.

(1) A person who wishes to install a wireless telecommunications facility with a design that does not comply with the Wireless Design Manual, but who believes that the design is fully consistent with the goals of this section, may submit a request for pre-approval of the design to the planning

commission. A pre-approval request is not mandatory, and is not an application for a wireless telecommunications facility within the meaning of this section, and must be submitted with a clear statement that consideration of the request is not subject to any FCC shot clock. The purpose of permitting the request is to permit, encourage development of, and provide a means for public consideration of those designs.

(2) The proposed design will be publicly published, and the planning commission may conduct such investigations, and require the person requesting pre-approval to submit such information and provide such mock-ups as may be necessary to evaluate the impact of the design. If, after a full opportunity for public hearing, the planning commission finds that the design serves the goals of this section, it may recommend to the city council that it find that the design serves the purposes of this section, and recommend that the design be included as an approved design within the Wireless Design Manual for particular areas within the city. A facility pre-approved for an industrial area need not be pre-approved for any other area.

(3) The council may pre-approve the design, and, if approved, it shall be included in the Wireless Design Manual. The council may require any design to be removed from the Wireless Design Manual, or restricted in use at any time. [Ord. 20-001 § 2 (Exh. A), 2020].

23.64.065 Use permit – Group quarters.
As defined in Chapter 23.08 PGMC, group quarters may be permitted, provided a use permit shall first be obtained in each case, but only in those areas of R districts defined on the general plan land use map. Group quarters meeting California Health and Safety Code 1568.0831 eligibility requirements for residential care facilities of six or fewer persons are permitted as a residential use in all districts and do not require a use permit. [Ord. 13-003 § 18, 2013; Ord. 1985 N.S. § 1, 1995].

23.64.067 Use permit – Integral group quarters facilities.
As defined in Chapter 23.08 PGMC, integral group quarters facilities may be permitted in all residential zones, subject to the following conditions, and provided a use permit shall first be obtained in each case.

(a) No more than one such residential housing unit shall be permitted on any parcel that is separate from the property upon which the affiliated group quarters facility is located.

(b) No more than two such residential housing units shall be permitted on any block as long as the parcels upon which the units are located are at least 300 feet apart at their closest points.

(c) Each such residential housing unit must have an independent, noninstitutional appearance. Exterior areas surrounding such residential housing units must be paved and landscaped in a manner similar to other single-family homes on the block, but distinguished from any other integral group quarters facility on the block. Access to the integral group quarters facility grounds must be limited to residents and invitees of the integral group quarters facility's resident(s).

(d) For each residential housing unit that is part of an integral group quarters facility, the owner shall pay to the city an annual fee established by council resolution.

(e) This section does not affect group quarters licensed as a residential care facility for the elderly (RCFE) or residential care facilities for six or fewer persons. RCFEs are treated in accordance with Section 23.64.111 but shall be superseded by any recent state law. [Ord. 13-008 § 3, 2013].

23.64.070 Use permit – Earth, mineral removal.
The removal of minerals, earth and other natural materials, may be permitted in any district, providing a use permit shall first be obtained in each case. [Ord. 210 N.S. § 11-141(1)(a)(6), 1952].

23.64.080 Commercial uses – R-1, R-2 districts.
Commercial uses shall be prohibited in any R-1 or R-2 district except where existing as a nonconforming use. [Ord. 210 N.S. § 11-141(1)(a)(7), 1952].

23.64.090 Commercial uses – R-3 district.
Commercial uses shall be prohibited in any R-3 district, except where incidental and accessory to any use permitted within the district, or where existing as a nonconforming use. [Ord. 210 N.S. § 11-141(1)(a)(8), 1952].

23.64.110 Family daycare homes.
(a) Small family daycare homes, as defined in Division 2, California Health and Safety Code, shall be treated as an allowed residential use, to the extent required by said Division 2.

(b) Establishment of a large family daycare home as defined in Division 2, California Health and Safety Code, may be allowed as a residential use, subject to first securing a use permit from the community development director. Review of said use permit application shall be to the extent allowed under applicable provisions of said Division 2. [Ord. 1634 N.S. § 1, 1988; Ord. 1534 N.S., 1986; Ord. 1065 N.S. § 9, 1979; Ord. 561 N.S., 1966; Ord. 382 N.S., 1962; Ord. 210 N.S. § 11-141(1)(a)(10), 1952].

23.64.111 Employee housing.
As defined by California Employee Housing Act (California Public Health and Safety Code Sections 17000 through 17062.5). Employee housing that provides for six or fewer employees shall be deemed a single-family structure, and shall be permitted in any zone that allows for single-family residential use.

23.64.112 Residential care facilities.
(a) Small residential care facilities of six or fewer persons, as defined in Division 2, California Health and Safety Code, shall be treated as an allowed residential use, to the extent required by said Division 2.

(b) Establishment of a large residential care facility of seven or more persons, as defined in Division 2, California Health and Safety Code, may be allowed as a residential use in all zones that allow multiple dwellings, subject to the same requirements and standards as residential uses of the same type and subject to fist securing a use permit.

23.64.113 Transitional and supportive housing.
Transitional and supportive housing, as defined in Chapter 23.08 PGMC, may be allowed as a permitted use in all zones that allow multiple dwellings.

(a) Parking. See 23.64.190 for off-street parking standards.

23.64.114 Single-room occupancies (SROs).
As defined in Chapter 23.08 PGMC, SROs may be permitted through a use permit in any zone that allows multiple dwellings or mixed-use residential developments. In addition, SRO housing shall be subject to the following standards:

(a) Unit size and occupancy. The minimum size of a unit shall be one hundred fifty square feet and the maximum size shall be three hundred square feet, which may include bathroom and/or kitchen facilities.

(b) Common areas. A minimum of ten square feet for each unit shall be provided for a common area. All common areas shall be within the structure. Dining rooms, meeting rooms, recreational rooms, or other similar areas approved by the city shall be considered common areas. Shared bathrooms and kitchens shall not be considered as common areas.

(c) Management: A single room occupancy management plan shall be submitted to, reviewed and approved by the Community Development Department before issuance of a certificate of occupancy. A twenty four hour resident manager shall be provided for any single room occupancy use consisting of twelve or more units.

(d) Parking. See 23.64.190 for off-street parking standards.

(e) Kitchen facilities. Each unit shall be provided a food preparation space that meets the requirements of the State of California Health and Safety Code and California Building Code Section 1208.4 or subsequent amendments. If each individual unit is not provided with a minimum of a refrigerator and a microwave oven, a complete kitchen facility available for residents shall be provided on each floor of the structure.

(f) Bathroom Facilities. For each unit a private toilet in an enclosed compartment with a door and a sink shall be provided. A full bathroom shall contain at least a toilet, sink and bathtub, shower or bathtub/shower combination. If private bathing facilities are not provided for each unit, shared bathing facilities shall be provided at a ratio of one for every seven units or fraction thereof. The shared shower or bathtub facility shall be on the same floor as the units it is intended to serve and shall be accessible from a common area or hallway. Each shared shower or bathtub facility shall be provided with an interior lockable door.

23.64.115 Food service establishments.
(a) Applications for use permits for food service establishments shall be accepted and processed under the terms of Chapter 23.72 PGMC.

(b) No use permit application shall be accepted, processed or considered for a food service establishment having all of the following characteristics:

(1) It specializes in short order or quick service food service;

(2) It serves food primarily in paper, plastic or other disposable containers;

(3) It delivers food or beverage products in such a manner that customers may remove such food or beverage products from the food service establishment for consumption;

(4) It is a formula food service establishment required by contractual or other arrangements to operate with standardized menus, ingredients, food preparation, architecture, decor, uniforms, or similar standardized features. [Ord. 1999 N.S. § 3, 1995].

23.64.119 Garden structures.
Garden structures are allowed, subject to the following standards:

(a) A garden structure shall not encroach onto a public right-of-way.

(b) If a garden structure has an area of 24 square feet or less, it may have a solid roof.

(c) If a garden structure has an area greater than 24 square feet, its roof shall be at least half open to the elements, with no solid roof portion greater in area than 24 square feet.

(d) A garden structure 70 square feet or less in area may encroach into a required side yard or rear yard setback, but if greater than six feet in height, shall be located at least three feet from the property line, with the following exceptions:

(1) If the property line faces a street or alley, one garden structure, over a gate or walkway, shall be allowed on the outward-facing property line. Such structures shall be no more than 24 square feet in area and shall be nine feet or less in height.

(2) In each side yard setback, a single garden structure over a gate or walkway is allowed to encroach up to the property line. Such structures shall be nine feet or less in height, and shall not have a depth greater than two feet.

(e) In required front yard setbacks, one garden structure is allowed over a gate or walkway. Such structures shall be no more than 24 square feet in area with a height of nine feet or less, and may be located either in the setback or on the front property line.

(f) Vertical trellises that serve the same function as a fence shall be treated as a fence under PGMC 23.64.130.

(g) Garden structures exceeding these standards may be allowed with a minor administrative use permit pursuant to PGMC 23.70.030(b)(7)(B). Garden structures outside of required setbacks do not require a community development department permit. [Ord. 12-003 § 11, 2012].

23.64.120 Height limits – Chimneys, flagpoles, clock towers, etc.
For each building, vertical projections may extend above maximum allowable building heights as follows:

Vertical feature	**Maximum projection**	**Max. horizontal area**
Chimneys, cupolas, window cleaning equipment	4 feet	20 square feet (each)
Clock tower, water tank, stair/elevator penthouse	10 feet	100 square feet (each)
Mechanical penthouse for roof-mounted equipment	4 feet	100 square feet (1 per building)
Flagpoles	15 feet	1 square foot
Solar panels	See PGMC 18.45 and PGMC 23.70	
Wireless communications facilities	Wireless communications facilities concealed as such structures are subject to height limits and design standards as specified in the Wireless Design Manual.	
Additional height, other vertical structures, other appurtenances	May be permitted in excess of height and horizontal area limits provided a use permit is obtained in each case.	

23.64.130 Height limits – Fences, hedges, or other visual obstructions.
(a) Fences, hedges, screen plantings, or other visual obstructions (other than allowed garden structures) are hereafter limited to four feet in height forward of the front yard setback line, six feet in height on the front yard setback line, and six feet in height to the rear of the front yard setback along the property lines and within required setback areas.

(b) Exceptions Pertaining to Corner Lots. The purpose of this subsection is to promote traffic safety by maintaining unrestricted visibility at corners.

(1) Corner Lots Whose Intersecting Corner Property Lines Are Two Straight Lines. The height limit for a fence, hedge, screening or other visual obstruction for a corner lot whose intersecting corner property lines are two straight lines shall not exceed three feet in height within an area represented by a triangle whose apex is the property corner nearest the intersection and whose other two vertices are points located 20 feet away from the apex as shown in Figure 1.

(2) Corner Lots Whose Intersecting Corner Property Lines Are Found Along a Curve. The height limit for a fence, hedge, screening or other visual obstruction - for a corner lot whose corner property lines are found along a curve shall not exceed three feet in height within the area of a polygon whose apex is the midpoint of the arc at the corner and whose furthermost vertices are points located 20 feet away from the apex as shown in Figure 2.

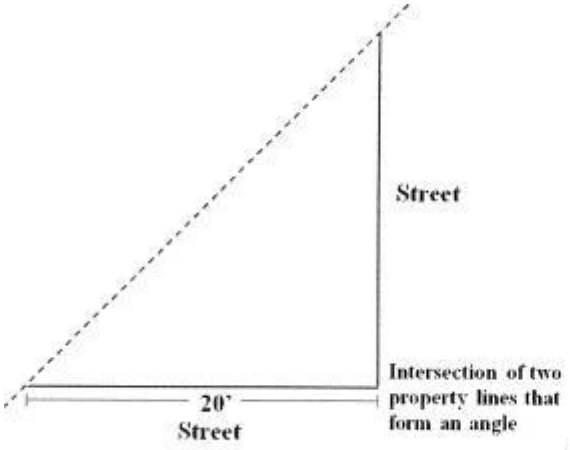


Figure 1

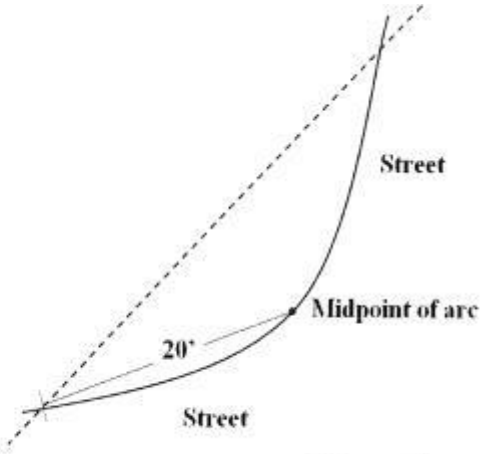


Figure 2

(3) In the event that a corner lot has intersecting corner property lines that do not precisely conform to the characteristics defined in this section, the chief planner shall define the area in which no visual obstruction shall exceed three feet in height in a manner so as to prevent a traffic hazard. (c) A tree shall not be considered a visual obstruction. However, to maximize unrestricted visibility, a property owner shall be required to trim trees in areas covered by this section, as directed by the chief planner.

(d) Exceptions Pertaining to Deer Fencing. The purpose of this subsection is to allow for protection of property from deer.

(1) Deer fencing may be permitted up to six feet in height along the front property line to the front of any dwelling if an administrative use permit is first obtained.

(2) The following materials, or materials of similar aesthetics and durability, shall be used: two-inch by four-inch or four-inch by four-inch galvanized metal wire, with wrapped (not welded) joints for durability, in black, green or metallic finishes, or transparent or semi-transparent aviary mesh screen, in black or green.

(3) Deer fencing may be constructed with wood, metal, or fiberglass posts or attached at the top of an existing, and otherwise conforming, fence.

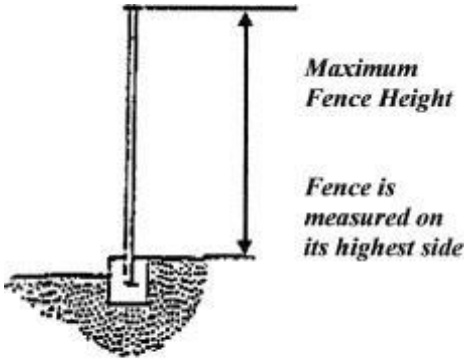
(e) Exceptions Pertaining to Fences on Retaining Walls.

(1) For retaining walls located on a property line, a fence constructed on top of the wall shall be measured from the grade level on the higher side, as shown in Figure 3, with a combined height limited to four feet in height forward of the front yard setback line along the property lines, and six feet in height to the rear of the front yard setback along the property lines. From the lower side, the combined height shall be limited to six feet in height forward of the front yard setback line along the property lines and eight feet in height to the rear of the front yard setback along the property lines.

(2) For retaining walls located entirely on a single property, a fence constructed on top of a retaining wall shall be measured from the grade level of the same property, with a combined height limited to four feet in height forward of the front yard setback line and six feet in height to the rear of the front yard setback.

(3) If a fence is on one property and the retaining wall on the abutting property, regardless of the retaining wall height, and as measured from the grade level on the property where the fence is

located, the maximum fence height is limited to four feet in height forward of the front yard setback line and six feet in height to the rear of the front yard setback, as measured from the grade level of the property upon which the fence is located.



FENCE AT PROPERTY LINE

Figure 3

(f) A height greater than otherwise allowed in this section may be permitted if an administrative use permit is first obtained. [Ord. 12-003 § 11, 2012; Ord. 1884 N.S. § 1, 1993; Ord. 210 N.S. § 11-141(1)(b)(2), 1952].

23.64.134 Outdoor seating.
Outdoor seating shall be allowed adjacent to eating establishments in the downtown commercial (C-D), Forest Hill commercial (C-FH), and light commercial (C-1) zoning districts on public sidewalks and similar adjacent areas, subject to the provisions of PGMC 15.16.045. [Ord. 13-003 § 18, 2013].

23.64.135 Prohibited fences.
(a) Prohibition. It is unlawful for any person to erect or maintain a fence constructed completely or in part of any of the following: wires carrying an electric current of greater than 0.006 amperes (six milliamperes), razor ribbon, barbed wire, wooden fence spikes, broken glass, protruding nails or spikes or any other like or similar material or device designed to cause trauma when touched. While not prohibited, chain link fences are discouraged for aesthetic reasons.

(b) Exceptions. Fences constructed of materials described in subsection (a) of this section shall be allowed subject to first obtaining a use permit in the following cases: fences bordering public utility facilities or facilities in the C-2 and I districts and fences in residential districts designed to protect private property.

(c) Abatement. Chapter 23.68 PGMC, allowing continuance of nonconforming uses, shall not apply to this section. Fences not conforming to this section as of the effective date of the ordinance codified in this section shall be abated within six months of written notice to abate issued by the chief planner. [Ord. 12-003 § 11, 2012; Ord. 00-03 § 1, 2000; Ord. 1687 N.S. § 1, 1989].

23.64.140 Building site area.
A lot or parcel of land which has been created or designated in a recorded subdivision or which has been described in a recorded deed transferring such parcel may, if improved with a separate integrated residential structure, constitute a valid integrated building site for future building purposes, even though less in area or width than required under this title, under the following conditions:

(a) It was created, designated or so described and so improved prior to May 1, 1981;

(b) If situated in other than the R-3 Pacific Grove Beach district, it has at least 1,500 square feet of area and 25 feet of width;

(c) It has access to a public right-of-way directly or by recorded easement heretofore created or reserved;

(d) Its transfer will not create conditions of nonconformity in such lot or parcel or in any lot or parcel contiguous to it, including nonconformity in area and width as to any undeveloped parcel.

Before any replacement or substantial renovation may be made for any structure on such a lot or parcel, the new or renovated structure shall conform to the requirements with respect to a parcel separately owned in the same district.

Any lot or parcel, whether or not improved, which has less area or width than required by this title, shall not constitute a valid integrated building site if it is separately sold after May 1, 1981, so as to become conjoined in single ownership with the owner of a contiguous lot or parcel. [Ord. 1253 N.S. § 1, 1981; Ord. 1083 N.S. § 1, 1979; Ord. 1058 N.S. § 1, 1979; Ord. 210 N.S. § 11-141(1)(c)(1), 1952].

23.64.145 Separate building site – R-1 district.
Notwithstanding PGMC 23.64.140 or PGMC Title 24, any parcel in an R-1 district which has the following characteristics shall constitute a separate building site subject to sale or transfer:

(a) It has, 90 days or more prior to May 15, 1981, been designated on the assessor's map as a separate parcel;

(b) It has at least 4,000 square feet if an interior parcel, or 5,000 square feet if a corner parcel;

(c) It has access to a public street;

(d) Its transfer will not create additional aspects of nonconformity to this title. [Ord. 1255 N.S. § 1, 1981].

23.64.147 Separate building site – R-3-P.G.R. district.
(a) Notwithstanding any other provision of this code, any parcel in the R-3-P.G.R. district which has the following characteristics shall constitute a separate building site for future building purposes:

(1) It has, prior to March 15, 1986, been designated on the assessor's map as a separate parcel.

(2) It has at least 1,800 square feet, but not more than 3,600 square feet, and is not part of a larger building site.

(3) It has been unimproved with any building or structure for a minimum of five years immediately preceding March 15, 1986.

(4) It has access to a public street.

(5) Its transfer will not create additional aspects of nonconformity to this title.

(b) Development of parcels qualifying as building sites pursuant to subsection (a) of this section shall, at a minimum, be subject to the following:

(1) A use permit shall be first secured in each case.

(2) Architectural review board approval shall be required.

(3) Any construction shall conform to the requirements with respect to separate parcels in the R-3-P.G.R. district; however, in considering a use permit application the planning commission is authorized to prescribe requirements other than those prescribed by PGMC 23.24.060 where it finds that the qualification of PGMC 23.72.090 apply to the land, building or use. [Ord. 1597 N.S., 1987].

23.64.150 Yards – Projection of cornices, eaves, etc.
Architectural features such as cornices, eaves, canopies/awnings, chimneys, and bay windows (not more than 10 feet wide and separated from adjacent bay windows by not less than 6 feet) may extend not exceeding three feet into any required setback or yard, but shall be no closer than three feet to any property line except where no setback is required. [Ord. 1065 N.S. § 10, 1979; Ord. 210 N.S. § 11-141(1)(d)(1), 1952].

23.64.160 Yards – Projection of open porches, stairways, etc.
Open porches or outside stairways may project not exceeding six feet into any required front or side yard, but not closer than three feet to any property line except where no setback or yard is required, provided, that the elevation of such porch, or outdoor stairway is within one foot of the elevation of finished grade. [Ord. 210 N.S. § 11-141(1)(d)(2), 1952].

23.64.170 Yards – Measured from official plan line.
Whenever an official plan line has been established for any street, required yards shall be measured from such line and in no case shall the provisions of this title be construed as permitting any encroachment upon any official plan lines. [Ord. 210 N.S. § 11-141(1)(d)(3), 1952].

23.64.180 Accessory buildings and structures.
(a) "Accessory building or structure" means a building or structure that is subordinate and incidental to the use of the main building on the same site. There are three categories of accessory buildings and structures:

(1) Category 1. Detached nonhabitable structures (such as garages, carports, workshops, and gazebos) that are 70 square feet or more in area;

(2) Category 2. Detached nonhabitable structures (such as storage, garden, or utility sheds) that are less than 70 square feet in area;

(3) Category 3. Portable or built-in hot tubs (including equipment).

(b) In any R district, the following standards shall apply:

Table 23.64.180 – Accessory Buildings and Structures – R Districts

	Category 1	Category 2	Category 3
Description	Detached nonhabitable structures that are 70 square feet or more in area (such as garages, carports, workshops, and gazebos)	Detached nonhabitable structures that are less than 70 square feet in area (such as storage, garden or utility sheds)	Portable or built-in hot tubs (including equipment)
Number Allowed in Each Category without UP/AP[1]	1	1	1
Additional Allowed in Each Category with UP/AUP[1]	120 sq. ft. or less: Additional structure(s) allowed subject to approval of an administrative use permit (AUP) Larger than 120 sq. ft.: Additional structure(s) allowed subject to approval of a use permit (UP)	Additional structure(s) allowed subject to approval of an administrative use permit (AUP)	Additional structure(s) allowed subject to approval of an administrative use permit (AUP)
Design Review Required	120 sq. ft. or less: No Larger than 120 sq. ft.: Yes, see PGMC 23.70.030(b)(2)(G) and 23.70.060(c)(3)	No	No
Counted in Floor Area and Building Coverage	120 sq. ft. or less: No	No	No

	Category 1	Category 2	Category 3
	Larger than 120 sq. ft.: Yes		
Counted in Site Coverage	Yes	Yes	Yes
Use Permit Required for Plumbing	Yes	Yes	Yes
Building Separation	At least 3 1/2 feet from any dwelling or building on the same building site	Not required	Not required
Front Setback	As prescribed by the zoning district	As prescribed by the zoning district	As prescribed by the zoning district
Rear Setback	5 ft.	Over 6 ft. in height: 5 ft. 6 ft. or less in height: None required	Over 4 ft. in height: 5 ft. 4 ft. or less in height: None required
Side Setback	As prescribed by the zoning district	Over 6 ft. in height: As prescribed by the zoning district up to a maximum requirement of 5 ft. 6 ft. or less in height: None required	Over 4 ft. in height: As prescribed by the zoning district 4 ft. or less in height: None required
Height	15 ft. maximum	8 ft. maximum	Not regulated

1. Grading, building, and/or other construction permits may be required prior to starting any work, according to the requirements of the municipal code.

[Ord. 12-005 § 3, 2012; Ord. 00-18 § 2, 2000].

23.64.185 Accessory use – Storage of portable or movable objects.

A use permit shall be required for any accessory use in the R districts which involves or includes the storage, keeping, fabrication, construction or repair of any portable or movable object, not intended to be permanently fixed, such as a boat, structure or vehicle not capable of self-propulsion, and which exceeds 15 feet in either height or width or exceeds 26 feet in length. Before a use permit may be issued hereunder the community development director shall find all of the following:

(a) The object is or will be used with relative frequency as opposed to being stored;

(b) The object is not being built, fabricated or repaired for the use of anyone not occupying the property; and

(c) The use does not meet the definition of “junkyard” in Chapter 23.08 PGMC.

Nothing contained herein is intended to permit uses not otherwise accessory to the residential use of the property.

Existing uses may apply for a use permit within one month of adoption of this section. [Ord. 13-003 § 18, 2013; Ord. 1418 N.S. § 7, 1984; Ord. 1030 N.S. § 2, 1978].

23.64.190 Off-street parking, storage.

Storage or parking space for the parking of automobiles off the street shall be provided in any district as follows:

(a) Not less than two garage or carport spaces for each single-family dwelling; provided, however, in cases of single-family dwellings on lots of 5,000 square feet or less, on which the living space floor area is 1,000 square feet or less, and in which there are less than three bedrooms, one garage or carport shall be required and tandem parking shall be allowed;

(b) For each family unit in a duplex, apartment house or dwelling group, or mixed use project, parking spaces may be tandem or may utilize mechanical lifts and shall be provided as follows:

(1) One space for efficiency or studio units and one bedroom units;

(2) One and one-half spaces for each unit having two to three bedrooms

(3) Two spaces for all other units; and

(4) 50 percent of all required parking shall be covered.

(c) Not less than one garage space for each two guest rooms in any rooming house, excluding SROs as defined in Chapter 23.08 PGMC;

(d) Transitional and Supportive Housing. One space per employee per shift. No parking space requirement if the housing development is located within one-half mile of a transit stop.

(e) Emergency Shelters and Low Barrier Navigation Centers. One space per employee per shift.

(f) SROs. One for every three units, plus one space per employee per shift.

(f) Not less than one garage space for each four guest rooms in any hotel and not less than one parking space for each unit in a motel. The planning commission may require additional parking at a ratio of one space for each 50 square feet of accessory dining area within the R-3-M district;

(g) Not less than one parking space for each 300 square feet of floor area in each professional office building permitted, except that for office buildings located in areas assessed for the payment of off-street parking lots, parking space shall not be required except as set forth in subsection (k) of this section;

(h) For commercial buildings, industrial buildings, and mixed-use buildings in which residential uses comprise less than one-third of a development project's total floor area, the amount of non-residential parking shall be subject to a use permit;

(i) For mixed-use buildings in which residential uses comprise not less than two-thirds of a development project's total floor area, not less than one non-residential parking space for each 500 square feet of floor area of space for retail sales, commercial services, and health/fitness studios, except for projects located in areas assessed for payment of off-street parking lots;

(j) Not less than one parking space for each six seats provided for visitors to churches, community centers, social halls, lodges, and clubs and not less than one parking space for each six beds and one parking space for each employee on the shift with the maximum number of employees in any rest home, nursing home, convalescent home or hospital;

(k) The number of parking space required for other uses allowed in any district and not set forth above shall be determined by the planning commission and set forth as a condition to the granting of the use permit for such use;

(l) The minimum width of parking aisles shall be as described below:

(1) 60 degrees and less – 18 feet,

(2) 60.1 to 65 degrees – 19 feet,

(3) 65.1 to 70 degrees – 20 feet,

(4) 70.1 to 75 degrees – 21 feet,

(5) 75.1 to 80 degrees – 22 feet,

(6) 80.1 to 85 degrees – 23 feet, and

(7) 85.1 to 90 degrees (perpendicular) - 24 feet.

(m) The review authority shall be authorized to approve compact parking spaces under the following conditions:

(1) Where a minimum of eight standard spaces are provided for commercial or industrial parking lots, 50 percent of parking in excess of the eight may be compact size; and

(2) Fifty percent of the parking provided in excess of that required for any R district use may be compact size;

(n) Low Vehicle Ownership Reduced Parking Requirement. For uses that serve tenants with low vehicle ownership rates, such as special needs or supportive housing facilities for persons with disabilities, and that can demonstrate a reduced parking need, the review authority may allow for a reduction in parking spaces;

(o) Shared parking may be permitted. [Ord. 21-008 § 4, 2021; Ord. 13-003 § 18, 2013; Ord. 1715 N.S. §§ 1, 2, 1990; Ord. 1332 N.S. § 1, 1983; Ord. 1194 N.S. § 1, 1980; Ord. 1065 N.S. § 12, 1979; Ord. 975 N.S. § 1, 1977; Ord. 720 N.S. § 7, 1972; Ord. 593 N.S., 1968; Ord. 459 N.S., 1964; Ord. 382 N.S., 1962; Ord. 210 N.S. § 11-141(e), 1952].

(p) Within surface parking lots, not less than one tree shall be provided for every six parking spaces.

23.64.195 Landscaping of front and side yards.
Landscaping shall be maintained in all front and side yards except for areas devoted to uses allowable in the yards. Failure to maintain the areas with suitable garden materials and free of weeds or unsightly matter shall be unlawful. Driveways shall not occupy more than 40 percent of the street frontage, and on a corner lot, the combined coverage on all frontages shall not exceed 25 percent of the total street frontage, [Ord. 1065 N.S. § 13, 1979; Ord. 532 N.S. § 15, 1966].

23.64.240 Parking or placement of large vehicles or structures in certain areas of residential premises – Prohibited.
(a) Except as provided in subsection (b) of this section, it is unlawful for the owner or occupant of a premises in any R district to park or place, or to allow or suffer the parking or placing of, any structure, container or vehicle, mobile or not, which dimensions exceed eight feet in height or 20 feet in length, at any location on the premises as listed below:

(1) Between the main structure and any property line abutting a street.

(2) In any side or rear yard required by the zone district in which the premises is located.

(3) At any location on an undeveloped lot.

(4) Closer than three and one-half feet to any structure.

(b) Exceptions:

(1) Parking or placement for less than six consecutive hours.

(2) Parking for the purpose of loading or unloading household goods or furniture.

(3) Parking or placement of vehicles or structures being used in connection with construction in progress on the premises.

(4) Parking in a legally existing driveway.

(5) Parking in a required rear yard setback that abuts an alley.

(6) Parking or placement inside a garage or carport legally constructed on the premises.

(c) Parking in the prohibited area may be allowed subject to first obtaining a use permit under the terms of Chapter 23.72 PGMC. [Ord. 97-41 § 2, 1997].

23.64.290 Alcoholic beverage sales.

(a) Failure to maintain food service or any other applicable requirements of this section or failure to comply with any conditions of the use permit or administrative use permit shall be grounds for revocation of the use permit or administrative use permit granted, in addition to subjecting the persons responsible therefor to penalties under this code. Revocation may be effected by the planning commission, for use permits, or zoning administrator, for administrative use permits, after a public hearing to which the operator has had 10 days' notice by certified mail, and in which the review authority finds that the operator of the restaurant has not maintained food service or any other applicable requirements herein or has not complied with all permit conditions. In the event that service by certified mail is not effected, service may be by personal service on the operator, or if personal service is not effected, the property shall be posted with a notice of the hearing, and a copy of the notice shall be published in an official newspaper of this city.

(b) The administrative use permit and use permit procedures shall be as set forth in PGMC

23.70.030 and 23.70.080, respectively. For any use listed in this section which has an approved administrative use permit or use permit, no additional community development permit is required to establish alcoholic beverage service for that use as long as such service is provided in accordance with this section. Exception: subsection (c) of this section shall continue to apply.

(c) In addition to the permit requirements provided in Table 23.31.030, restaurants may be permitted to serve or sell alcoholic beverages:

(1) Where said eating establishments are located on premises owned by a public entity, as defined in Section 23824 of the Business and Professions Code of the state of California; provided, that a use permit is obtained; and

(2) In any R-3-M zone where said restaurant has been constructed under a variance, or as an accessory use under a use permit.

(d) Minimum Requirements for Eating Establishments Serving Alcoholic Beverages.

(1) Restaurants and Specialty Restaurants.

(A) Any sale of alcoholic beverages shall be subordinate to the primary use, and shall comply with the State Alcoholic Beverage Control (ABC) license requirements for a "bona fide public eating place";

(B) Amplified and unamplified music and entertainment are allowed indoors, and shall not generate noise in excess of 70 dB (65 dB between the hours of 10:00 p.m. and 7:00 a.m.) at the property line of any such site. Amplified and unamplified music and entertainment are allowed outdoors between the hours of 7:00 a.m. and 10:00 p.m., and shall not generate noise in excess of 70 dB measured at the property line of any such site; and

(C) Outdoor seating is allowed in compliance with PGMC 15.16.045 and 23.64.134.

(2) Pub and Brew Pub.

(A) All alcoholic beverage and food service to customers shall be discontinued between the hours of 12:00 a.m. and 7:00 a.m.;

(B) The business shall comply with the ABC license requirements for a “bona fide public eating place”;

(C) All foods from the standard menu shall be available for purchase during all but the opening and closing hours of alcoholic beverage service. This may include different menus for breakfast, lunch and dinner meals; and

(D) Amplified and unamplified music and entertainment are allowed indoors, and shall not generate noise in excess of 70 dB (65 dB between the hours of 10:00 p.m. and 12:00 a.m.) at the property line of any such site. Amplified and unamplified music and entertainment are allowed outdoors between the hours of 7:00 a.m. and 10:00 p.m., and shall not generate noise in excess of 70 dB measured at the property line of any such site.

(e) Minimum Requirements for Drinking Establishments.

(1) Wine Bar.

(A) All alcoholic beverage and food service to customers shall be discontinued between the hours of 12:00 a.m. and 7:00 a.m.;

(B) Food must be available during all hours of operation, but may be limited to snacks, appetizers, small plates, or other similar offerings; and

(C) Amplified and unamplified music and entertainment are allowed indoors, and shall not generate noise in excess of 70 dB (65 dB between the hours of 10:00 p.m. and 12:00 a.m.) at the property line of any such site. Amplified and unamplified music and entertainment are allowed outdoors between the hours of 7:00 a.m. and 10:00 p.m., and shall not generate noise in excess of 70 dB measured at the property line of any such site.

(2) Wine Tasting Room.

(A) All alcoholic beverage service to customers shall be discontinued between the hours of 12:00 a.m. and 7:00 a.m.; and

(B) Amplified and unamplified music and entertainment are allowed indoors, and shall not generate noise in excess of 70 dB (65 dB between the hours of 10:00 p.m. and 12:00 a.m.) at the property line of any such site. Amplified and unamplified music and entertainment are allowed outdoors between the hours of 7:00 a.m. and 10:00 p.m., and shall not generate noise in excess of 70 dB measured at the property line of any such site.

(3) Micro-Brewery.

(A) All alcoholic beverage service to customers shall be discontinued between the hours of 12:00 a.m. and 7:00 a.m.; and

(B) Amplified and unamplified music and entertainment are allowed indoors, and shall not generate noise in excess of 70 dB (65 dB between the hours of 10:00 p.m. and 12:00 a.m.) at the property line of any such site. Amplified and unamplified music and entertainment are allowed outdoors between the hours of 7:00 a.m. and 10:00 p.m., and shall not generate noise in excess of 70 dB measured at the property line of any such site.

(4) Catering and Events.

(A) All alcoholic beverage and food service to customers shall be discontinued between the hours of 12:00 a.m. and 7:00 a.m.;

(B) Food must be available during all hours of operation, but may be limited to snacks, appetizers, small plates, or other similar offerings; and

(C) Amplified and unamplified music and entertainment are allowed indoors, and shall not generate noise in excess of 70 dB (65 dB between the hours of 10:00 p.m. and 12:00 a.m.) at the property line of any such site. Amplified and unamplified music and entertainment are allowed outdoors between the hours of 7:00 a.m. and 10:00 p.m., and shall not generate noise in excess of 70 dB measured at the property line of any such site.

(f) Minimum Requirements for Lodging Establishments.

(1) Bed and Breakfast Inn.

(A) Bed and breakfast inns may sell or serve beer and wine to registered guests and their invited guests, pursuant to the provisions of subsections (f)(1)(B) through (E) of this section and the ABC license to the extent that it is consistent with such provisions;

(B) All alcoholic beverage service to guests shall be discontinued between the hours of 2:00 a.m. and 7:00 a.m.;

(C) Food must be available during all hours that alcoholic beverages are available, but may be limited to snacks, appetizers, small plates, or other similar offerings;

(D) At least one meal, breakfast, shall be served daily and shall be limited to registered guests only; and

(E) The provisions of PGMC 23.26.020(b) shall also apply.

(2) Motel and Hotel.

(A) Motels and hotels may be permitted to sell or serve beer and wine to registered guests and their invited guests, pursuant to the provisions of subsections (f)(2)(B) through (F) of this section and the ABC license to the extent that it is consistent with such provisions. In the case of hotels, other guests who pay a fee or charge for use of the premises for parties may also be sold or served beer and wine, pursuant to the provisions of subsections (f)(2)(B) through (F) of this section and the ABC license to the extent that it is consistent with such provisions;

(B) Hotels may offer full liquor service, pursuant to the provisions of subsections (f)(2)(C) through (F) of this section and the ABC license to the extent that it is consistent with such provisions;

(C) All alcoholic beverage service to guests shall be discontinued between the hours of 2:00 a.m. and 7:00 a.m.;

(D) Food must be available during all hours that alcoholic beverages are available, but may be limited to snacks, appetizers, small plates, or other similar offerings;

(E) Motels or hotels with an accessory dining area, meeting the definition of a “bona fide public eating place,” may offer full liquor service within the dining area, subject to approval of a use permit for the dining area and the limitations in subsection (f)(2)(C) of this section; and

(F) For hotels in the C-1-T district only, amplified and unamplified music and entertainment are allowed indoors, and shall not generate noise in excess of 70 dB (65 dB between the hours of 10:00 p.m. and 12:00 a.m.) at the property line of any such site. Amplified and unamplified music and entertainment are allowed outdoors between the hours of 7:00 a.m. and 10:00 p.m., and shall not generate noise in excess of 70 dB measured at the property line of any such site.

Table 23.64.290 Summary of Minimum Requirements for Establishments Serving Alcoholic Beverages[1]

	Alcoholic Beverages Allowed	Food Service Required	Hours of Food and Alcoholic Beverage Service	Amplified Music and Entertainment	Seating on Public Sidewalks
Eating Establishments					
Restaurant and specialty restaurant	Beer, wine and distilled spirits	Bona fide public eating place	No limits	Allowed per PGMC 23.64.290(d)(1)(B)	Allowed per PGMC 15.16.045 and 23.64.134
Pub and brew pub	Beer, wine and distilled spirits	Bona fide public eating place	No service 12:00 a.m. –7:00 a.m.	Allowed per PGMC 23.64.290(d)(2)(D)	Not allowed
Drinking Establishments					
Wine bar	Beer and wine	Snacks, appetizers, or small plates	No service 12:00 a.m. – 7:00 a.m.	Allowed per PGMC 23.64.290(e)(1)(C)	Not allowed
Wine tasting room	Wine tasting	None	No service 12:00 a.m. –7:00 a.m.	Allowed per PGMC 23.64.290(e)(2)(B)	Not allowed
Micro-brewery	Beer tasting	None	No service 12:00 a.m. –7:00 a.m.	Allowed per PGMC 23.64.290(e)(3)(B)	Not allowed
Catering and events	Beer and wine	Snacks, appetizers, or small plates	No service 12:00 a.m. –7:00 a.m.	Allowed per PGMC 23.64.290(e)(4)(C)	Not allowed
Lodging Establishments					
Bed and breakfast inn	Beer and wine	Snacks, appetizers, or small plates	No service 2:00 a.m. –7:00 a.m.	Not allowed	Not allowed
Motel	Beer, wine and distilled spirits	Snacks, appetizers, or small plates; bona fide public eating place for distilled spirits	No service 2:00 a.m. –7:00 a.m.	Not allowed	Not allowed
Hotel	Beer, wine and distilled spirits	Snacks, appetizers, or small plates; bona fide public eating place for distilled spirits	No service 2:00 a.m. –7:00 a.m.	Not allowed, except in the C-1-T district per PGMC 23.64.290(f)(2)(F)	Not allowed

1 This table presents a summary of requirements only. For a complete set of requirements, see PGMC 23.64.290(d) through (f). [Ord. 13-003 § 18, 2013].

23.64.300 Application for abandonment or purchase of city property.

Requests for the abandonment or purchase of a city street, park, or other property shall be accompanied by the payment of a fee of $30.00 and referred to the planning commission for consideration before consideration by the city council. [Ord. 532 N.S. § 12, 1966].

23.64.310 Swimming pools.

Swimming pools shall not project into a front yard area and shall be situated no closer than five feet to any property line.

The swimming pool or all or a portion of the property containing the pool shall be entirely protected by a wall or fence of 66 inches in height and without openings except for gates containing self-latching devices at least 45 inches above ground level. [Ord. 720 N.S. § 14, 1972; Ord. 593 N.S. § 1(f), 1968].

23.64.320 Unlawful sale of subdivided contiguous lots.

It is unlawful for any owner or owners of subdivided contiguous lots, each of which may otherwise be of legal size, frontage, and area, to sell, transfer, or convey one or more of the subdivided lots where, as a result of such sale, transfer, or conveyance, the lot or lots which has or have been sold, transferred, or

conveyed, or the lot or lots which is or are retained by said owner or owners, will not conform with the requirements of this code. [Ord. 878 N.S. § 1, 1976].

23.64.340 Consistency with county hazardous waste management plan.
All approved applications for use permits, variances, subdivisions and other land use entitlements shall be consistent with portions of the Monterey County hazardous waste management plan which identify general areas or siting criteria for hazardous waste facilities. [Ord. 1727 N.S. § 1, 1990].

23.64.350 Transient use of residential property for remuneration.
(a) Definitions. For the purpose of this chapter certain terms used herein shall have the meanings set forth in this chapter, and such meanings shall prevail in case of conflict with the definitions set forth in Chapter 23.08 PGMC.

(1) “Person” means an individual, a group of individuals, or an association, firm, partnership, corporation or other entity, public or private.

(2) “Owner” means the person who possesses fee title to a transient use site.

(3) “Owner representative” means any person authorized by the owner to fully manage the transient use site.

(4) “Remuneration” means compensation, money, rent, or other bargained for consideration given in return for occupancy, possession or use of real property.

(5) “Residential property” means any dwelling unit, except those dwelling units lawfully established as part of a bed and breakfast inn, motel, hotel, timeshare development, or other transient use not prohibited by this section.

(6) “Responsible tenant” means a person aged 18 or older who has received notice of occupancy, parking and other limits and regulations that apply to the transient use site, and who has agreed to be responsible to ensure that impermissible or inappropriate behavior does not occur at the transient use site.

(7) “Transient” means a period of time less than 30 consecutive calendar days.

(8) “Transient use of residential property” means the commercial use, by any person, of residential property for transient lodging uses where the term of occupancy, possession or tenancy of the property by the person entitled to such occupancy, possession or tenancy is less than 30 consecutive calendar days.

(9) “Transient use site” and “transient use” mean property occupied and used for transient or short-term rental purposes.

(10) “Use” means the purpose for which land or premises of a building thereon is designed, arranged or intended, or for which it is or may be occupied or maintained.

(b) Transient use of residential property must comply with General Plan Policy 1.5. Specifically, transient use of residential property for remuneration is prohibited, and no transient use license may be issued, in any residential zoning district, including R-1, R-H, R-1-H, R-1-B-2, R-1-B-3, R-2, R-2-B-3, R-3, R-3-P.G.R., R-3-M, R-4, and all PUD districts, except to the extent that such use is both (1) in the coastal zone and permitted under the local coastal program, and (2) permitted by a transient use license issued by the city. Transient use of residential property for remuneration in nonresidential zoning districts is prohibited, except (1) as otherwise expressly permitted by this title, or (2) when such use is permitted by a transient use license issued by the city. Transient use of residential property for remuneration does not include “home sharing” permitted by the city or house swaps, house sitting, pet sitting, work trade, and similar noncommercial arrangements that do not involve an exchange of money.

(c) In order to provide a reasonable phase-out of transient uses of residential property for remuneration, notwithstanding any other provision of this code, all uses that become nonconforming as a result of the amendment to this section by the Initiative to Preserve and Protect Pacific Grove's Residential Character, including uses permitted under short-term rental licenses, shall be discontinued within 18 months from the date that the initiative was approved by the voters. Nothing in this subsection is intended to affect any city authority to terminate uses found to be a nuisance, or that are otherwise unlawful.

(d) Liability and Enforcement.

(1) Any owner, owner representative, responsible tenant, person acting as agent, real estate broker, real estate sales agent, property manager, reservation service or otherwise who uses, arranges, or negotiates for the use of residential property in violation of the provisions of this chapter is guilty of an infraction for each day in which such residential property is used, or allowed to be used, in violation of this chapter.

(2) Any owner, owner representative, responsible tenant, or other person who uses, or allows the use of, residential property in violation of the provisions of this chapter is guilty of an infraction for each day in which such residential property is used, or allowed to be used, in violation of this chapter.

(3) Violations of this chapter may be prosecuted pursuant to Chapter 1.16 PGMC, or enforced pursuant to Chapter 1.19 PGMC.

(4) Penalties may be assessed for violations as provided in Chapters 1.16, 1.19, and/or 7.40 PGMC. The maximum limits set for administrative penalties in PGMC 1.19.200, however, shall not apply to any violation of this chapter or Chapter 7.40 PGMC.

(e) This section may be repealed or amended only by a vote of the people, except that amendments do not require a vote of the people if they (1) apply only in the coastal zone or (2) amend subsection (d) of this section concerning liability and enforcement. [Ord. 18-018 § 3, 2018; Ord. 16-007 § 2, 2016; Ord. 10-001 § 2, 2010; Ord. 08-006 § 79, 2008; Ord. 1933 N.S. § 1, 1994; Ord. 1913 N.S. § 1, 1993].

23.64.360 Permitting of undocumented dwelling units.
Repealed by Ord. 17-013. [Ord. 13-005 § 2, 2013].

23.64.370 Permitting home sharing.
(a) Definitions. For the purposes of this section, certain terms used herein shall have the meanings set forth below or in PGMC 23.64.350, and such meanings shall prevail in case of conflict with the definitions set forth in Chapter 23.08 PGMC.

(1) "Guest" means a person who rents a bedroom and ancillary facilities at a home sharing site.

(2) "Home sharing" means an activity whereby residents host guests in their homes, for compensation, for periods of 30 consecutive days or less, while at least one of the dwelling unit's residents lives in the dwelling unit.

(3) "Home sharing site" means property occupied and used for home sharing purposes.

(4) "Resident" means a person legally residing in a dwelling unit in excess of 30 consecutive days. Such resident may be the owner or a tenant living there with the approval of the owner.

(b) Home sharing for remuneration is allowed pursuant to this chapter; provided, that a separate home sharing permit has first been granted and validly maintained for each home sharing site.

(c) Each home sharing permit shall meet all requirements of this section, including:

(1) Each "home sharing" permit shall be subject to the following conditions:

(A) Home sharing is limited to single-family dwellings in any residential or commercial zone. Home sharing is not permitted in dwelling units lawfully established as second units pursuant to Chapter 23.80 PGMC; in any accessory unit to a single-family dwelling; in any condominium, multifamily dwelling unit or any other “tenants in common” dwelling unit; in any room, detached rooms, or any portion of a single-family that does not provide both kitchen and bathroom facilities; or as part of a bed and breakfast inn, motel, hotel, timeshare development, or other transient use;

(B) The resident shall also occupy the home throughout the duration of any home sharing;

(C) A maximum of one bedroom in the home may be rented to adults; a second bedroom may be rented to children as part of the same contract;

(D) No more than two adults shall occupy the rented bedroom;

(E) Guest(s) shall have exclusive use of the rented bedroom(s) and shared use of a full bathroom and kitchen;

(F) Neither bedrooms nor bathrooms shall contain cooking facilities;

(G) A designated on-site parking space for use by overnight guests, if it exists, or one parking space on any on-site driveway, if it exists.

(2) Owner or owner representative of any qualifying residential property may submit an application to the city for an administrative home sharing permit, along with payment of the approved fees, an affidavit affirming that smoke detectors are installed and maintained in all sleeping quarters and common areas, that fire extinguishers are accessible, and a carbon monoxide alarm is installed on each level. The owner or owner representative shall provide access and information to a certified inspector to ensure health and safety of the home share site, prior to issuance of the permit; a report verifying inspection of the site has occurred, and that the home sharing site conforms to all requirements of this section.

(3) A home sharing permit shall continue in force, as long the conditions are met, except upon cancellation by the owner or owner representative, or upon the sale or transfer of the property.

(4) Once a permit is approved, all transient occupancy taxes as set forth in Chapter 6.09 PGMC, and fees, as adopted from time to time in the city’s master fee schedule shall be collected and remitted to the city, and are applicable.

(5) Evidence of transient occupancy of a permitted home sharing site, statements and records, failure to file statement or corrected statement, payment of transient occupancy tax, appeal of tax, additional power of city, permit nontransferability, permit denial or revocation, appeal of revocation or suspension, penalties, and liens, shall be as provided in PGMC 7.40.110 through 7.40.210, inclusive.

(d) Liability and Enforcement. For the purposes of this section, liability and enforcement shall be the same as PGMC 23.64.350(c). [Ord. 16-006 § 2, 2016].

Chapter 23.70

COMMUNITY DEVELOPMENT PERMIT REVIEW AUTHORITIES AND PROCEDURES

Sections:

23.70.010 Purpose.
23.70.012 Types of community development permits and related review authorities.
23.70.015 Exemptions.
23.70.018 Counter review.
23.70.020 Counter review and determination.
23.70.030 Staff approvals.
23.70.040 Zoning administrator.
23.70.050 Site plan review committee.
23.70.060 Architectural review board.
23.70.070 Historic resources committee.
23.70.080 Planning commission.

23.70.010 Purpose.

This chapter identifies the types of community development permits, the roles of review authorities, and provides procedures for the approval or disapproval of the community development permits established by these regulations. Exception: Procedures and standards for the review and approval of subdivision maps are found in PGMC Title 24 (Subdivisions). [Ord. 11-001 § 2, 2011].

23.70.012 Types of community development permits and related review authorities.

Table 23.70.012-1, entitled “Types of Review, Applications, and Roles of Review Authorities,” identifies the city official or body responsible for reviewing and making decisions on community development permit applications, legislative amendments, and other actions required by these regulations.

Table 23.70.012-1:
Types of Review, Applications, and Roles of Review Authorities

	Roles of Review Authorities[1]						
Type of Permit Application	**Director**	**ZA**	**SPRC**	**ARB**	**HRC**	**PC**	**CC**
ARB = Architectural Review Board, CC = City Council, HRC = Historic Resources Committee, HRI = Historic Resources Inventory, LCP = Local Coastal Program, PC = Planning Commission, PGMC = Pacific Grove Municipal Code Section, SPRC = Site Plan Review Committee, and ZA = Zoning Administrator.							
Counter Review: Recommended preliminary staff review of projects to determine compliance with zoning code, need for further permit applications, or determination of which track below best suits the situation. (PGMC 23.70.018)							
Counter Review and Determination: Required director review of specific projects or land uses in order to verify compliance with zoning standards. (PGMC 23.70.020)							
Staff Approvals: For timely approval of permits for the following projects and uses:							
Admin. architectural permit – not on HRI (PGMC 23.70.030)	Decision[2]	Hearing/ Decision		Appeal[5]			Appeal[5]
Admin. architectural permit – on HRI (PGMC 23.70.030)	Decision[2,3]				Hearing/ Decision	Appeal[5]	Appeal[5]
Architectural design change – not on HRI (PGMC 23.70.030)	Decision[2]	Hearing/ Decision		Appeal[5]			Appeal[5]
Architectural design change – on HRI (PGMC 23.70.030)	Decision[2,3]				Hearing/ Decision	Appeal[5]	Appeal[5]
Admin. sign permit (PGMC 23.70.030)	Decision	Hearing/ Decision		Appeal[5]			Appeal[5]

	Roles of Review Authorities[1]						
Type of Permit Application	**Director**	**ZA**	**SPRC**	**ARB**	**HRC**	**PC**	**CC**
Admin. use permit and admin. use permit amendments[7] (PGMC 23.70.030)	Decision[2]	Hearing/ Decision				Appeal[5]	Appeal[5]
Admin. variance and admin. variance amendments (PGMC 23.70.030)	Decision[2]	Hearing/ Decision				Appeal[5]	Appeal[5]
Certificate of compliance (Chapter 24.05 PGMC)	Decision					Appeal[5]	Appeal[5]
City-initiated merger (PGMC 24.04.050)		Decision				Appeal[5]	Appeal[5]
Lot-line adjustment and owner-initiated merger (Chapter 24.06 PGMC)	Decision[2]					Appeal[5]	Appeal[5]
Permitting of undocumented dwelling units (PGMC 23.70.030)	Decision[2]	Hearing/ Decision				Appeal[5]	Appeal[5]
Zoning Administrator: For the following applications:							
Interpretations of permitted use lists (PGMC 23.70.040, Chapter 23.82 PGMC)		Decision[6]				Appeal	Appeal
Historic relocation permit – on-site (PGMC 23.70.040, 23.76.100)		Decision[6]			Hearing/ Decision	Appeal	Appeal
Parcel map (PGMC 23.70.040, Chapter 24.08 PGMC)		Decision[6]				Appeal	Appeal
Site Plan Review Committee: For the following approvals:							
Site plan review (multifamily/ commercial/industrial projects only) (PGMC 23.70.050)			Review and Comment				
Architectural Review Board: For the following applications:							
Architectural permit for new construction, major alteration, or demolition/reconstruction – not on HRI (PGMC 23.70.060)				Decision		Appeal	Appeal
Sign permit (PGMC 23.70.060)				Decision		Appeal	Appeal
Historic Resources Committee: For the following applications:							
Historic determination (PGMC 23.70.070, 23.76.030)					Decision	Appeal	Appeal
Architectural permit for major alteration – on HRI (PGMC 23.70.070)					Decision	Appeal	Appeal
Historic preservation permit (PGMC 23.70.070, 23.76.060)					Decision	Appeal	Appeal
Historic demolition permit (PGMC 23.70.070, 23.76.090)					Decision	Appeal	Appeal
Historic relocation permit – off-site (PGMC 23.70.070, 23.76.100)					Decision	Appeal	Appeal
Initial historic screening (PGMC 23.70.070)	Decision				Recommend		
Planning Commission: For the following applications:							
Use permit and use permit amendments (PGMC 23.70.080(a))						Decision	Appeal

	Roles of Review Authorities[1]						
Type of Permit Application	**Director**	**ZA**	**SPRC**	**ARB**	**HRC**	**PC**	**CC**
Variance and variance amendments (PGMC 23.70.080(b))						Decision	Appeal
Tentative tract map (Chapter 24.12 PGMC)						Decision	Appeal
Final tract map (Chapter 24.16 PGMC)						Decision	Appeal
Administrative and Amendments: For legislative actions and code interpretations (other than interpretations for permitted use lists), the following applies:							
General plan amendments (Chapter 23.84 PGMC)						Recommend	Decision
LCP amendments (Chapter 23.84 PGMC)						Recommend	Decision
Zoning text amendments (Chapter 23.84 PGMC)						Recommend	Decision
Zoning map amendments (Chapter 23.84 PGMC)						Recommend	Decision
Interpretations of code (PGMC 23.04.040)	Decision[4]					Appeal	Appeal

1. “Decision” means that the review authority makes the decision on the matter; “hearing” means that the review authority holds a hearing and renders a decision only if requested in response to a notice, in compliance with PGMC 23.70.030 (Staff approvals); “appeal” means that the review authority may consider and decide upon appeals to the decision of an earlier decision-making body, in compliance with Chapter 23.74 PGMC (Appeals and Call-Ups); “recommend” means that the review authority makes a recommendation to a higher decision-making body.

2. The director may defer action and refer the item to the hearing authority for decision.

3. If an administrative architectural permit or an architectural design change is accompanied by a historic preservation permit, both applications shall be reviewed concurrently by the historic resources committee.

4. The director may defer action and refer the item to the first appeal authority for decision.

5. Appeal authority may review matter only if the hearing authority held a public hearing and rendered a decision; except in cases where one or more vacancies on a board or committee causes an item to be continued to a subsequent meeting in order to meet the requirements for an affirmative action.

6. The zoning administrator may defer action and refer the item to the first appeal authority for decision.

7. Administrative use permits are broken down into major and minor categories, to reflect the reduced staff time required and lower corresponding fee for projects in the minor category, pursuant to PGMC 23.70.030(b)(7).[Ord. 19-014 § 2, 2019; Ord. 17-023 § 2, 2017; Ord. 13-005 § 3, 2013; Ord. 12-005 § 4, 2012; Ord. 11-001 § 2, 2011].

23.70.015 Exemptions.

The land uses, structures, and activities noted in this section are exempt from the community development permit review requirements of this zoning code. However, nothing in this section shall eliminate the requirement to obtain grading, building, and/or other construction permits prior to starting any work, as required by the municipal code.

(a) Interior Remodeling. Interior alterations that do not increase the number of rooms or the gross floor area within the structure, or change the approved use of the structure.

(b) Reconstruction of Destroyed Uses and Structures. A use of land and/or structure destroyed by fire or natural disaster may be reestablished as it existed; provided, that:

(1) It was legally established and in compliance with this zoning code before destruction;

(2) Reconstruction occurs in compliance with all applicable building, electrical, mechanical, and plumbing code requirements;

(3) For historic buildings, the provisions of PGMC 23.76.070 (Unsafe or dangerous conditions) also apply; and

(4) For nonconforming buildings or structures, the provisions of PGMC 23.68.040 (Reestablishing or repairing a nonconforming use, building, or structure damaged or destroyed by a catastrophic event) also apply.

(c) Repairs and Maintenance. Ordinary repairs and maintenance are exempt, if:

(1) The work does not result in any change in the approved land use of the site or structure, addition to, or enlargement/expansion of the land use and/or structure;

(2) The exterior repairs employ the same materials and design as the original construction. For historic structures, the repairs must use in-kind materials (i.e., materials of like size, shape, location, materials, and design as the originals) or materials that match the historic appearance;

(3) The repairs are necessary to correct a condition that has been declared unsafe or dangerous by the chief building official. For historic buildings, the provisions of PGMC 23.76.070 (Unsafe or dangerous conditions) also apply; and

(4) For nonconforming buildings or structures, the provisions of PGMC 23.68.050 (Maintenance, repair, alterations and improvements to nonconforming building or structure) also apply.

(d) Exterior Modifications to Buildings Listed on Historic Resources Inventory. Certain exterior modifications to structures listed on the historic resources inventory are exempt from the requirements of this zoning code, including:

(1) Re-roofing and gutter replacement with either in-kind materials or materials that match the historic appearance;

(2) Restoration of existing architectural elements, including historic elements (e.g., original windows and doors) consistent with the Secretary of the Interior’s standards and guidelines for rehabilitation;

(3) Foundations and foundation skirting.

(e) Exterior Modifications to Buildings Not Listed on Historic Resources Inventory. Certain exterior modifications to structures not listed on the historic resources inventory are exempt from the requirements of this zoning code, including:

(1) In the R-1 zoning districts, exterior building color and plantings;

(2) Roofing material changes or replacements, utilizing in-kind or matching color and materials;

(3) Restoration of existing architectural elements;

(4) Awnings;

(5) Foundations and foundation skirting;

(6) Solar energy equipment; and

(7) Consumer-end antennas that satisfy the following:

(A) A satellite dish less than one meter (39.37 inches) in diameter and that, if mounted on a mast, is mounted no higher than needed to receive or transmit an acceptable quality signal and in no event higher than 12 feet above roofline.

(B) An antenna designed to receive over-the-air broadcast signals, no higher than needed to receive or transmit an acceptable quality signal and in no event higher than 12 feet above roofline.

(C) A broadband radio service antenna one meter or less in diameter or diagonal measurement and that, if mounted on a mast, is mounted no higher than needed to receive or transmit an acceptable quality signal and in no event higher than 12 feet above roofline.

(D) Amateur radio antennas:

(i) That are completely enclosed within a permitted building; or

(ii) That consist of a single wire not exceeding one-fourth inch in diameter. Such wire antennas may be located in setback areas provided the antenna does not extend above the maximum building height in the district.

(iii) That consist of a single ground-mounted vertical pole or whip antenna not exceeding 42 feet in height, measured from finish grade at the base of the antenna, and not located in any required setback area. Support structures or masts for pole or whip antennas shall conform to standards set out in the California Building Standards Code. A building permit may be required for the support structure or mast. [Ord. 20-001 § 2 (Exh. A), 2020; Ord. 12-005 § 4, 2012; Ord. 11-001 § 2, 2011].

23.70.018 Counter review.

(a) Purpose. A counter review is a recommended, but not required, preliminary over-the-counter staff review of proposed projects or land uses.

(b) Applicability. Any property owner or owner representative may request a counter review for a proposed development project or land use on their property.

(c) Review Process. Staff may: answer questions; review general compliance with the zoning code; review whether a project is exempt; and assess the need for more complete plans or documentation, further community development permit applications, or possible preapplication meetings. No application is required and no official approvals are granted. [Ord. 11-001 § 2, 2011].

23.70.020 Counter review and determination.

(a) Purpose. To comply with the zoning code, some specific projects require the chief planner or designee to verify facts or make determinations regarding such zoning standards as floor area percentages or visual significance. A counter review and determination is used by the city to determine if such projects comply with the zoning code and may proceed without further community development permits.

(b) Applicability. The following project types are non-discretionary reviews that must receive a determination by the chief planner or designee before proceeding without further community development permits. Exceptions: If a new use permit, variance, or historic preservation permit is also required, see instead PGMC 23.70.030 (Staff approvals), PGMC 23.70.040 (Zoning administrator), PGMC 23.70.060 (Architectural review board), or PGMC 23.70.080 (Planning commission). If an administrative use permit or administrative variance is required, any of the projects listed under subsections (b)(1), (3), (4), (5) and (6) of this section, if located outside of the coastal zone, shall also require an administrative architectural permit, which shall be processed concurrently, pursuant to PGMC 23.70.030 (Staff approvals). If located within the coastal zone, an architectural permit shall be required for projects listed under subsections (b)(1)(A), (C) and (D), (b)(2)(F), and (b)(3)(A) and (C) of this section, pursuant to PGMC 23.70.060 (Architectural review board).

(1) For nonhistoric properties (buildings determined by the city to be ineligible for the historic resources inventory (HRI), or less than 50 years of age):

(A) In the R-1 zoning districts outside of the coastal zone:

(i) An exterior addition to a single-family home where the addition is less than 25 percent of existing floor area and does not enlarge or create a second story. Visual significance is not a factor;

(ii) Exterior modifications and additions to a single-family home, duplex or triplex, that are 25 percent or more of existing floor area and do not enlarge or create a second story, and that the chief planner determines to be “visually insignificant” as viewed from the adjacent street(s); and

(iii) Any new impervious surfaces.

(B) In the R-1 zoning districts, both within and outside the coastal zone:

(i) Replacement of chimneys, siding, doors, porches, decks, or other exterior feature(s) on a single-family home, duplex or triplex, if the replacement materials and design are either in-kind or matching the existing or original materials and design, such that the change is determined by the chief planner to be “visually insignificant” as viewed from the adjacent street(s);

(ii) Replacement of windows (including change in window location of up to 12 inches from existing location) on a single-family home, duplex or triplex, if the replacement materials are either in-kind, matching or are considered an upgrade of the existing or original materials, which would meet the definition of “visually insignificant,” pursuant to the Window Guidelines, Appendix IV of the Pacific Grove Architectural Review Guidelines; and

(iii) Roof material change and/or roof pitch change, such that the change is determined by the chief planner to be “visually insignificant” as viewed from the adjacent street(s) or is considered appropriate to the architectural style of the structure.

(C) In all other residential zoning districts outside of the coastal zone, exterior modifications or an exterior addition to a single-family home, duplex or triplex where the addition is less than 400 square feet or 10 percent of existing floor area, whichever is less, and where the alterations and/or addition is determined to be “visually insignificant” as viewed from the adjacent street(s) and does not enlarge or create a second story.

(D) In all other residential zoning districts outside of the coastal zone, any new impervious surfaces.

(E) In all residential zoning districts outside of the coastal zone, deer fencing meeting the height limits of PGMC 23.64.130(d).

(2) For historic properties (buildings listed on the historic resources inventory (HRI), or determined by the city to be eligible for the HRI) in any zone:

(A) In-kind replacement of original historic windows if the chief building official determines that the original windows are “too deteriorated to restore,” pursuant to the Window Guidelines, Appendix IV of the Pacific Grove Architectural Review Guidelines;

(B) Replacement of nonhistoric windows with windows that match, or more closely match, original historic windows in design and materials, when photo documentation of original windows is available, or other original windows exist and can be used for comparison. If original windows or photo documentation is not available, window replacement options shall be reviewed by the city’s on-call historic consultant and a determination made by the chief planner, pursuant to the Window Guidelines, Appendix IV of the Pacific Grove Architectural Review Guidelines;

(C) Replacement of historic stairs, railings, doors or porches if the chief building official determines that they are “too deteriorated to restore.” Replacement shall be with in-kind materials or, if photo documentation is available, materials and design that match the historic

appearance to the extent possible and historically appropriate. If original materials or photo documentation is not available, replacement options shall be reviewed by the city's on-call historic consultant and a determination made by the chief planner;

(D) Replacement of nonhistoric stairs, railings, doors, and porches with features that match, or more closely match, original features in design and materials, when photo documentation of original features is available, or other original features exist and can be used for comparison. If original features or photo documentation is not available, replacement options shall be reviewed by the city's on-call historic consultant and a determination made by the chief planner;

(E) Repair or patching individual areas of historic exterior siding with in-kind materials, if the chief building official determines that the original siding is "too deteriorated to restore"; and

(F) In all residential zoning districts outside of the coastal zone, any new impervious surfaces.

(3) For buildings 50 years of age or older with an undetermined historic status:

(A) All development under subsections (b)(1)(A) and (C) of this section if the chief planner determines that the exterior modifications and additions are "visually insignificant" as viewed from the adjacent street(s);

(B) All development under subsection (b)(1)(B) of this section if the chief planner determines that the exterior modifications and additions are "visually insignificant" as viewed from the adjacent street(s);

(C) In all residential zoning districts outside of the coastal zone, any new impervious surfaces; and

(D) All replacement and repairs listed under subsections (b)(2)(A) through (E) of this section.

(4) In all R-1, R-2, R-H, and M-H (when combined with R-1 or R-2 only) zoning districts, both within and outside the coastal zone, home businesses pursuant to subsection (e) of this section.

(5) For all property types in all residential zoning districts, water heater or utility enclosure if the exterior material matches the existing siding.

(6) In any zoning district other than the unclassified (U), open space (O), downtown commercial (C-D) and light commercial and hotel (C-1-T) zoning districts:

(A) Minor sign face change within an existing and approved sign frame, if substantially conforming to the existing sign approval and the requirements of Chapter 20.04 PGMC (Signs); and

(B) Water cisterns or rainwater collection equipment 1,500 gallons or less in capacity if determined by the chief planner to be "visually insignificant," and if located to the sides or rear of buildings and outside of building setback areas.

(7) In the downtown commercial (C-D) and light commercial and hotel (C-1-T) zoning districts, signs meeting all applicable development standards and design guidelines contained in Chapter 20.05 PGMC.

(8) Any proposed use listed as a "permitted use" in Table 23.31.030.

(9) Any proposed use requiring an administrative use permit or use permit, as listed in Table 23.31.030, shall only require a counter review and determination if the proposed use will replace an existing use of the same size and use category which already has a valid administrative use permit or use permit.

(10) Projects which meet the following requirements are entitled to review as a use by-right:

(1) Project is located on a site suitable for residential development as defined in California Government Code Section 65583.2 and identified for lower-income households in the adopted 6th Cycle Housing Element Site Inventory that are shown to be the following:

(i) Vacant and listed in the Site Inventory of two or more consecutive Housing Elements; or

(ii) Non-vacant and listed in the Site Inventory of a previous Housing Element.

(2) The project is proposed to include 20 percent of the total number of housing units available to lower-income households.

(c) Review Process. A “counter review and determination” application, as well as accurate plans, drawings, photographs, and other documentation, as applicable, are required. The application review is ministerial in nature, in that the determinations are arrived at objectively, involve little or no personal judgment, and are issued by the chief planner. Though called a “counter” review, if staff research is needed, a counter review and determination may take up to three business days. Note: If an administrative use permit or administrative variance is required, any of the projects listed under subsections (b)(1), (3), (4), (5) and (6) of this section, if located outside of the coastal zone, shall also require an administrative architectural permit, which shall be processed concurrently, pursuant to PGMC 23.70.030 (Staff approvals). If located within the coastal zone, an architectural permit shall be required for projects listed under subsections (b)(1)(A), (C) and (D), (b)(2)(F), and (b)(3)(A) and (C) of this section, pursuant to PGMC 23.70.060 (Architectural review board).

(d) Determination. If the chief planner determines that the proposed project or land use complies with all zoning code provisions or is otherwise exempt from these regulations, the application will be signed by the chief planner or designee, the supporting documents stamped with an official notation of compliance, and no further community development permits will be required. Grading, building, and/or other construction permits may be required prior to starting any work, according to the requirements of the municipal code.

(e) Appeals of Determinations. For appeals of these determinations, see PGMC 23.74.020(a).

(1) Projects pursuant to California Government Code Section 65583.2 may be appealed to the Planning Commission only by the applicant or the owner of the subject property.

(f) Effective Date of Determination. The determination shall become effective only when:

(1) The appeal period has expired or, if appealed, prior to final action on the appeal by the appeal authority in accordance with Chapter 23.74 PGMC (Appeals and Call-Ups); and

(2) All necessary prior approvals have been obtained. [Ord. 13-023 § 5, 2013; Ord. 13-003 § 20, 2013; Ord. 12-005 § 4, 2012; Ord. 11-001 § 2, 2011].

23.70.030 Staff approvals.

(a) Purpose. This section establishes procedures and findings for the issuance of, and effective time periods for, staff-approved permits. No public hearings are held unless a request for a hearing is submitted or the director refers it to the hearing authority. The intent of this section is to ensure that community development permits are in compliance with the general plan, local coastal program, and these regulations, and are issued quickly yet allow for public review.

(b) Applicability. As summarized in Table 23.70.012-1, the director or designee is the decision-making authority for the following community development permits:

(1) Administrative Architectural Permits (On HRI, Determined by the City to Be Eligible for the HRI, or 50 Years of Age or Older with an Undetermined Historic Status). In all residential zoning districts,

administrative architectural permits may be granted for the following structures and the following alterations to buildings listed on the historic resources inventory (HRI), determined by the city to be eligible for the HRI, or to buildings that are 50 years of age or older and have an undetermined historic status:

(A) Outside of the coastal zone, an exterior modification to side and/or rear elevations, or an addition to side and/or rear elevations where the addition is less than 400 square feet or 10 percent of existing floor area, whichever is less, of a single-family home, duplex or triplex, if all of the following apply:

(i) Does not enlarge or create a second story; and

(ii) The director has determined that it is consistent with the Secretary of the Interior's Standards for Historic Rehabilitation and the State Historic Building Code.

(B) Outside of the coastal zone, Category 1 detached accessory structures larger than 120 square feet, pursuant to Table 23.64.180.

(C) Both within and outside the coastal zone, deer fencing, not to exceed six feet, if within front, side, and rear yards, pursuant to PGMC 23.64.130(d).

Exception: If accompanied by a historic preservation permit application, an administrative architectural permit shall be referred to the historic resources committee to hold a public hearing and to take action on both applications concurrently, pursuant to PGMC 23.70.070.

(2) Administrative Architectural Permits (Not on HRI). Administrative architectural permits may be granted for the following structures and the following alterations to a building that has been determined by the city to be ineligible for the historic resources inventory, or is less than 50 years of age:

(A) In the R-1 zoning districts outside of the coastal zone, any exterior modifications or additions to a single-family home, duplex or triplex that are 25 percent or more of existing floor area and do not enlarge or create a second story, if the director determines that the exterior modifications and additions are "visually significant" as viewed from the adjacent street(s);

(B) In the R-1 zoning districts outside of the coastal zone, any of the following modifications to a single-family home, duplex or triplex:

(i) Replacement of chimneys, siding, doors, porches, decks, or other exterior feature(s), if the replacement materials and design are determined by the director to be "visually significant" as viewed from the adjacent street(s);

(ii) Replacement of windows (including change in window location of up to 12 inches from existing location), if the replacement materials meet the definition of "visually significant," pursuant to the Window Guidelines, Appendix IV of the Pacific Grove Architectural Review Guidelines; and

(iii) Roof material change and/or roof pitch change, such that the change is determined by the director to be "visually significant" as viewed from the adjacent street(s);

(C) In the R-2, R-3, and R-4 zoning districts, outside of the coastal zone, any of the following modifications or additions to a single-family home, duplex or triplex:

(i) Replacement of chimneys, siding, doors, porches, decks, or other exterior feature(s), if the replacement materials and design are either in-kind or matching the existing or original materials and design, such that the change is determined by the director to be "visually insignificant" as viewed from the adjacent street(s);

(ii) Replacement of windows (including change in window location of up to 12 inches from existing location), if the replacement materials are either in-kind, matching or are considered an upgrade of the existing or original materials, which would meet the definition of “visually insignificant,” pursuant to the Window Guidelines, Appendix IV of the Pacific Grove Architectural Review Guidelines;

(iii) Roof material change and/or roof pitch change, such that the change is determined by the director to be “visually insignificant” as viewed from the adjacent street(s) or is considered appropriate to the architectural style of the structure;

(iv) Exterior modifications and additions that are 25 percent or more of existing floor area and do not enlarge or create a second story, and that the director determines to be “visually insignificant” as viewed from the adjacent street(s); and

(v) Exterior modifications or an exterior addition, where the addition is less than 400 square feet or 10 percent of existing floor area, whichever is less, and where the alterations and/or addition is determined to be “visually significant” as viewed from the adjacent street(s) and does not enlarge or create a second story;

(D) Roof overhang, roofing material, and siding material modifications for any mobile home installed in other than the R-1-M-H district;

(E) Water heater or utility enclosure if the exterior material does not match the existing siding and the director determines it is “visually significant” as viewed from the adjacent street(s);

(F) Water cisterns or rainwater collection equipment not meeting the provisions of PGMC 23.70.020(b)(6)(B);

(G) Outside of the coastal zone, Category 1 detached accessory structures larger than 120 square feet, pursuant to Table 23.64.180; and

(H) Within the coastal zone, deer fencing, not to exceed six feet, if within front, side, and rear yards, pursuant to PGMC 23.64.130(d).

(3) An administrative architectural permit shall also be required for projects located outside the coastal zone and listed in PGMC 23.70.020(b)(1), (3), (4), (5) or (6), that are accompanied by an administrative use permit or administrative variance. The two permits shall be processed concurrently, in accordance with this section. If located within the coastal zone, an architectural permit shall be required for projects listed under PGMC 23.70.020(b)(1)(A), (C) and (D) and (b)(3)(A) and (C), pursuant to PGMC 23.70.060 (Architectural review board), and PGMC 23.70.020(b)(2)(F) pursuant to PGMC 23.70.070 (Historic resources committee).

(4) Architectural Design Changes. Once an architectural permit, outside the coastal zone, or an administrative architectural permit has been approved, but before the associated building permit has been finaled, changes that modify the exterior elevations of the project shall be processed as an architectural design change; provided, that cumulative design changes to a prior architectural permit or administrative architectural permit shall not appreciably alter the originally approved design. This applies to properties either on the HRI or not on the HRI.

Exception: If accompanied by a historic preservation permit application, an administrative design change shall be referred to the historic resources committee to hold a public hearing and to take action on both applications concurrently, pursuant to PGMC 23.70.070.

(5) Lot Mergers. Lot mergers, in accordance with this section and the procedures in PGMC 24.04.030 (Definitions).

(6) Administrative Sign Permit. An administrative sign permit may be granted for the following:

(A) A flat sign in the C-1, C-FH, C-2, or I zone that has a sign area of 25 square feet or less, is attached to or is painted on a building so as not to project more than six inches from the building, and is the only permanent sign displayed on the premises;

(B) New commercial signs or modifications to an existing sign that comply with an existing master sign program for the site; and

(C) In the downtown commercial (C-D) and light commercial and hotel (C-1-T) zoning districts, signs meeting all applicable development standards, but not all applicable design guidelines, contained in Chapter 20.05 PGMC.

(7) Administrative Use Permits. Administrative use permits and administrative use permit amendments may be granted for the following:

(A) Major Administrative Use Permits.

(i) Detached or semi-detached rooms within the R-1 zoning districts;

(ii) Averaging of side yards for interior sites within the R-1 and R-2 zoning districts, pursuant to PGMC 23.16.060(b)(1) and 23.20.070(b)(1);

(iii) Accessory buildings and structures that are 120 square feet or less in area, pursuant to Table 23.64.180;

(iv) Roominghouses, boardinghouses, and professional uses within the R-4 zoning district;

(v) Uses requiring an administrative use permit in the C-1, C-1-T, C-D, C-FH, C-2, C-V, or I zoning district, pursuant to Table 23.31.030, except as provided in PGMC 23.70.020(b)(8);

(vi) Temporary uses within the C-1, C-1-T, C-D, C-FH, and C-V zoning districts, pursuant to Table 23.31.030;

(vii) Gardening on vacant lots within the C-1, C-1-T, C-D, C-FH, C-2, or C-V zoning district;

(viii) Uses allowed with a use permit within the R-3-P.G.B. zoning district;

(ix) Earth and mineral extraction for commercial purposes;

(x) Foster and day care homes under PGMC 23.64.110 (Family day care homes);

(xi) Projection of open porches, stairways, etc., under PGMC 23.64.160 (yards);

(xii) Accessory storage of portable or movable objects under PGMC 23.64.185 (accessory use);

(xiii) Extension, change, or restoration of a nonconforming use under Chapter 23.68 PGMC (Nonconforming Uses and Buildings);

(xiv) Wireless eligible facilities requests (for modification of previously permitted wireless telecommunications facilities); and

(xv) Consumer-end antennas not exempted from this code.

(B) Minor Administrative Use Permits.

(i) Structures, appurtenances, fences, deer fences, hedges, screen plantings, or other visual obstructions (other than allowed garden structures) in excess of height limits under PGMC 23.64.120; and

(ii) Garden structures exceeding the standards required by PGMC 23.64.119 (Garden structures).

(8) Administrative Variances. Administrative variances and administrative variance amendments may be granted for the following:

(A) Reductions in required yards or setbacks that are 20 percent or less of the required distance;

(B) Increases in allowable building site coverage of five percent or less for additions to an existing structure;

(C) The occupancy of any part of a required side or rear yard by a driveway or parking pad; and

(D) The elimination of a required covered parking space in the R-1 zoning districts where the absence of the space is a legal nonconforming condition of an existing single-family use and where a parking space is not physically possible.

(c) Review Process. Upon submittal of one of the community development permit applications listed in this section, the department shall process it in accordance with Chapter 23.72 PGMC (Permit Application Filing and Processing) and the following:

(1) Staff reviews the proposed project for compliance with the general plan, certified local coastal program, these regulations, and other applicable conditions and regulations.

(2) The director issues a notice of administrative decision, pursuant to the procedures in PGMC 23.86.030, or determines that the permit application presents issues of sufficient public concern to warrant a public hearing and refers the application directly to the appropriate hearing authority, pursuant to Table 23.70.012-1. The hearing authority decision may be appealed or called up in accordance with Chapter 23.74 PGMC (Appeals and Call-Ups).

(3) If no written request for a hearing is received by the department within 10 days of the issuance of the notice of administrative decision, the action of the director is final, and the appeal and call-up procedures in Chapter 23.74 PGMC (Appeals and Call-Ups) do not apply.

(d) Review Criteria. For architectural review projects, the criteria in PGMC 23.70.060(e) shall apply.

(e) Findings Required for Approval. Permit applications under this section shall be approved or approved with conditions, only if the review authority first makes all of the following applicable findings:

(1) Findings for All Staff Approvals under This Section Other Than Wireless Eligible Facilities Requests and Temporary Wireless Telecommunications Facilities.

(A) The proposed development conforms to the applicable provisions of the general plan, the local coastal program, any applicable specific plan, and these regulations;

(B) The proposed development is located on a legally created lot;

(C) The subject property is in compliance with all laws, regulations, and rules pertaining to uses, subdivision, setbacks, and any other applicable provisions of this municipal code, and all applicable zoning violation enforcement and processing fees have been paid; and

(D) The proposed development is in compliance with all citywide permits, including, but not limited to, the National Pollutant Discharge Elimination System (NPDES) permit.

(2) Additional Findings for Administrative Architectural Permits and Architectural Design Changes.

(A) The architecture and general appearance of the completed project are compatible with the neighborhood; and

(B) The completed project will neither be detrimental to the orderly and harmonious development of the city nor impair the desirability of investment or occupation in the neighborhood; and

(C) The director has been guided by and has made reference to applicable provisions of the architectural review guidelines in making its determinations on single-family residences.

(3) Additional Findings for Exterior Alterations to Structures on the Historic Resources Inventory (HRI).

(A) The exterior alteration of any building or structure on the historic resources inventory is consistent with the Secretary of the Interior's Standards for Rehabilitation of Historic Buildings; and

(B) The exterior alteration of any structure on the historic resources inventory complies with Appendices I through IV of the Pacific Grove Architectural Review Guidelines.

(4) Additional Finding for Administrative Sign Permits. The proposed sign effectively conveys the business identity to the public and possesses pleasing elements of design that protect and enhance the architectural character and harmony of the buildings and neighborhood in which it is located.

(5) Additional Findings for Administrative Use Permits and Variances.

(A) The findings in PGMC 23.70.080(a)(4) shall apply to administrative use permits;

(B) Additional Finding for Administrative Use Permits for Fences, Deer Fences, and Garden Structures. The proposed fencing, and/or garden structure, will be in keeping with the neighborhood and will not obstruct views, air or light from the adjoining public street(s) without there being unique or exceptional circumstances of the property to warrant it; and

(C) The findings in PGMC 23.70.080(b)(4) shall apply to administrative variances.

(6) Administrative Use Permit (AUP) Findings for Wireless Eligible Facilities Requests.

(A) The proposed wireless telecommunications facility qualifies as a wireless eligible facilities request, satisfying each element specified in 47 CFR Sections 1.6001 through 1.6100, as may be amended.

(B) The findings required by subsections (e)(1)(B) through (D) of this section shall apply, except as specifically preempted by federal law.

(C) The proposed wireless telecommunications facility complies with applicable safety codes and guidelines, and FCC regulations governing radiofrequency emissions.

(7) Additional Findings for Customer-End Antennas.

(A) The proposed height, and design, and placement of the antenna is consistent with applicable safety codes, including setback requirements;

(B) The proposed height and design are required to receive service, or to engage in amateur radio communications;

(C) The proposed antennas have been designed and placed to minimize the visual impact of the antennas and their effect on adjoining properties, including through the use of shielding and landscaping; and

(D) Approval is required under applicable FCC regulations.

(f) Effective Date of Decision. The decision shall become effective only when:

(1) The 10-day request for hearing period has expired, or the appeal period following a hearing authority decision has expired or, if appealed further or called up, after final action by the appeal authority in accordance with Chapter 23.74 PGMC (Appeals and Call-Ups); and

(2) All necessary prior approvals have been obtained. [Ord. 20-001 § 2 (Exh. A), 2020; Ord. 17-023 § 2, 2017; Ord. 13-023 § 5, 2013; Ord. 13-005 § 3,

2013; Ord. 13-003 § 20, 2013; Ord. 12-005 § 4, 2012; Ord. 11-001 § 2, 2011].

23.70.040 Zoning administrator.

(a) Purpose. This section establishes a zoning administrator, duties, and procedures for the purpose of providing an appropriate public review and approval process for certain community development permits, but less process than that required for board or commission review.

(b) Establishment. The city manager shall appoint a zoning administrator to grant community development permit approvals where required by these regulations, and to promote the orderly and harmonious development of the city. The zoning administrator shall conduct public hearings and render decisions on permits in accordance with this section and Chapter 23.86 PGMC (Public Meeting and Hearing Procedures).

(c) Applicability.

(1) As summarized in Table 23.70.012-1, the zoning administrator is the decision-making authority for the following permits and activities:

(A) Interpretation of permitted use lists in commercial and industrial districts;

(B) Historic relocation permit – on-site; and

(C) Parcel map.

(2) If a permit application is referred by the chief planner, or if a written request for a hearing is received within 10 days of the department's issuance of a notice of administrative decision, the zoning administrator shall also act as the decision-making authority and take action on the following:

(A) Administrative architectural permit – not on HRI;

(B) Architectural design change – not on HRI;

(C) Lot merger;

(D) Administrative sign permit;

(E) Administrative use permit or administrative use permit amendment; and

(F) Administrative variance or administrative variance amendment.

(d) Review Process.

(1) For interpretations of permitted use lists, application processing shall be in accordance with Chapter 23.82 PGMC (Interpretations of Permitted Use Lists).

(2) Upon submittal of one of the community development permit applications listed in this section, the department shall process it in accordance with Chapter 23.72 PGMC (Permit Application Filing and Processing) and the following:

(A) Staff reviews for compliance with the general plan, certified local coastal program, these regulations, and other applicable conditions and regulations.

(B) Staff schedules the item for zoning administrator hearing and prepares the noticing, pursuant to the procedures in Chapter 23.86 PGMC (Public Meeting and Hearing Procedures).

(C) The zoning administrator holds a public hearing and either approves, approves with conditions, or disapproves the item. The action is subject to appeal or call-up in accordance with Chapter 23.74 PGMC (Appeals and Call-Ups).

(e) Review Criteria. For architectural review projects, the criteria in PGMC 23.70.060(e) shall apply.

(f) Findings Required for Approval. Permit applications under this section shall be approved, or approved with conditions, only if the zoning administrator first makes all of the following applicable findings:

(1) Findings for interpretations of permitted use lists are provided in PGMC 23.82.050.

(2) Findings for all permit applications decided by the zoning administrator under this section:

(A) The proposed development conforms to the applicable provisions of the general plan, the local coastal program, any applicable specific plan, and these regulations;

(B) The proposed development is located on a legally created lot;

(C) The subject property is in compliance with all laws, regulations, and rules pertaining to uses, subdivision, setbacks, and any other applicable provisions of this code, and all applicable zoning violation enforcement and processing fees have been paid; and

(D) The proposed development is in compliance with all citywide permits, including, but not limited to, the National Pollutant Discharge Elimination System (NPDES) permit.

(3) Additional Findings for Administrative Architectural Permits and Architectural Design Changes.

(A) The architecture and general appearance of the completed project are compatible with the neighborhood; and

(B) The completed project will neither be detrimental to the orderly and harmonious development of the city nor impair the desirability of investment or occupation in the neighborhood; and

(C) The zoning administrator has been guided by and has made reference to applicable provisions of the architectural review guidelines in making its determinations on single-family residences.

(4) Additional Finding for Administrative Sign Permits. The proposed sign effectively conveys the business identity to the public and possesses pleasing elements of design that protect and enhance the architectural character and harmony of the buildings and neighborhood in which it is located.

(5) Additional Findings for Administrative Use Permits.

(A) The findings in PGMC 23.70.080(a)(4) shall apply to administrative use permits; and

(B) Additional Finding for Administrative Use Permits for Fences, Deer Fences, and Garden Structures. The proposed fencing, and/or garden structure, will be in keeping with the neighborhood and will not obstruct views, air or light from the adjoining public street(s) without there being unique or exceptional circumstances of the property to warrant it.

(6) Additional Findings for Administrative Variances. The findings in PGMC 23.70.080(b)(4) shall apply to administrative variances.

(g) Effective Date of Permit Approval. The permit approval shall become effective only when:

(1) The appeal period has expired or, if appealed, prior to final action on the appeal by the appeal authority in accordance with Chapter 23.74 PGMC (Appeals and Call-Ups); and

(2) All necessary prior approvals have been obtained. [Ord. 12-005 § 4, 2012; Ord. 11-001 § 2, 2011].

23.70.050 Site plan review committee.

(a) Purpose. The purpose of the site plan review committee (SPRC) is to encourage well-designed multifamily residential, commercial, and industrial development. The SPRC's review does not apply to single-family residences outside of the coastal zone. The SPRC studies the siting of proposed construction and its impact upon the existing topography and natural vegetation, and the relationship of proposed construction to existing public and private improvements in the immediate area. It does not act on architectural aspects. It encourages the elimination of unnecessary grading, and endeavors to retain the natural character of the site, including the preservation of trees. The SPRC ensures that site plans conform to a logical plan of site development; have adequate parking facilities, driveways, entrances, and exits; provide an appropriate arrangement, location, and design of required open spaces and recreational facilities; and incorporate other pertinent project features, so that development will not be detrimental to vehicular or pedestrian traffic on adjacent streets, will provide adequate light and air, will provide adequate access for firefighting equipment and, in general, will provide a desirable and well designed facility. The SPRC also reviews and approves lot-line adjustments.

(b) Establishment. The city manager shall appoint a site plan review committee, which shall consist of the director, city engineer, fire chief, and chief building official, or their representatives. The SPRC may adopt such rules as are needed for the conduct of its deliberations. The director or designee shall serve as chairperson of the SPRC. A quorum of the SPRC shall consist of not less than three members of the SPRC, one of whom shall be the director. An affirmative vote of a majority of the total members of the SPRC shall be required for any action by the SPRC.

(c) Applicability. As summarized in Table 23.70.012-1, the site plan review committee is the decision-making authority or reviews and comments on the following permits and activities:

(1) Siting and lot coverage in the coastal zone. Pursuant to Policy No. 3.4.5.2 of the local coastal program, the SPRC shall review and comment on the siting of each new development and the expected area of disturbance around each residence within the coastal zone, and review and comment on any property owner request to exceed the maximum lot coverage of 15 percent of a total lot area within the coastal zone.

(2) Projects of $50,000 or more. The SPRC shall review and comment on any structure or site work valued at $50,000 or more, as determined by the chief building official, including the structural alteration, or addition to, existing structures or works.

Exceptions. This section shall not apply to:

(A) Interior alterations and remodeling that do not involve a change in occupancy as defined by the Uniform Building Code;

(B) Exterior alterations not involving an increase in floor area; or

(C) Single-family residences in all residential zones outside of the coastal zone.

(d) Review Process. Upon submittal of an application for site plan review, the department shall process it in accordance with the following:

(1) Staff reviews the application to ensure it is complete based on the submittal requirements provided by the department.

(2) For site plan reviews, the SPRC holds a meeting to review and comment on the project. No formal action is taken. Comments are forwarded to the review authority for the associated community development permit.

(e) Required Improvements. The SPRC will ensure compliance with the following requirements as part of its site plan review:

(1) Street Frontage Improvements. Curb, gutter, sidewalk, street pavement, and concrete driveway aprons shall be installed along all street frontages of the site in compliance with the requirements of Chapter 24.12 PGMC. The requirements of this section shall not apply to the erection, construction, or reconstruction of agricultural structures or uses. If the city engineer determines that engineering considerations will make the required improvements infeasible or if the SPRC finds that there is a prevailing design element of the neighborhood that runs counter to usual standards, the site plan review committee may modify the improvement requirements to conform to engineering feasibility or a prevailing neighborhood design element.

(2) Deferral of Improvements. The SPRC may recommend to the review authority the deferral of required improvements after a written request from the applicant, if the SPRC first determines that special or unusual circumstances warrant the deferral. When recommending a deferral, the SPRC shall specify a time limit for deferral, which shall not exceed one year, unless extended by subsequent action of the review authority. If a deferral is ultimately granted, the applicant shall furnish a satisfactory faithful performance bond, cash contribution, or other guarantee acceptable to the city, to ensure that the work will be performed.

(f) Criteria for Site Plan Review. The SPRC will review and comment on whether site plans submitted for review incorporate the following criteria:

(1) Necessary street improvements to control and provide for traffic movement arising from the development;

(2) Safe pedestrian movement on or adjoining the property;

(3) Safe and sanitary control of surface and subsurface drainage on or adjoining the property;

(4) Attractive and sanitary provisions for refuse storage and disposal;

(5) Appropriate and adequate automobile parking spaces; and

(6) Fulfillment of the purposes of subsection (a) of this section.

(g) Building Permit Issuance. No building permit shall be issued for structures subject to the provisions of this section until the SPRC has completed its deliberations. The chief building official shall not allow final public utility connections to any structure until the applicant has complied with all applicable provisions of this section. [Ord. 19-014 § 3, 2019; Ord. 11-001 § 2, 2011].

23.70.060 Architectural review board.

(a) Purpose. This section establishes procedures for the city's architectural review of structures, in order to promote the orderly and harmonious development of the city, and to protect its architectural character.

(b) Establishment. The architectural review board is hereby established as follows:

(1) Membership. The board shall consist of five voting members, appointed by the mayor, with the approval of the council. At least four members shall be residents registered to vote in the city of Pacific Grove. At least two members shall have professional experience as an architect, landscape architect, engineer, designer, or draftsperson; or have experience in the building industry. A member not registered to vote in the city of Pacific Grove shall have demonstrated architectural experience in the city of Pacific Grove.

(2) Term of Office, Attendance. All appointees shall serve for a two-year term, and may be removed at the pleasure of the council. Three of the board members shall be appointed for terms ending on January 31st in odd-numbered years, and four for terms ending on January 31st in even-numbered years. A member's seat shall be deemed vacated upon two consecutive absences from regular meetings without being excused by the chair.

(3) Meetings. The board shall meet no less frequently than once per month and may adopt rules as needed for the conduct of its deliberations, including the selection of the member who shall serve as chair.

(c) Applicability. As summarized in Table 23.70.012-1, the architectural review board is the decision-making authority for structures not listed on the historic resources inventory for the following permits:

(1) Outside of the coastal zone, architectural permits for new construction, major alterations to existing structures, or demolition and reconstruction of structures. This section does not apply to any project listed in PGMC 23.70.020, 23.70.030 and 23.70.040, including a design change to an approved architectural permit that meets the provisions of PGMC 23.70.030(b)(4);

(2) Within the coastal zone, architectural permits for new construction, major and minor alterations to existing structures, or demolition and reconstruction of structures, including an amendment to an approved architectural permit. This section does not apply to any project listed in PGMC 23.70.020(b)(1)(B), (2)(A) through (E), (3)(B) and (D), (4), (5), and (6);

(3) Within the coastal zone, architectural permits for Category 1 detached accessory structures larger than 120 square feet, pursuant to Table 23.64.180;

(4) Sign permits, pursuant to Chapter 20.04 PGMC (Signs) and PGMC 20.05.070. This section does not apply to any counter review and determination or administrative sign permit under PGMC 23.70.020, 23.70.030 and 23.70.040;

(5) Whenever otherwise required by this code.

(d) Review Process. Upon submittal of one of the community development permit applications listed in this section, the department shall process it in accordance with Chapter 23.72 PGMC (Permit Application Filing and Processing) and the following:

(1) Staff reviews for compliance with the general plan, certified local coastal program, these regulations, and other applicable conditions and regulations.

(2) Staff schedules the item for an architectural review board hearing and prepares the noticing, pursuant to the procedures in Chapter 23.86 PGMC (Public Meeting and Hearing Procedures).

(3) The board holds a public hearing and approves, approves with conditions or disapproves each item. The action is subject to appeal in accordance with Chapter 23.74 PGMC (Appeals and Call-Ups).

(e) Review Criteria. In carrying out the purposes of this chapter, the board shall consider in each specific case any or all of the following as may be appropriate:

(1) The city of Pacific Grove Architectural Review Guidelines.

(2) The siting of any structure on the property as compared to the siting of other structures in the immediate neighborhood and the surrounding area.

(3) All structures shall have simplicity of mass and detail and shall not strive for bizarre effects. There shall be an appropriate use of material. Except as exempt pursuant to PGMC 23.70.015 (Exemptions), colors shall be in good taste and never harsh, garish, or inappropriate to the other colors designated for the structure or to the surrounding environment. Architectural character shall be

aesthetically pleasing of itself and shall either harmonize with adjacent structures, or shall complement architectural characteristics of adjacent structures by means of dignified contrast.

In consideration of architectural or stylistic character and detail, the simple dignity of early California architecture and the romantic character of the Victorian styles as exemplified in the early buildings of Pacific Grove shall be considered as models suitable for emulation, but studied copying of past styles shall be considered as neither necessary nor greatly to be desired.

(4) When required, landscaping shall be designated as required by PGMC Title 12 (Trees and Vegetation), the State Model Landscape Ordinance, and these regulations.

(A) At least 80 percent of the street frontage of gasoline or service stations unused for driveways shall be landscaped.

(B) Parking lots, used car lots, service stations, or similar uses that park or store over five vehicles shall be landscaped.

(5) The size, location, and arrangement of on-site parking and paved areas together with ingress, egress, and internal traffic circulation shall be considered and shall be subject to the board's approval.

(f) Findings Required for Approval. The board shall determine from the materials submitted whether:

(1) The architecture and general appearance of the completed project are compatible with the neighborhood; and

(2) The completed project will neither be detrimental to the orderly and harmonious development of the city nor impair the desirability of investment or occupation in the neighborhood; and

(3) The board has been guided by and has made reference to applicable provisions of the architectural review guidelines in making its determinations on single-family residences.

(4) Additional Finding for Sign Permits. The proposed sign effectively conveys the business identity to the public and possesses pleasing elements of design that protect and enhance the architectural character and harmony of the buildings and neighborhood in which it is located.

(g) Effective Date of Permit Approval. The permit approval shall become effective only when:

(1) The appeal period has expired or, if appealed, prior to final action on the appeal by the appeal authority in accordance with Chapter 23.74 PGMC (Appeals and Call-Ups); and

(2) All necessary prior approvals have been obtained. [Ord. 21-021 § 2, 2021; Ord. 18-013 § 3, 2018; Ord. 17-023 § 2, 2017; Ord. 13-023 § 5, 2013; Ord. 12-005 § 4, 2012; Ord. 11-001 § 2, 2011].

23.70.070 Historic resources committee.

(a) Purpose. This section establishes procedures for the city's determinations on additions and deletions to the historic resources inventory, in order to preserve, protect, enhance and perpetuate those historic structures and neighborhoods that contribute to the cultural and aesthetic heritage of Pacific Grove.

(b) Establishment. The historic resources committee is hereby established pursuant to PGMC 23.76.021.

(c) Applicability.

(1) Decision-Making Authority. As summarized in Table 23.70.012-1, the historic resources committee is the decision-making authority for historic determinations, which are additions to and deletions from the historic resources inventory, pursuant to the evaluation criteria in PGMC 23.76.025 and for structures listed on the historic resources inventory for the following permits per PGMC 23.76.080:

(A) Outside of the coastal zone, architectural permits for new construction, major alterations to existing structures, or demolition and reconstruction of structures. This section does not apply to any project listed in PGMC 23.70.020, 23.70.030 and 23.70.040, including a design change to an approved architectural permit that meets the provisions of PGMC 23.70.030(b)(4);

(B) Within the coastal zone, architectural permits for new construction, major and minor alterations to existing structures, or demolition and reconstruction of structures, including an amendment to an approved architectural permit. This section does not apply to any project listed in PGMC 23.70.020(b)(2)(A) through (E), (3)(D), (4), (5), and (6)(B);

(C) Historic preservation permits for exceptions to land use regulations involving structures on the historic resources inventory, pursuant to PGMC 23.76.060;

(D) Historic demolition permits for the demolition of any structure on the historic resources inventory, pursuant to PGMC 23.76.090;

(E) Historic relocation permits for the off-site relocation of any structure on the historic resources inventory, pursuant to PGMC 23.76.100;

(F) If referred by the director or if a written request for a hearing is received within 10 days of the department's issuance of a notice of administrative decision, for one of the following applications:

(i) Administrative architectural permit;

(ii) Architectural design change; and

(G) Whenever otherwise required by this code.

(2) Recommending Authority. As summarized in Table 23.70.012-1, the historic resources committee is the recommending authority for initial historic screening requests. The committee shall make a recommendation to the director as to whether a determination of ineligibility can be made or if a Phase 1 historic assessment is needed to determine the historicity of a structure.

(3) Other Duties. Other duties as set out in this chapter, in Chapter 23.76 PGMC, or as directed by the city council.

(d) Review Process. Upon submittal of one of the applications listed in this section, the department shall process it in accordance with Chapter 23.72 PGMC and the following:

(1) Staff reviews for compliance with the general plan, certified local coastal program, these regulations, and other applicable conditions and regulations.

(2) Staff schedules the item for a historic resources committee hearing and prepares the noticing, pursuant to the procedures in Chapter 23.86 PGMC (Public Meeting and Hearing Procedures).

(3) The committee holds a public hearing and approves or disapproves each item for which the committee is the decision-making authority. The action is subject to appeal in accordance with Chapter 23.74 PGMC (Appeals and Call-Ups). The committee holds a public hearing and makes a recommendation on each item for which the committee is the recommending authority.

(e) Historic Determination Review Criteria. In carrying out the purposes of this chapter, the historic resources committee shall consider the evaluation criteria in PGMC 23.76.025 (Evaluation criteria).

(f) Findings Required for Approval. The historic resources committee shall determine from the application materials submitted whether historic determinations comply with the provisions of Section 15064.5 of the California Environmental Quality Act (CEQA) Guidelines (California Code of Regulations Title 14, Chapter 3) and the evaluation criteria in PGMC 23.76.025.

(g) Architectural Permit Review Criteria. In carrying out the purposes of this chapter, the historic resources committee shall consider the evaluation criteria in PGMC 23.70.060(e).

(h) Findings Required for Approval. The historic resources committee shall determine from the application materials submitted whether:

(1) The architecture and general appearance of the completed project are compatible with the neighborhood; and

(2) The completed project will neither be detrimental to the orderly and harmonious development of the city nor impair the desirability of investment or occupation in the neighborhood; and

(3) The committee has been guided by and has made reference to applicable provisions of the architectural review guidelines in making its determinations on single-family residences.

(4) Additional Findings for Exterior Alterations to Structures on the Historic Resources Inventory (HRI):

(A) The exterior alteration of any structure on the historic resources inventory is consistent with the Secretary of the Interior's Standards for Rehabilitation of Historic Buildings; and

(B) The exterior alteration of any structure on the historic resources inventory complies with Appendices I through IV of the Pacific Grove Architectural Review Guidelines.

(i) Effective Date of Approval. The permit approval shall become effective only when:

(1) The appeal period has expired or, if appealed, prior to final action on the appeal by the appeal authority in accordance with Chapter 23.74 PGMC (Appeals and Call-Ups); and

(2) All necessary prior approvals have been obtained. [Ord. 17-023 § 2, 2017; Ord. 11-001 § 2, 2011].

23.70.080 Planning commission.

(a) Use Permits and Use Permit Amendments.

(1) Purpose. The purpose of the planning commission's review of use permits is to allow for activities and uses that may be desirable in the applicable zoning district and compatible with adjoining land uses, but whose effect on a site and

its surroundings cannot be determined before being proposed for a particular location.

The procedures of this section provide for the review of the configuration, design, location, and potential impacts of the proposed use, to evaluate its compatibility with surrounding uses, and to address the suitability of the use to the site.

(2) Applicability. As summarized in Table 23.70.012-1, the planning commission is the decision-making authority for use permits and use permit amendments. The planning commission shall approve, approve with conditions, or disapprove use permit applications.

Exceptions: Administrative use permits and administrative use permit amendments shall be processed in accordance with PGMC 23.70.030 (Staff approvals). See also exception in PGMC 23.70.020(b)(8) (Counter review and determination).

(3) Review Process. Upon submittal of a use permit or use permit amendment application, the department shall process it in accordance with Chapter 23.72 PGMC (Permit Application Filing and Processing) and the following:

(A) Staff reviews for compliance with the general plan, certified local coastal program, and the purpose and intent of this section.

(B) Staff schedules the item for a planning commission hearing and prepares the noticing, pursuant to the procedures in Chapter 23.86 PGMC (Public Meeting and Hearing Procedures).

(C) The planning commission holds a public hearing and approves, approves with conditions, or disapproves each item. The action is subject to appeal in accordance with Chapter 23.74 PGMC (Appeals and Call-Ups).

(4) Findings Required for Approval. The planning commission may approve a use permit, other than a use permit amendment that is a wireless eligible facilities request, only after first making the following findings:

(A) The proposed use is allowed with a use permit within the applicable zoning district and complies with all applicable provisions of these regulations;

(B) The proposed use is consistent with the general plan, the local coastal program, and any applicable specific plan;

(C) The establishment, maintenance, or operation of the use will not, under the circumstances of the particular case, be detrimental to the health, safety, or general welfare of persons residing or working in the neighborhood of the proposed use;

(D) The use, as described and conditionally approved, will not be detrimental or injurious to property and improvements in the neighborhood or to the general welfare of the city; and

(E) The location, size, design, and operating characteristics of the proposed use are compatible with the existing and future land uses in the vicinity.

(5) Conditions of Approval. In approving a use permit, the planning commission may impose conditions (e.g., buffers, hours of operation, landscaping and maintenance, lighting, off-site improvements, parking, performance guarantees, property maintenance, signs, surfacing, time limits, traffic circulation) deemed reasonable and necessary to ensure that the approval will be in compliance with the findings required in subsection (a)(4) of this section.

(6) Effective Date of Approval. The permit approval shall become effective only when:

(A) The appeal period has expired or, if appealed, prior to final action on the appeal by the appeal authority in accordance with Chapter 23.74 PGMC (Appeals and Call-Ups); and

(B) All necessary prior approvals have been obtained.

(b) Variances and Variance Amendments.

(1) Purpose. The purpose of the planning commission’s review and action on variances and variance amendments is to allow for exceptions from the development standards of this title only when, because of special circumstances applicable to the property, including location, shape, size, surroundings, topography, or other conditions, the strict application of these regulations denies the property owner privileges enjoyed by other property owners in the vicinity or in an identical zoning district. Variances must be necessary for the preservation and enjoyment of substantial property rights of the applicant, and may not affect adversely the health or safety of neighbors.

(2) Applicability. As summarized in Table 23.70.012-1, the planning commission is the decision-making authority for variances and variance amendments. The planning commission shall approve, approve with conditions, or disapprove variances and variance amendments. Variances may not be used to vary from allowed land uses, maximum residential density, specific prohibitions, or procedural requirements.

Exceptions: Administrative variances and administrative variance amendments shall be processed in accordance with PGMC 23.70.030 (Staff approvals).

(3) Review Process. Upon submittal of a variance or variance amendment application, the department shall process it in accordance with Chapter 23.72 PGMC (Permit Application Filing and Processing) and the following:

(A) Staff shall review for compliance with the general plan, certified local coastal program, and the purpose and intent of this section.

(B) Staff shall schedule the item for a planning commission hearing and prepare the noticing, pursuant to the procedures in Chapter 23.86 PGMC (Public Meeting and Hearing Procedures).

(C) The planning commission shall hold a public hearing and approve, approve with conditions, or disapprove each application. Such action is subject to appeal in accordance with Chapter 23.74 PGMC (Appeals and Call-Ups).

(4) Findings Required for Approval. The planning commission may approve an application, with or without conditions, only if all of the following findings of fact can be made in a positive manner:

(A) That there are exceptional or extraordinary circumstances or conditions applying to the land, buildings, or use referred to in the application, which circumstances or conditions do not apply generally to land, buildings, and/or uses in the same zoning district;

(B) That the granting of the variance is necessary for the preservation and enjoyment of substantial property rights of the petitioner; and

(C) That the granting of such variance will not, under the circumstances of the particular case, materially affect adversely the health or safety of persons residing or working in the neighborhood of the property of the applicant and will not, under the circumstances of the particular case, be materially detrimental to the public welfare or injurious to property or improvements in the neighborhood.

(5) Conditions of Approval. In granting a variance, the planning commission may impose conditions to:

(A) Ensure that the variance does not grant special privileges inconsistent with the limitations on other properties in the vicinity and zoning district in which the property is located; and

(B) Require project alterations and/or features (buffers, landscaping and maintenance, lighting, off-site improvements, parking, performance guarantees, property maintenance, signs, surfacing, traffic circulation, etc.) deemed reasonable and necessary to ensure that the approval would be in compliance with the findings required by subsection (b)(4) of this section.

(6) Effective Date of Approval. The permit approval shall become effective only when:

(A) The appeal period has expired or, if appealed, prior to final action on the appeal by the appeal authority in accordance with Chapter 23.74 PGMC (Appeals and Call-Ups); and

(B) All necessary prior approvals have been obtained.

(c) Tentative and Final Tract Maps. Tentative and final tract maps shall be processed pursuant to Chapters 24.12 (Filing of Tentative Map) and 24.16 (Approval of Final Maps) PGMC. [Ord. 20-001 § 2 (Exh. A), 2020; Ord. 13-023 § 5, 2013; Ord. 13-003 § 20, 2013; Ord. 11-001 § 2, 2011].

Chapter 23.79

DENSITY BONUS AND AFFORDABLE HOUSING REGULATIONS

Sections:
23.79.010 Purpose and intent.
23.79.020 Implementation.

* Prior legislation: Ord. 09-005.

23.79.010 Purpose and intent.

This chapter is intended to provide incentives for the production of housing for low- and moderate-income, or senior households in accordance with state density bonus law (Section 65915 et seq. of the California Government Code). In enacting this chapter, it is the intent of the city of Pacific Grove to facilitate development of affordable housing and to implement the goals, objectives and policies of the city's housing element. [Ord. 16-005 § 2, 2016; Ord. 98-02 § 1, 1998].

23.79.020 Implementation.

(a) To facilitate the provision of affordable housing, the city shall grant a density bonus and other incentives and concessions for residential developments in conformance with Government Code Section 65915 et seq., as may be amended from time to time.

(b) Affordable housing units produced pursuant to this chapter shall be administered by a city-approved public or quasi-public agency involved in affordable housing programs, or will be verified by the city based on documentation supplied by the property owner, in conformance with State Density Bonus Law. [Ord. 16-005 § 2, 2016; Ord. 98-02 § 1, 1998. Formerly 23.79.030].

Chapter 23.81

REASONABLE ACCOMMODATION FOR PERSONS WITH DISABILITIES

Sections:
23.81.010 Reasonable accommodation for persons with disabilities.

23.81.010 Reasonable accommodation for persons with disabilities.

(a) Purpose and Applicability.

(1) This chapter provides a procedure to request reasonable accommodation for persons with disabilities seeking equal access to housing under the Fair Housing Laws in the application of zoning laws, building codes, and other land use regulations, policies and procedures. Fair Housing Laws means “Fair Housing Amendments Act of 1988” (42 U.S.C. § 3601 et seq.), including reasonable accommodation required by 42 U.S.C. § 3604(f)(3)(B), and the “California Fair Employment and Housing Act” (California Government Code Section 12900 et seq.), including reasonable accommodation required specifically by California Government Code Sections 12927(c)(1) and 12955(l), as any of these statutory provisions now exist or may be amended from time to time.

(2) A request for reasonable accommodation may be made by any person with a disability, his/her representative, or any business or property owner when the application of a zoning law, building code provision or other land use regulation, policy or practice acts as a barrier to fair housing opportunities. A person with a disability is a person who has a physical or mental impairment that limits or substantially limits one or more major life activities, anyone who is regarded as having such impairment or anyone who has a record of such impairment, as those terms are defined in the Fair Housing Laws.

(3) A request for reasonable accommodation may include a request for modification or exception to the rules, standards and practices for the siting, development and use of housing or housing related facilities that would eliminate regulatory barriers and provide a person with a disability equal opportunity to housing of their choice. Requests for reasonable accommodation shall be made in the manner prescribed by this chapter.

(4) It is the intent of this chapter that, notwithstanding time limits provided to perform specific functions, application review, decision making and appeals proceed expeditiously, especially where the request is time sensitive, so as to reduce impediments to equal access to housing.

(b) Application Submittal.

(1) Any person with a disability, or his or her representative, may request reasonable accommodation on a form supplied by the community and economic development department. The request shall include the following information, and be accompanied by a fee established by resolution of the city council:

(A) The applicant’s or representative’s name, mailing address and daytime phone number;

(B) The address of the property for which the request is being made;

(C) The specific code section, regulation, procedure or policy of the city from which relief is sought;

(D) A site plan or illustrative drawing showing the proposed accommodation;

(E) An explanation of why the specified code section, regulation, procedure or policy is preventing, or will prevent, the applicant’s use and enjoyment of the subject property;

(F) The basis for the claim that Fair Housing Laws apply to the individual(s) and evidence satisfactory to the city supporting the claim. Evidence may include a letter from a medical doctor or other licensed health care professional, a disabled license, or any other relevant evidence;

(G) A detailed explanation as to why the accommodation is reasonable and necessary to afford the applicant an equal opportunity to use and enjoy a dwelling in the city;

(H) Verification by the applicant that the property is the primary residence of the person(s) for whom reasonable accommodation is requested; and

(I) Other information required by the city to make the findings required by subsection (d) of this section consistent with the Fair Housing Laws.

(2) A request for reasonable accommodation may be filed at any time the accommodation may be necessary to ensure equal access to housing. If the project for which the request for reasonable accommodation is being made also requires discretionary approval, the applicant shall provide required submittal information to the city together with the application for discretionary approval and shall pay all applicable fees. These materials shall enable the city to concurrently review the accommodation request and the discretionary approval request. Processing procedures for the discretionary approval request shall govern joint processing of both the reasonable accommodation and the discretionary permit.

(3) Reasonable accommodation does not affect or negate an individual's obligations to comply with other applicable regulations not at issue or related to the requested accommodation.

(4) If an individual needs assistance in making the request for reasonable accommodation, the city shall provide assistance to ensure the process is accessible.

(5) Should the request for reasonable accommodation be made concurrently with a discretionary permit, the fee for a reasonable accommodation application may be waived; provided, that the prescribed fee shall be paid for all other discretionary permits.

(c) Review Authority.

(1) Applications for reasonable accommodation shall be reviewed by the community and economic development director (director) when no approval is sought other than the request for reasonable accommodation.

(2) Applications for reasonable accommodation submitted for concurrent review with any discretionary land use application shall be reviewed by the authority governing the discretionary land use application.

(d) Findings. The review authority shall approve the request for a reasonable accommodation if, based upon all of the evidence presented, the following findings can be made:

(1) The housing, which is the subject of the request for reasonable accommodation, will be occupied by an individual with disabilities protected under Fair Housing Laws;

(2) The requested accommodation is reasonable and necessary to make housing available to an individual with disabilities protected under the Fair Housing Laws;

(3) The requested accommodation will not impose an undue financial or administrative burden on the city, as defined in the Fair Housing Laws and interpretive case law; and

(4) The requested accommodation will not require fundamental alteration or frustrate application of the city's zoning or building laws, policies and/or procedures, as defined in the Fair Housing Laws and interpretive case law. The city will consider the following factors to determine whether the

requested accommodation would fundamentally alter or frustrate application of the city's zoning or building program:

(A) Whether granting the accommodation would comply with the city's lighting and noise standards;

(B) Whether granting the accommodation would result in a substantial increase in traffic or insufficient parking; and

(C) Whether granting the accommodation would contradict the goals and policies of the city's general plan or an applicable specific plan.

(e) Decision.

(1) The review authority shall consider the application, and issue a written determination within 40 calendar days of the date of receipt of a completed application. At least 10 calendar days before issuing a written determination on the application, the city shall mail notice to the applicant and adjacent property owners that the city is considering the application and invite written comments as to the requested accommodation.

(2) If necessary to reach a determination on any request for reasonable accommodation, the review authority may request further information from the applicant or others consistent with this chapter, specifying in detail what information is required. If a request for further information is made of the applicant, the time period to issue a written determination shall be stayed until the applicant responds to the request.

(3) The review authority's written decision shall include findings and conditions of approval. The applicant shall be given notice of the right to appeal, and the right to request reasonable accommodation related to the appeal process. The review authority's decision shall be mailed to the applicant, to any person who provided written or verbal comment on the application, and to any other person who requests notice.

(4) Any approved reasonable accommodation shall be subject to any conditions imposed on the approval consistent with the purposes of this section.

(5) The review authority may approve alternative accommodations that provide equivalent and reasonable levels of benefit to the applicant.

(6) The written decision of the reviewing authority shall be final, unless appealed as set forth below.

(7) While a request for reasonable accommodation is pending, all laws and regulations otherwise applicable to the property subject to the request shall remain in full force and effect.

(8) Where improvements or modifications approved through a reasonable accommodation would generally require a variance, a variance shall not be required.

(f) Appeals.

(1) Any decision on a reasonable accommodation request may be appealed to the city council, which appeal must be received by the city within 10 calendar days of the issuance of a written decision.

(2) The appeal shall be in writing and shall include a statement of the grounds for appeal, and be accompanied by a fee established by resolution of the city council. If an individual needs assistance in filing an appeal, the city shall provide assistance to ensure the appeals process is accessible.

(3) The city council shall hear the matter de novo, and shall render a determination as soon as reasonably practicable, but in no event later than 60 calendar days after an appeal has been filed. All

determinations shall address and be based upon the same findings required to be made in the original determination from which the appeal is taken.

(4) The city shall provide notice of an appeal hearing to the applicant, adjacent property owners, and any other person requesting notification at least 10 calendar days prior to the hearing. The council shall announce its findings within 40 calendar days of the hearing, unless good cause exists for an extension. The decision shall be mailed to the applicant and to any other person who requests notice at the time of the hearing. The council's action shall be final.

(g) Waiver of Time Periods. Notwithstanding any provisions in this chapter regarding the occurrence of any action within a specified period of time, an applicant may request additional time beyond that provided for in this chapter or may request a continuance regarding any decision or consideration by the city of a pending appeal. The city may, in its sole discretion, grant or deny any such request for extension or continuance. The granting of an extension of time or continuance shall not be deemed delay on the part of the city, shall not constitute failure by the city to provide prompt decisions on applications and shall not be a violation of any required time period set forth in this chapter.

(h) Notice to the Public of Availability of Accommodation Process. The city shall prominently display in the public areas of the community and economic development department at City Hall a notice advising those with disabilities or their representatives that reasonable accommodations are available in accord with this chapter. City employees shall direct individuals to the display whenever requested to do so or if they reasonably believe individuals with disabilities or their representatives may be entitled to reasonable accommodation.

(i) Expiration, Time Extension, Violation, Discontinuance, and Revocation.

(1) Any reasonable accommodation approved in accordance with the terms of this chapter shall expire within 24 months from the effective date of approval or at an alternative time specified as a condition of approval unless:

(A) A building permit has been issued and construction has commenced;

(B) A certificate of occupancy has been issued;

(C) The use is established; or

(D) A time extension has been granted.

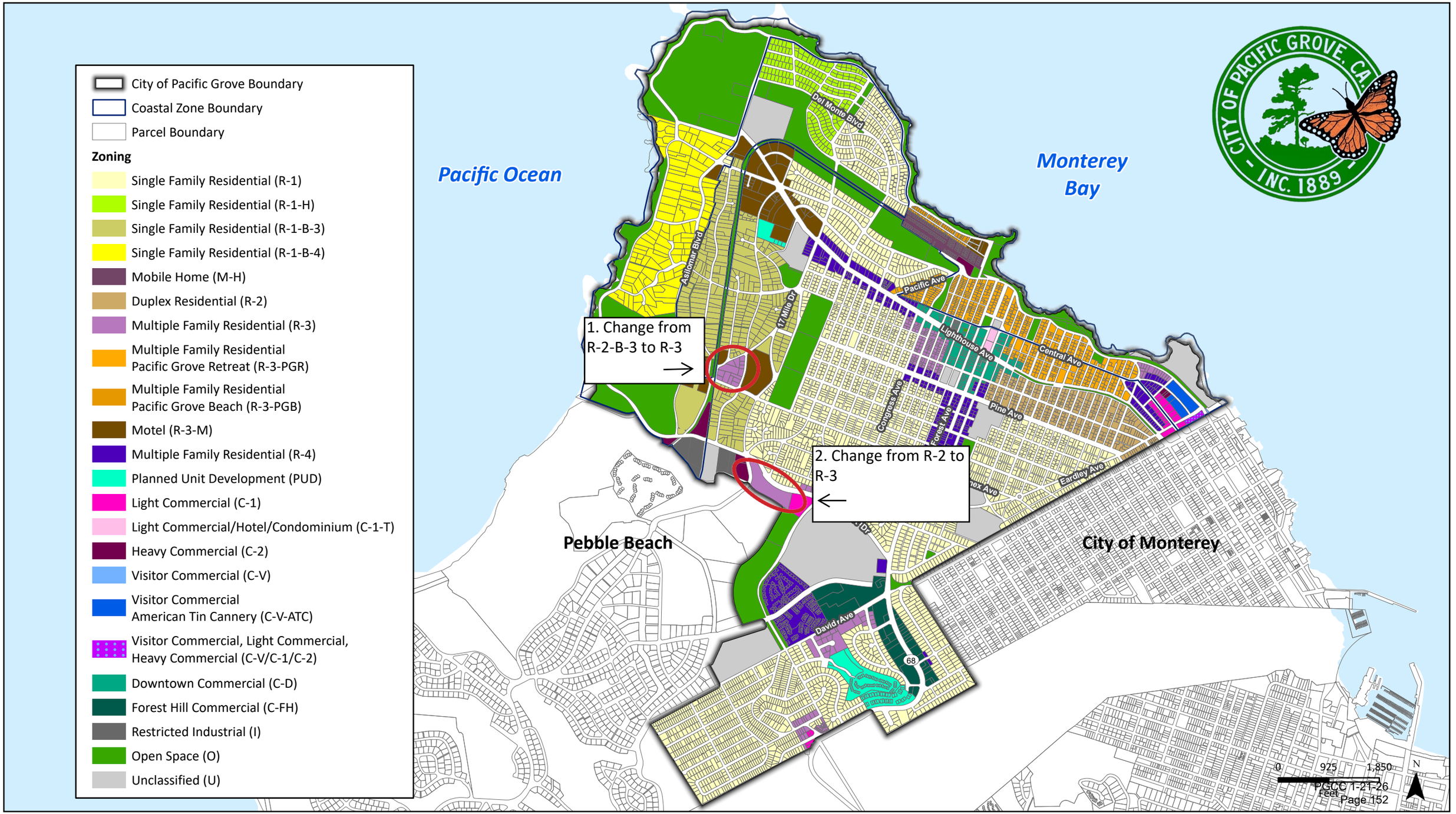
(2) The director may approve a time extension for reasonable accommodation for good cause for a period or periods not to exceed three years. Application for a time extension shall be made in writing to the community and economic development department no less than 30 days or more than 90 days prior to the expiration date.

(3) Notice of the director's decision on a time extension shall be mailed to the applicant.

(4) Any reasonable accommodation approved in accordance with the terms of this chapter may be revoked if any condition or term of the reasonable accommodation is violated, or if any law or ordinance is violated in connection therewith. Notice of revocation shall be mailed to the applicant and to the owner of any property affected by the accommodation. Upon revocation, the director may require any physical alteration associated with the reasonable accommodation to be removed or substantially conform to the code, as may be reasonably feasible.

(5) An accommodation is granted only to an individual. The accommodation shall not run with the land unless the director expressly finds the modification is physically integrated on the property and cannot feasibly be removed or altered. Any change in use or circumstances that negates the basis for the grant of approval may render the reasonable accommodation null and void and/or revocable by the city. Thereafter the director may require the reasonable accommodation to be removed or substantially conformed to the code if reasonably feasible.

(j) Amendments. A request for changes in conditions of approval of a reasonable accommodation, or a change to plans that affects a condition of approval shall be treated as a new application and shall be processed in accordance with the requirements of this chapter. The director may waive the requirement for a new application and approve the changes if the changes are minor, do not involve substantial alterations or addition to the plan or the conditions of approval, and are consistent with the intent of the original approval. [Ord. 16-005 § 7, 2016].


City of Pacific Grove Boundary
Coastal Zone Boundary
Parcel Boundary
Zoning
Single Family Residential (R-1)
Single Family Residential (R-1-H)
Single Family Residential (R-1-B-3)
Single Family Residential (R-1-B-4)
Mobile Home (M-H)
Duplex Residential (R-2)
Multiple Family Residential (R-3)
Multiple Family Residential Pacific Grove Retreat (R-3-PGR)
Multiple Family Residential Pacific Grove Beach (R-3-PGB)
Motel (R-3-M)
Multiple Family Residential (R-4)
Planned Unit Development (PUD)
Light Commercial (C-1)
Light Commercial/Hotel/Condominium (C-1-T)
Heavy Commercial (C-2)
Visitor Commercial (C-V)
Visitor Commercial American Tin Cannery (C-V-ATC)
Visitor Commercial, Light Commercial, Heavy Commercial (C-V/C-1/C-2)
Downtown Commercial (C-D)
Forest Hill Commercial (C-FH)
Restricted Industrial (I)
Open Space (O)
Unclassified (U)
Pacific Ocean
Monterey Bay
CITY OF PACIFIC GROVE, CA. INC. 1889
1. Change from R-2-B-3 to R-3
2. Change from R-2 to R-3
Pebble Beach
City of Monterey
Del Monte Blvd
Asilomar Blvd
17 Mile Dr
Pacific Ave
Lighthouse Ave
Central Ave
Congress Ave
Forest Ave
Pine Ave
Eardley Ave
David Ave
68
0
925
1,850
Feet
N
PGCC 1-21-26
Page 152

ORDINANCE NO. 26-___

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PACIFIC GROVE AMENDING CHAPTER 23.31 (COMMERCIAL AND INDUSTRIAL ZONING DISTRICTS) OF TITLE 23 (ZONING) OF THE PACIFIC GROVE MUNICIPAL CODE

Whereas, on August 17, 2022, the City Council by motion and unanimous vote (7 - 0) authorized and directed City staff to initiate a focused general plan update to meet the minimum requirements in connection with the 2023-2031 6th Cycle Housing Element Update which includes the proposed amendments to the City's Zoning Ordinance and Zoning Map; and

Whereas, the 2023-2031 Pacific Grove Housing Element ("Housing Element") includes an opportunity sites inventory that designates specific densities and zoning classifications for certain parcels as needed to meet the City's Regional Housing Needs Allocation (RHNA) and further establishes policies and programs necessary to implement requirements of State housing law; and

Whereas, amendments to the City's Zoning Ordinance are required to implement Housing Element Programs including upzoning sites in the Downtown Commercial and Forest Hill Commercial Districts, the City has considered the proposed Zoning amendments through two dedicated study sessions of the Planning Commission; and

Whereas, the Zoning Ordinance amendments were prepared in accordance with applicable statutory requirements taking into account public comment and consistency with the City's General Plan and related City policies; and

Whereas, in accordance with Government Code Section 21676 the proposed amendments to the Zoning Ordinance were submitted to the Airport Land Use Commission for a determination of consistency with the Airport Land Use Compatibility Plan for Monterey Regional Airport; and

Whereas, on November 13, 2025, the Planning Commission held a duly noticed public hearing and adopted Resolution No. 25-001 recommending that the City Council certify the Final EIR, adopt amendments to the City's General Plan, Land Use Map, Zoning Ordinance and Zoning Map, and make CEQA Findings of Fact and adopt a Statement of Overriding Considerations, and adopt the Mitigation Monitoring and Reporting Program; and

Whereas, the Final Environmental Impact Report (EIR) prepared for the project which includes the Zoning Ordinance and Zoning Map amendments was certified by the City Council of the City of Pacific Grove on December 17, 2025, as set forth in Resolution No. 25 - ____; and

Whereas, pursuant to Government Code Sections 65090, 65091, 65355, and 65856, on December 6, 2025, at least 10 days before the public hearing date, notice of the hearing before the City Council was published in the Monterey Herald, posted at City Hall, mailed to affected owners of the subject real property and property owners within 300' of the subject real property, posted on-site at each affected property, posted on the City's Community Development Department and Housing Element webpages, and emailed to a list of interested parties; and

Whereas, the ordinance was introduced at a special meeting of the City Council on December 17, 2025; and

Whereas, the City Clerk caused a summary of the ordinance to be published in the Monterey County Weekly on _____, 2025; and

Whereas, the City Council held a second reading of the ordinance at a regular meeting of the Council held on _____, 2026; and

Whereas, all other legal prerequisites to the adoption of this Ordinance have occurred.

NOW, THEREFORE, THE COUNCIL OF THE CITY OF PACIFIC GROVE DOES ORDAIN AS FOLLOWS:

SECTION 1. FINDINGS.

The Pacific Grove City Council considered the Environmental Impact Report, Planning Commission and City Council resolutions, agenda reports, written and oral testimony, and administrative record as a whole, and hereby finds as follows:

A. The foregoing recitals are true and correct and are incorporated herein by reference each as an integral part of this Ordinance. All Attachments hereto are hereby incorporated by reference.

B. The proposed amendments to the Zoning Ordinance are consistent with the General Plan and, if applicable, the certified local coastal program.

C. The proposed amendments to the Zoning Ordinance would not be detrimental to the public interest, health, safety, convenience, or welfare of the city.

D. The proposed amendments are internally consistent with other applicable provisions of the Zoning Ordinance.

E. The sites are physically suitable (including ability to meet requested zoning regulations, access, provision of utilities, compatibility with adjoining land uses, and absence of physical constraints) for the requested zoning designations and anticipated land uses.

SECTION 2. ZONING ORDINANCE AMENDMENTS.

Chapter 23.31 (Commercial and Industrial Zoning Districts) of Title 23 (Zoning) of the Pacific Grove Municipal Code is hereby amended as set forth in **Attachment A**.

SECTION 3. SEVERABILITY.

If any section, subsection, phrase or clause of this ordinance is for any reason held to be unconstitutional, such decision shall not affect the validity of the remaining portions of this ordinance. The City Council hereby declares that it would have passed this and each section, subsection, phrase or clause thereof irrespective of the fact that any one or more sections, subsections, phrase or clauses be declared unconstitutional on their face or as applied.

SECTION 4. PUBLICATION.

The City Clerk is hereby directed to certify the passage of this Ordinance by the City Council of the City of Pacific Grove, California and cause the same to be published in accordance with State law.

SECTION 5. EFFECTIVE DATE

This Ordinance shall be in full force and effective thirty (30) days after its adoption and shall be published and posted as required by law.

*****

PASSED AND ADOPTED BY THE COUNCIL OF THE CITY OF PACIFIC GROVE THIS ____ day of _____, 2026, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

RECUSE:

APPROVED:

_____
NICK SMITH, Mayor

ATTEST:

_____
SANDRA KANDELL, City Clerk

APPROVED AS TO FORM:

_____
BRIAN A. PIERIK, City Attorney

ATTACHMENT A

ZONING ORDINANCE TEXT AMENDMENTS – CHAPTER 23.31

(to be inserted)

Title 23

ZONING[1]

Chapters:

23.04 Purpose and Effect of Zoning Regulations
23.08 Definitions
23.12 Districts
23.16 R-1 District and R-1-B Combined Districts
23.20 R-2 District and R-2-B-3 Combined District
23.24 R-3 Districts
23.26 R-3-P.G.R. District
23.28 R-4 District
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Chapter 23.08

DEFINITIONS

Sections:
23.08.010 Purpose.
23.08.020 Definitions.

23.08.010 Purpose.

This chapter provides definitions of terms and phrases used in this title that are technical or specialized, or that may not reflect common usage. If any of the definitions in this chapter conflict with definitions in other provisions of the Pacific Grove Municipal Code, these definitions shall control for the purposes of this title. If a word is not defined in this chapter, or in other provisions of this title, the most common dictionary definition is presumed to be correct. [Ord. 13-003 § 5, 2013].

23.08.020 Definitions.

A. Definitions.

“Accessory building” means a subordinate building the use of which is incidental to that of the main building on the same lot, and as further defined by PGMC 23.64.180.

“Accessory use” means a use incidental and accessory to the principal use of real property or a building located on the same building site, or for which a use permit has been issued pursuant to PGMC 23.64.185.

“Adult-oriented sales” means the sale, for any form of consideration, of one or more of the following:

(1) Books, magazines, periodicals, or other printed matter, photographs, drawings, motion pictures, slides, films, tapes, video cassettes, records, or other visual or audio representations that are characterized by an emphasis upon the depiction or description of sexual activities or anatomical areas;

(2) Instruments, devices, or paraphernalia that are designed to be used in connection with sexual activities; or

(3) Goods that are replicas of or that simulate anatomical areas, or goods that are designed to be placed on or in anatomical areas or used in conjunction with sexual activities.

“Agreement of sale” means any agreement or written instrument which provides that title to any property shall thereafter be transferred from one owner to another owner, including a lease with option to buy.

“Alcoholic beverage” means any beverage meeting the definition of Section 23004 of the California Business and Professions Code (CBPC).

“Alley” means any public right-of-way for vehicular and pedestrian traffic which is 16 feet or less in width. An alley shall not be considered a street in determining corner lots, required yard setbacks, or street frontages.

Ambulance Service. See “Medical Service.”

“Amplified music, entertainment, or speech” means electronic amplification of recorded music, live music, live entertainment, or of persons speaking at meetings or events. See “Entertainment, live.”

Animal Hospital. See “Animal Keeping/Training Facility or Veterinary Service.”

Animal Keeping/Training Facility or Veterinary Service.

(1) Veterinary Clinic, Animal Hospital. Office and indoor medical treatment facilities used by veterinarians, including large- and small-animal veterinary clinics and animal hospitals.

(2) Kennel, Animal Boarding and Training. A commercial facility for the grooming, keeping, boarding or maintaining of four or more dogs, or four or more cats, or a combination thereof, except for dogs or cats for sale in pet shops or in animal hospitals. Includes pet day care and pet training.

“Antenna” means an apparatus designed for the purpose of emitting or receiving radiofrequency (RF) radiation, to be operated or operating from a fixed location pursuant to Federal Communications Commission (Commission or FCC) authorization, for the transmission or reception of writing, signs, signals, data, images, pictures, and sounds of all kinds. For purposes of this definition, the term “antenna” does not include an unintentional radiator, mobile station, or device authorized under 47 CFR Subpart G, as may be amended.

“Apartment house” means a building or portion thereof used and designated as a nontransient residence for three or more families living independently of each other and doing their own cooking in said building. This shall not be deemed to include cottage courts, auto courts, motels, hotels, or other buildings, used or intended to be used for the accommodation of transient automobile travelers or other transient guests. An apartment house shall not include any timeshare project as defined in Section 11003.5 of the Business and Professions Code, added by Chapter 601 of the Statutes of 1980.

“Appurtenance” means the visible, functional, or ornamental objects accessory to, and part of, buildings or structures. Examples include, but are not limited to, mechanical equipment, chimneys, air conditioner units, elevator and stairway penthouses, church spires and steeples, cupolas, etc.

Automobile Court, Cottage Court, or Motor Lodge. See “Lodging.”

“Automobile/vehicle repair” means all activities involving automobile and vehicle repair, including: top, body, and upholstery repair; auto glass installation; body painting; general repair, rebuilding or reconditioning of engines, motor vehicles, or trailers; and collision service including body or frame.

“Automobile/vehicle sales and rental” means a retail establishment selling or renting new or used automobiles, light trucks, boats, campers, mobile homes, and/or motorcycles. Vehicles for sale may be displayed outdoors or indoors. May also include repair services and the sales of parts and accessories that are incidental to the primary use. Does not include service stations (see “Automobile/vehicle service station”).

“Automobile/vehicle service station” means a building and/or lot with pumps and storage tanks where motor vehicle fuels, lubricating oil, grease, or accessories for motor vehicles are dispensed, sold, or offered for retail sale only. May also include car washing and repair services incidental to the primary use.

B. Definitions.

“Bank or financial service” means banks and financial institutions including: banks and trust companies; credit unions; lending and thrift institutions; brokerage firms; title companies; and vehicle finance leasing agencies.

“Bar/tavern/nightclub” means a drinking establishment where food service is not required. See “Drinking establishment.”

“Base station” has the same meaning as the term used in 47 CFR Section 1.6100(b)(1), as may be amended.

Bed and Breakfast Inn. See “Lodging.”

“Block” means the properties on both sides of a street and lying between the two nearest intersecting streets or city boundary.

Boardinghouse. See “Roominghouse.”

“Bona fide public eating place” means an eating establishment meeting the provisions of Section 23038 of the California Business and Professions Code (CBPC). See “Eating establishment.”

“Brew pub” means an eating establishment at which beer is manufactured in limited quantities for on-site and off-site sales, distribution, and consumption, and is combined with a general restaurant, pub, or sports bar. See “Eating establishment.”

“Building” means any structure having a roof supported by columns or by walls and designed for the shelter or housing of any person, animal, or personal property.

“Building coverage” means the portion of a site which is covered by the fully enclosed portion of all buildings larger than 120 square feet, as well as by open carports. Building coverage is expressed as a percentage. In determining building coverage, the following shall not be counted: eaves and/or cantilevered portions of buildings, decks, open porches, and open stairways and landings.

“Building site” means a lot or parcel of land, in one ownership, and occupied or to be occupied by a main building and accessory buildings, or by a dwelling group and its accessory buildings, together with such open spaces as are required by the terms of this title, and having its principal frontage on a street, road or highway.

“Business support service” means an establishment within a building that provides services to other businesses. Examples of these services include: computer-related services (rental, repair), mailing and mail box services. Does not include printing and copying (see “Printing or creative service”) or the sales, storage, or rental of heavy equipment.

“Buyer” means any person, co-partnership, association, corporation, fiduciary, or other legal or business entity which intends to sign an agreement or instrument which on its face appears to be legally binding or is intended to be legally binding, subject to specified conditions. Such agreement or instrument shall include, but is not necessarily limited to, a deposit receipt, seller’s instructions, contract of sale, exercise of option to buy, or executed deed when there is no prior written agreement.

“By-right” or “use by-right” means that the land use or development is permitted without discretionary review or public hearing, as defined and governed by Government Code Sections 65583.2(i), as may be amended.

C. Definitions.

“Catering and events” means a business that prepares food either for an on-site event or for consumption off-premises.

“Chief planner” is deemed a reference to the community development director or designee.

Clinic or Lab. See “Medical service.”

Coffee House. See “Restaurant, specialty.”

“Commercial recreation facility, indoor” means uses that include all indoor commercial recreation and amusement facilities including: bowling alleys, indoor sports arenas, indoor sports facilities, dance halls, video arcades, and billiard parlors. Does not include movie theaters (see “Theater or auditorium”).

“Commercial recreation facility, outdoor” means uses that include outdoor commercial amusement facilities including: golf driving ranges, outdoor stadiums, racing facilities, music arenas, amusement parks, miniature golf establishments, water slides, and batting cages.

“Commercial uses” means, in addition to the common definitions of the term, any sale or whole- sale of personal property, whether new or used, except for sales which may be permitted by Chapter 11.10 PGMC.

“Community development director” is deemed a reference to the director of the Pacific Grove community development department or designee.

“Community garden” means an area where neighbors, residents, and members of the public have the opportunity to contribute and manage the cultivation of plants.

“Concealed facility” means a wireless telecommunications facility that is integrated as an architectural feature of an existing supporting structure or any new wireless telecommunications facility that is camouflaged or concealed so that the presence of the facility is either: (1) virtually imperceptible to the casual observer, such as an antenna behind louvers on a building, or inside a steeple or similar structure; or (2) camouflaged so as to blend in with its surroundings to such an extent that, to a casual observer, it does not appear to be a wireless telecommunications facility. To qualify as a concealed facility, the facility in question must match the character of its surroundings and the type of item that it is mimicking in size, scale, shape, dimensions, color, materials, function, and other attributes as closely as possible. The elements that make a facility a concealed facility are concealment elements.

“Concealment element” means any design feature, including but not limited to painting, landscaping, shielding requirements and restrictions on location, proportions, or physical dimensions in relation to the surrounding area or supporting structures that are intended to and do make a wireless telecommunications facility or its supporting structure less visible or obtrusive to the casual observer.

“Construction and other large-scale equipment sales and rental” means retail establishments selling or renting construction, farm, or other heavy equipment. Examples of heavy equipment include cranes, earth moving equipment, tractors, motorized farming equipment, heavy trucks, tools and machinery, and refrigeration equipment.

“Consumer-end antennas” means antennas which are either: subject to the Federal Communications Commission (FCC) Over-the-Air-Receiving Devices Rule (47 CFR Section 1.4000) placed at an end user’s premises location used solely for the purpose of the provision of services to that end user; or solely for amateur radio communications.

“Contract construction, no outdoor storage” means an establishment providing contract construction related services such as building construction, general contractors, and subcontractors as defined in the Business and Professions Code of the state of California with no outdoor storage. Examples of these uses include: cabinet and carpenter shops; concrete and masonry; drywall; electrical; flooring; glass and glassing; heating and air conditioning; insulation; landscaping; painting; plumbing and fire sprinkler; roofing; swimming pool installation; and similar builder and contractor businesses.

“Contract construction, outdoor storage” means an establishment providing contract construction related services such as building construction, general contractors, and subcontractors as defined in the Business and Professions Code of the state of California, with outdoor storage of large equipment, vehicles, and/or materials commonly used in the establishment’s type of business. Examples of these uses include: cabinet and carpenter shops; concrete and masonry; drywall; electrical; flooring; glass and glassing; heating and air conditioning; insulation; landscaping; painting; plumbing and fire sprinkler; roofing; swimming pool installation; and similar builder and contractor businesses.

Coverage. See “Building coverage” and “Site coverage.”

D. Definitions.

“Deer fence” means fencing used specifically to prevent the passage of deer.

“Development” means the division of a parcel of land into two or more parcels; the construction, reconstruction, conversion, structural alteration, relocation, or enlargement of any structure; any mining, excavation, landfill, or land disturbance; or any use or extension of the use of land.

“Discretionary development” means a development application that, by code, is required to be considered by a review authority that has the discretion to approve, conditionally approve, or deny the application.

“District” means a portion of the city within which certain uses of land and buildings are permitted or prohibited and within which certain yards and other open spaces are required and certain height limits are established for buildings, all as set forth and specified in this title.

“Drinking establishment” means an establishment where the primary activity is the on-site service and consumption of alcoholic beverages. The limited service of food may or may not be included.

“Duplex” means a building designed for or occupied exclusively by two families living independently of each other.

“Dwelling group” means a group of two or more detached or semidetached one-family, two-family, or multiple dwellings occupying a parcel of land, in one ownership and having any yard or court in common. This shall not be deemed to include cottage courts, auto courts, motels, hotels, or other buildings used or intended to be used for the accommodation of transient automobile travelers or other transient guests. A dwelling group shall not include any timeshare project as defined in Section 1103.5 of the Business and Professions Code as added by Chapter 601 of Statutes of 1980.

E. Definitions.

“Eating establishment” means a business primarily engaged in preparing and serving food and/or beverages for consumption on or off the premises.

“Emergency shelter” means housing with minimal supportive services for homeless persons that is limited to occupancy of six months or less by a homeless person. No individual or household may be denied emergency shelter because of an inability to pay.

“Employee Housing” means any portion of any housing accommodation, or property upon which a housing accommodation is located as defined in the California Employee Housing Act, as it may be amended from time to time.

“Entertainment, live” means a musical, theatrical, dance, or comedy performance by one or more persons. Dancing by patrons or guests is considered live entertainment. Does not include adult live entertainment (see “Entertainment, live (adult)”), but shall include belly dancing and hula dancing (see “Entertainment, live (belly dancing/hula)”).

“Entertainment, live (adult)” means live entertainment by one or more persons characterized by an emphasis on the display of anatomical areas, or the performance of physical human body activity that depicts or relates to sexual activities, whether or not anatomical areas are covered. Does not include belly or hula dancing (see “Entertainment, live (belly dancing/hula)”).

“Entertainment, live (belly dancing/hula)” means a dance marked by sinuous movements of the hips, belly, arms and hands.

“Equipment/appliance rental and repair” means a service establishment that may offer a wide variety of household and business equipment, furniture, and materials for rental. Also includes repair service for business equipment and furnishings, household yard equipment and appliances, and audio, video and computer machines.

Existing Grade. See “Grade.”

F. Definitions.

“Family” means an individual or two or more persons living together as a single household in a dwelling unit. Family shall not be construed to include a fraternity, sorority, club, or other group of persons occupying a hotel, lodging house, or institution of any kind.

Family Day Care Home.

(1) “Small family day care” means a day care facility in a single residence where an occupant of the residence provides family day care for eight or fewer clients, including adult clients, and children under the age of 10 years who reside in the home.

(2) “Large family day care” means a day care facility in a single residence where an occupant of the residence provides family day care for nine to 14 clients, inclusive, including adult clients, and children under the age of 10 years who reside in the home.

“Farmers market” means a business established and operated at a specific time, oftentimes on the same day each week, which consists of individual vendors, mostly local farmers, where fresh fruits, vegetables, flowers, nuts, other produce, and sometimes prepared foods and beverages and other wares are sold directly to the public. Such business may be conducted within or outside a building.

“Fence” means any vertical structure, not integral to any building, used as a barrier to define boundaries, to prevent the passage of people and animals, and/or screen off or enclose a portion of property, not including structures, or portions of structures, designed to support a roof, awning, or other horizontal structure, such as the wall of a building. Wing walls or other extensions of a building wall that do not support the building shall be included in the definition of a fence for purposes of this title.

Finished Grade. See “Grade.”

Fitness Studio. See “Health/fitness studio.”

“Flea market” means a business established and operated at a specific time, oftentimes on the same day of the week, which consists of a group of coordinated vendors selling wares directly to the public. Such business may be conducted within or outside a building.

Funeral Home. See “Mortuary or funeral home.”

G. Definitions.

“Garage space” means a covered parking space of not less than nine by 20 feet.

“Garden structures” includes arbors, trellises, pergolas, arches, and other similar open structures that are primarily designed to support the growth of plants or to provide shade and shelter in a garden or yard. Garden structures do not include accessory buildings, gazebos with a solid roof and floor, cisterns, hot tubs, fountains, walls, fences, hedges, and other similar features. The area of a garden structure area is calculated from the structure’s largest horizontal dimensions.

Grade.

(1) “Existing grade” means the surface of the ground as it exists prior to disturbance in preparation for a project regulated by the Pacific Grove Municipal Code.

(2) “Natural grade” means the elevation of the ground in its natural state, before grading, excavation, or filling.

(3) “Finished grade” means the final elevation of the ground level after grading, excavation, or filling.

“Gross floor area” means the total enclosed areas of all floors of buildings greater than 120 square feet, plus carports, where the ceiling is at least seven feet tall. In calculating gross floor area, buildings shall be

measured to the outside surface of exterior walls, and carports to the outside surfaces of supporting posts. Gross floor area is expressed in square feet.

(1) In determining gross floor area, the following shall be counted:

(A) Covered and fully enclosed porches, regardless of whether conditioned/unconditioned; and

(B) Mezzanines, hallways, breezeways, and corridors.

(2) In determining gross floor area, the following shall not be counted:

(A) Accessory structures less than or equal to 120 square feet;

(B) Covered open, or partially open, porches;

(C) Those portions of cellars/basements where the ceiling is not more than two feet above finish grade at any point;

(D) Eaves and/or cantilevered portions of buildings;

(E) Garden structures.

(3) In determining gross floor area, the following provisions shall also apply:

(A) Areas with an interior finished height that is greater than 16 feet shall be counted twice, with the exception of interior stairways that are no wider than eight feet.

(B) If required covered parking is not provided, the allowed gross floor area shall be reduced by the equivalent square footage.

“Group quarters” means residential living arrangements, other than the usual house, apartment or mobile home, in which two or more unrelated persons share living quarters and cooking facilities. Included are “institutional” group quarters, such as orphanages, and “noninstitutional” group quarters, such as dormitories, and large boarding houses. This definition does not include residential care facilities.

H. Definitions.

“Health/fitness studio” means a fitness center, gymnasium, or health and athletic club, which may include any of the following: dancing studios or academies; indoor tennis, handball, or racquetball; yoga studios; martial arts studios; sauna, spa or hot tub facilities; and other indoor sports activities.

“Height” means the vertical distance from any point on the top of a structure (minus allowable vertical appurtenances) to a line connecting grades directly below it. The lowest grade (finished, natural, or existing) shall be used in applying this definition. In zones where multifamily residential and multifamily mixed-use buildings are allowed, the allowable height shall include up to half of the vertical height of sloped roofs (i.e., half of the distance between lowest eave and the highest point within roof volume above the highest floor).

“Home business” means a use of a type customarily carried on entirely within a dwelling, which business shall be carried on by only the inhabitants of the dwelling for gain, but incidentally and secondarily to the use of the dwelling for dwelling purposes, and which does not, either by noise, attraction of customers, exterior architectural changes or signs of any kind, give any hint to the surrounding neighborhood that the dwelling is being used for other than dwelling purposes.

Hospital. See “Medical service.”

Hotel. See “Lodging.”

“Household” means a family jointly occupying a single dwelling unit, including the joint use of and responsibility for common areas, and sharing housekeeping activities and responsibilities such as meal, chores, maintenance, and expenses.

I. Definitions.

“Impervious surface” means a surface artificially constructed so that it prevents or largely inhibits the infiltration of rainwater or runoff into the natural soils or underlying geologic materials.

“Industrial, light” means a manufacturing or processing facility that is more consumer-oriented than business-oriented (i.e., produced for end users rather than as intermediates for use by other industries). Light industries require only a small amount of raw materials, area, and power. The value of the goods is typically low, the number of products is high, and/or they are easy to transport. Light industry typically causes relatively little or no pollution or environmental impacts. Examples of light industries include the manufacture, assembly, or processing of clothes, shoes, furniture, consumer electronics, home appliances, food, and other similarly intensive activities without harmful levels of lead or chemical wastes. Also includes dry cleaning plants and auto towing and storage yards.

“Integral group quarters facilities” means one or more residential housing units within which an integral use occurs that operates in combination with a group quarters facility, which may or may not be located on the same or contiguous parcels of land.

“Integral use” means one or more licensed or unlicensed residential housing units under the control and management of the same owner, operator, management company or licensee, or any affiliate, as a group quarters facility, in which occupants are entitled to receive care, services or amenities of the group quarters facility. Examples include, but are not limited to, the provision of housing in one residential housing unit and treatment, meals, or any other service or services to those occupants in the group quarters facility or facilities, or by assigning staff or a consultant or consultants to provide services or amenities available in the group quarters facility to the occupants of the residential housing units.

J. Definitions.

“Junkyard” means the use of more than 200 square feet of the area of any lot or the use of any portion of that half of any lot, which half adjoins any street, for the storage of junk, including scrap metals or other scrap materials, or for the dismantling or “wrecking” of automobiles or other vehicles or machinery, whether for sale or storage.

K. Definitions.

Kennel, Animal Boarding and Training. See “Animal Keeping/Training Facility or Veterinary Service.”

L. Definitions.

Large Family Day Care. See “Family Day Care Home.”

“Laundry or dry cleaning service” means establishments offering on-site laundry services (may be self-serve or wash/fold/press services) and dry cleaning drop-off and pick-up store fronts. For dry cleaning plants, see “Industrial, light.”

Lodging.

(1) “Bed and breakfast inn” means the use of a residential property for commercial lodging purposes, where there are at least eight rooms available to guests and where the principal buildings were constructed at least 75 years prior to the date of application for the use.

(2) “Hotel” means any building or portion thereof containing six or more guest rooms used, designed or intended to be used, let or hired out to be occupied by transients, and having one principal entryway or entrance, a lobby, or other public room.

(3) “Motel” means any building or portion thereof containing six or more guest rooms used, designed or intended to be used, let or hired out to be occupied by transients, and having dwelling units or guest rooms some or all of which have a separate entrance leading directly from the outside of the building.

(4) “Automobile court, cottage court, or motor lodge” means an establishment designed for or used primarily for the accommodation of transient automobile travelers or other transient guests and having dwelling units or guest rooms some or all of which have a separate entrance leading directly from the outside of the building.

“Low barrier” shall have the meaning set forth in California Government Code Section 65660(a), as it may be amended from time to time.

“Low barrier navigation center” means a housing-first, low-barrier, service-enriched shelter focused on moving people into permanent housing that provides temporary living facilities while case managers connect individuals experiencing homelessness to income, public benefits, health services, shelter, and housing.

M. Definitions.

“Main building” means a building in which is conducted the principal use on the lot on which it is situated. In any “R” district any dwelling shall be deemed to be a main building on the lot on which the same is situated.

Medical Office. See “Medical Service.”

Medical Service.

(1) “Ambulance service” means a facility where ambulance vehicle and crews not based at a hospital or fire department stand by for emergency calls.

(2) “Clinic or lab” means a facility other than a hospital where medical, dental, mental health, surgical and other personal health services are provided on an outpatient basis. Examples of these uses include: medical offices with five or more licensed practitioners and/or medical specialties; outpatient care facilities; urgent care facilities; and other allied health services. These facilities may also include incidental medical laboratories and testing facilities. Counseling services by other than medical doctors or psychiatrists are included under “Offices, business and professional.”

(3) “Medical office” means a facility other than a hospital where medical, dental, mental health, surgical, and/or other personal health care services are provided on an outpatient basis, and that accommodates no more than four licensed primary practitioners within an individual office suite. A facility with five or more licensed practitioners is classified under “Medical service – clinic or lab.”

(4) “Hospital” means a facility engaged primarily in providing diagnostic services, and extensive medical treatment, including surgical and other hospital services. These establishments have an organized medical staff, inpatient beds, and equipment facilities to provide complete health care. May include on-site accessory clinics and laboratories, accessory retail uses, on-site ambulance dispatch facilities, and meal service.

“Meeting facility, public or private” means a facility for public or private meetings, including churches and other religious facilities, Grange halls, union halls, and meeting halls for clubs, fraternal organizations, and other membership organizations. Also includes functionally related internal facilities such as kitchens, multi-purpose rooms, and storage. Does not include commercial entertainment facilities (see “Commercial recreation facility”) or conference and meeting rooms accessory and incidental to another primary use, such as office space or a hotel/motel.

“Micro-brewery” means a small-scale brewery operation that is solely dedicated to the production of specialty beers, but may include beer tasting under specified conditions pursuant to Section 23357.3 of

the California Business and Professions Code (CBPC). If combined with a general restaurant, pub, or sports bar, see “Brew pub.”

“Mobile home” means a vehicle other than a motor vehicle used as semipermanent housing designed for human habitation and containing a minimum of 400 square feet of floor space.

“Mobile home park” means an area of land not less than five acres in size containing facilities to accommodate semipermanent mobile homes.

“Mortuary or funeral home” means a funeral home or parlor where the deceased are prepared for burial or cremation and funeral services may be conducted. Does not include on-site cremation.

Motel. See “Lodging.”

N. Definitions.

Natural Grade. See “Grade.”

“Nonconforming use” means a use which was legal when it was created, but because of subsequent changes in regulations no longer conforms with the regulations for the district in which it is situated.

O. Definitions.

“Offices, business and professional” means premises available for the transaction of general business and services including professional, management, legal, social, or government offices, but excluding retail, artisan, and manufacturing uses. Does not include medical offices. See “Medical services – medical office” or “Bank or financial service.”

“Open yard” means a required open space other than a garage space, which open space is unoccupied and unobstructed from the ground upward, except by eaves, uncovered porches or decks not more than three feet above finished grade, swimming pools, walkways, tennis courts, putting greens, or similar recreational uses, and landscaped with suitable living plant material. The area must be rectangular or composed of a series of rectangles, each having a minimum width of not less than 10 feet. Further, the yard shall not have a slope of more than five percent.

“Owner” means any person, co-partnership, association, corporation, fiduciary, or other legal or business entity having legal or equitable title or any interest in any residential property, or any realtor, real estate broker, or agent representing said owner.

P. Definitions.

“Parapet” means a portion of a wall, that extends above the roofline at the edge of a roof.

“Park, playground (public)” means outdoor sports grounds, indoor sports structures within a park area, playgrounds, tot lots, passive park areas, and other areas of use to the general public for recreation or outdoor diversions, not including commercial recreation facilities (see “Commercial recreation facility”), community gardens (see “Community garden”), or community centers (see “Public or quasi-public facility”).

"Parking, covered" means a structure, building or portion of a building having a solid roof which may be open or enclosed by walls or doors, used to shelter a parking space.

“Parking aisle” means the vehicular access route to allow for safe movement and effective traffic flow through a parking facility to and from parking spaces.

“Parking facility” means parking lots or structures operated by the city or private entity providing parking with or without a fee. Does not include towing, impound and storage facilities, which are defined under “Industrial, light.”

“Parking lifts” means a mechanical system that lifts or lowers a parked vehicle to make space available for another parked vehicle above or below it.

“Parking, shared” means a public or private parking area used jointly by two or more uses.

“Parking space” means an area not less than nine feet wide by 20 feet deep designated for parking a single vehicle.

“Parking space, compact” means a space not less than eight feet by 16 feet.

“Parking space, tandem” means two or more vehicles that are parked on a driveway or in any other location on a lot, arranged one behind the other.

“Personal service” means establishments providing nonmedical services to individuals as a primary use. Examples of these include barber and beauty shops, including body, skin, and nail care; therapeutic massage certified under California Business and Professions Code Section 4612; garment repair and alteration; locksmiths; and shoe repair shops and shoeshine parlors. These uses may also include accessory retail sales of products related to the services provided.

“Personal service, restricted” means establishments providing nonmedical services to individuals, such as noncertified therapeutic massage, tattooing and body art parlors, or bath houses.

Pet Grooming. See “Animal Keeping/Training Facility or Veterinary Service.”

Pet Training. See “Animal Keeping/Training Facility or Veterinary Service.”

“Printing or creative service” means an establishment within a building that provides the following services to individuals or businesses: creative or graphic arts; copying and print shops, including blueprinting; photographic or camera shops and studios; and sign painting or manufacture.

“Pub” means an eating establishment where the primary activity is split between the service of food and the service of alcoholic beverages. Pubs are regularly, and in a bona fide manner (as defined by California Business and Professions Code Section 23038), kept open for the service of meals, and maintain suitable kitchen facilities connected therewith. Includes “sports bars.” See “Eating establishment.”

“Public or quasi-public facility” means public, semi-public, and private preschools, elementary schools, high schools, civic buildings, community centers and other community buildings and uses, and governmental buildings, museums, fire houses, post offices, police stations, libraries, and essential services, any of which may have additional requirements for such use set forth herein.

“Public utility” means installations, facilities or means for furnishing to the public electricity, gas, steam, communications, water, drainage, sewage disposal, or flood control, irrespective of whether such facilities or means are underground or above ground, indoor or outdoor. Utilities may be owned and operated by any person, firm, corporation, municipal department, or board, duly appointed by state or municipal regulations. “Utility” or “utilities” as used herein may also refer to such persons, firms, corporations, departments or boards. Does not include “wireless telecommunications facility.”

R. Definitions.

“Radio or television station” means a building serving a broadcasting organization, consisting of one or more transmitters or receivers used for radio communications or telecommunications.

Recycling Facility.

(1) “Processor” means a state-certified receiver of redeemable recyclable materials providing either collection, storage, separation, distribution, or primary reprocessing of recycled materials.

(2) “Retail certified” means a state-certified recycler providing convenient locations for consumers to redeem beverage containers.

(3) “Wholesale certified” means a state-certified recycler providing both consumer redemption of beverage containers and collection of redeemable containers from other certified recyclers.

“Research and development facility” means a facility for scientific research, which could include the design, development and testing of electrical, electronic, magnetic, optical, computer and telecommunications components in advance of product manufacturing, and the assembly of related products from parts produced off site, where the manufacturing activity is secondary to the research and development activities. Includes pharmaceutical, chemical and biotechnology research and development. Also includes research laboratories, defined as facilities for testing, experimenting, analysis, and/or research. Examples of research and development facilities include medical labs, soils and materials testing labs, and forensic labs.

“Residential care” means residential care facilities for alcoholism recovery, mentally disabled, handicapped, elderly, and dependent and neglected children (including residential care facilities for the elderly (RCFEs) as licensed by the State Department of Social Services). State-licensed residential care facilities for six or fewer persons, excluding the facility operator and staff, shall be considered a family use subject only to the same regulations as apply to other residential dwellings of the same type in the same zone.

“Residential property” means all real property, whether improved or unimproved, which is or, by virtue of the zoning thereon, may be used for residential purposes.

“Restaurant, drive-in/drive-through” means an eating establishment which (1) prepares food intended for consumption in vehicles that may or may not be parked on the site; or (2) provides for the ordering of food while the customers are seated in vehicles. Does not include drive-in/drive-through restaurants that are required by contractual or other arrangement to offer standardized menus, ingredients, food preparation, employee uniforms, interior decor, signage, or exterior design. See “Eating establishment.”

“Restaurant, fast food” means an eating establishment that specializes in short order or quick service; serves food or beverage products primarily in paper, plastic or other disposable containers; and delivers food or beverage products in such a manner that customers may remove such products from the restaurant for consumption. Does not include formula fast food restaurants that are required by contractual or other arrangement to offer standardized menus, ingredients, food preparation, employee uniforms, interior decor, signage, or exterior design. See “Eating establishment.”

“Restaurant, formula general” means an eating establishment that falls under the definition of a general restaurant, and that is required by contractual or other arrangement to offer standardized menus, ingredients, food preparation, employee uniforms, interior decor, signage, or exterior design. See “Eating establishment.”

“Restaurant, general” means an eating establishment where the primary activity is the on-site preparation and service of meals for consumption on the premises using nondisposable dishes and utensils. These include establishments where customers are served from an interior walk-up counter and establishments where customers are served food at their tables, and may include limited takeout. General restaurants are regularly, and in a bona fide manner (as defined by California Business and Professions Code Section 23038), kept open for the service of meals, and maintain suitable kitchen facilities connected therewith. See “Eating establishment.”

“Restaurant, specialty” means an eating establishment where the primary activity is selling one or more of the following specialty food or beverage products for on- or off-premises consumption: coffee, tea, juice, smoothies, ice cream, frozen yogurt, cookies, or similar specialty food or beverage. A specialty restaurant offers seating, and includes, but is not limited to, coffee and tea houses, juice bars, and ice cream/frozen yogurt shops. Such an establishment may include limited service of preprepared foods including but not limited to salads, soups, and sandwiches. A specialty restaurant does not require a full kitchen, and does

not include formula specialty restaurants that are required by contractual or other arrangement to offer standardized menus, ingredients, food preparation, employee uniforms, interior decor, signage, or exterior design. See “Eating establishment.”

“Retail, general” means a retail business selling merchandise directly to the end consumer. Examples of these stores and lines of merchandise include:

Apparel and accessories	Food and grocery, including convenience markets with accessory catering for consumption off-premises, produce markets, delicatessens, bakeries, candy shops, and cheese shops
Antiques	Furniture, including home and office furniture
Art supplies and art galleries, including framing shops	Hardware and garden supply, including plant nurseries
Auctioneers	Hobbies and craft shops, including stationery stores, toy stores, yarn shops, and other miscellaneous hobbies and crafts
Bicycle sales, service, and rental	Jewelry stores
Books, new and used	Luggage and leather goods
Computers and electronic equipment	Magazine stores and newsstands
Cameras and photographic supplies	Music stores, including instruments and records, tapes, compact discs, audio and video
Drug stores	Optical stores
Department stores	Sporting goods stores, including exercise equipment
Electronics and appliances	Watch and clock sales and service
Florists	Variety stores

“Retail, outdoor storage display” means a retail business where customers are encouraged to examine and/or experience merchandise in its typical configuration and/or manner of use. Examples include garden shops, plant nurseries, and stone or monument yards.

“Retail, restricted” means a retail business with one of the following specialties: gunsmiths and smoke, cigar, and tobacco shops.

“Roominghouse” means a dwelling other than a hotel, motel, bed and breakfast inn, or apartment house, and accommodating a nontransient occupancy, where lodging and/or meals for three or more persons are provided for compensation.

S. Definitions.

“School, specialty” means a school that provides education and/or training, including vocational training, in limited subjects including: art; business, secretarial and vocational skills; drama; driver education; including courses by mail or on-line; language; music; professional (law, medicine, etc.); and

seminaries/religious ministry training facilities. See also “Public or quasi-public facility.” Does not include family day care facilities (see “Family day care home”).

“Second unit” means a second unit as defined in PGMC 23.80.020.

“Shared housing building” means a residential or mixed-use structure, with five or more shared housing units and one or more common kitchens and dining areas designed for permanent residence of more than 30 days by its tenants as defined by Government Code Section 65915 (o)(7)(A)(i), as it may be amended from time to time.

"Single-Room Occupancy” or “SRO” means housing consisting of single-room dwelling units that serve as the primary residence for their occupants.

“Site coverage” means the sum of building coverage plus areas covered by impervious surfaces. Site coverage is expressed as a percentage.

(1) In determining site coverage, the following shall be counted:

(A) Sand-set bricks and/or pavers, paving and/or flagstones, asphalt, concrete, mortared brick and stone, and decomposed granite;

(B) Open porches; and

(C) All accessory structures not already counted towards building coverage.

(2) In determining site coverage, the following shall not be counted:

(A) Four hundred square feet of any driveway, except for portions that serve as required parking space(s) or which occupy a required side yard;

(B) Sixty square feet of walkway, stoop, landing, stairway and/or steps in the front yard on building sites which are 50 feet or more in width;

(C) Turf block driveways and walkways, unless covered; and eaves and/or cantilevered portions of buildings.

“Site Inventory” or “Housing Element Site Inventory” means a list of suitable land identified for residential development during the planning period as part of the 6th Housing Element update process, which includes a list of parcels with their size, general plan and zoning designations, existing uses, the development capacity of the parcel, and the determination of how the parcel may meet the housing unit need by income-level.

“Site Width” means the dimension of the lot at the street line. In the case of a lot with more than one street line, it refers to the lesser dimension.

Small Family Day Care. See “Family day care home.”

Sports Bar. See “Pub.”

“Storage, self-storage facility” means a structure containing individual compartments, stalls, or lockers rented as individual storage spaces and characterized by low parking demand.

“Supporting structure” means any structure, other than a wireless tower, capable of supporting, or supporting, a base station. An existing supporting structure is a structure in place at the time an application is filed; a replacement support structure is a structure that replaces an existing structure, which structure must be removed; a new support structure is a structure that is not in place at the time an application is filed, and that will be constructed as part of the placement of the base station.

“Supportive housing” means housing with no limit on length of stay, that is occupied by the target population, and that is linked to an on-site or off-site service that assists the supportive housing resident in retaining the housing, improving his or her health status, and maximizing his or her ability to live and, when possible, work in the community. “Target population” means persons with low incomes who have one or more disabilities, including mental illness, HIV or AIDS, substance abuse, or other chronic health condition, or individuals eligible for services provided pursuant to the Lanterman Developmental Disabilities Services Act (Division 4.5 (commencing with Section 4500) of the Welfare and Institutions Code) and may include, among other populations, adults, emancipated minors, families with children, elderly persons, young adults aging out of the foster care system, individuals exiting from institutional settings, veterans, and homeless people. Supportive housing is a residential use subject only to the same requirements as apply to other residential dwellings of the same type in the same zone.

T. Definitions.

“Taxi service” means a facility where multiple taxis and/or limousines are stored until dispatched. May also include dispatch services, but does not include dispatch services that have no on-site vehicle storage, which are instead included under “Offices, business and professional.”

“Temporary wireless telecommunications facilities” means a wireless telecommunications facility intended or used to provide wireless services on a temporary or emergency basis, such as a large-scale special event in which more users than usual gather in a confined location or when a disaster requires additional service capabilities. Temporary wireless telecommunications facilities include, without limitation, cells on wheels (COW), sites on wheels (SOW), cells on light trucks (COLTs), or other similar wireless telecommunications facilities: (1) that will be in place for no more than 60 days (or such other longer time as the city may allow in light of the event or emergency); (2) for which required notice is provided to the FAA; (3) that do not require marking or lighting under FAA regulations; (4) that will be less than 100 feet in height; and (5) that will either involve no excavation or involve excavation only as required to safely anchor the facility, where the depth of previous disturbance exceeds the proposed construction depth (excluding footings and other anchoring mechanisms) by at least two feet.

“Theater or auditorium” means a facility for group entertainment, other than sporting events. Examples of these include: civic theaters, facilities for live theater and concerts, and movie theaters.

Transient. Any building or portion thereof used or designed for accommodations of persons or families staying for a period of less than 30 days, or used, designed to be used, let, or rented on a daily or weekly basis, or advertising accommodations for transient travelers, shall be deemed to be “transient.”

“Transit center” means a sheltered waiting area located where public transportation routes converge. Transit centers serve as hubs to allow transit riders from various locations to assemble at a central point to take advantage of express trips or other route-to-route transfers.

“Transitional housing” means buildings configured as rental housing developments, but operated under program requirements that mandate the termination of assistance and recirculation of the assisted unit to another eligible program recipient at a predetermined future point in time that shall be no less than six months from the beginning of the assistance. Transitional housing is a residential use subject only to the same requirements as apply to other residential dwellings of the same type in the same zone.

U. Definitions.

“Use” means the purpose for which land or premises of a building thereon is designed, arranged or intended or for which it is or may be occupied or maintained.

V. Definitions.

Value, Market Value. The community development director’s determination of value shall be deemed prima facie correct. Any person aggrieved by such determination may appeal to the planning commission

within 15 days of such determination. The appellant and the owner of the property shall have 10 days' written notice of the date the planning commission will hear the appeal.

Veterinary Clinic. See "Animal Keeping/Training Facility or Veterinary Service."

"Visually insignificant" means an exterior building modification that does not noticeably alter the character or architectural style of the structure as viewed from a public street.

W. Definitions.

"Warehousing, wholesaling and distribution" means an establishment engaged in wholesale storage within a building, and selling merchandise to retailers; contractors, industrial, commercial, institutional, farm, or professional business users; other wholesalers, or acting as agents or brokers in buying merchandise for or selling merchandise to such persons or companies. Examples of these establishments include:

Agents, merchandise or commodity brokers, and commission merchants	Trucking and general warehousing
Assemblers, buyers and associations engaged in the cooperative marketing of farm products	Stores primarily selling electrical, plumbing, heating and air conditioning supplies and equipment
Frozen food lockers	Wholesale bakeries
Merchant wholesalers	Wholesale trade, durable and nondurable
Miscellaneous retail and wholesale commercial uses, stores or storage and service establishments	

"Wine bar" means a drinking establishment where the primary activity is the tasting and drinking of wine. Food must be available during all hours of operation, but may be limited to snacks, appetizers, small plates, or other similar offerings. A full kitchen is not required. See "Drinking establishment."

"Wine tasting room" means a drinking establishment where wine and related products are offered for retail sale, and where on-site consumption of wine may be tasted for a fee, or without charge. Food service is not required. See "Drinking establishment."

"Wireless eligible facilities request" has the same meaning as eligible facilities requests under 47 CFR Section 1.6100(3), as may be amended.

"Wireless telecommunications facility" means all elements of a facility at a fixed location used in connection with the provision of any FCC-licensed or authorized wireless service to the public, including the base station and tower, if any, but excluding any supporting structure to which the base station is attached or within which it is enclosed; provided, that the term does not include the following, which facilities shall remain subject to other provisions of the PGMC applicable to similar structures:

(1) Facilities entirely enclosed within an existing building outside of the rights-of-way, where no modification to the exterior of the building is required;

(2) Facilities attached to the exterior of a building (including the roof), which would constitute an accessory use of the building permitted under this code, and where the wireless telecommunications facility located on the exterior is less than three cubic feet in size;

(3) Customer-end antennas; or

(4) Wireless telecommunications facilities owned and operated by the city for its use, or by any governmental agency for its own or public safety uses.

"Wireless tower" means any structure built for the sole or primary purpose of supporting any FCC-licensed or authorized antennas and their associated facilities.

Y. Definitions.

"Yard" means an open space other than a court on the same lot with a building, which open space is unoccupied and unobstructed from the ground upward, except as otherwise permitted in PGMC 23.64.150 to 23.64.180, inclusive. [Ord. 21-008 § 2, 2021; Ord. 20-001 § 2 (Exh. A), 2020; Ord. 16-005 § 3, 2016; Ord. 13-008 § 2, 2013; Ord. 13-003 § 5, 2013].

Chapter 23.24

R-3 DISTRICTS

Sections:
23.24.010 Generally.
23.24.020 Uses permitted.
23.24.030 Building height limit.
23.24.040 Building site area required.
23.24.050 Allowed building coverage.
23.24.051 Allowed site coverage.
23.24.060 Yards required.
23.24.070 Garbage areas.

23.24.010 Generally.

The regulations found in this chapter shall apply to all R-3 districts and shall be subject to the provisions of Chapter 23.64 PGMC. [Ord. 20-016 § 2, 2020; Ord. 382 N.S., 1962; Ord. 210 N.S. § 11-133(1)(a), 1952].

23.24.020 Uses permitted.

The following uses shall be permitted in the R-3 district:

(a) Single- or two-family dwellings;

(b) Second units as permitted by Chapter 23.80 PGMC;

(c) Low-barrier navigation centers;

(d) Transitional and supportive housing.

(e) Employee housing.

(f) Multiple dwellings, apartment houses and dwelling groups;

(g) Rooming or boarding houses, subject to first securing a use permit (except for employee housing);

(h) Accessory uses and buildings normally incidental to any in this section;

(i) Single-Room Occupancies (SROs) subject to first securing a use permit;

(j) State-licensed residential care facilities for seven or more persons, subject to first securing a use permit. [Ord. 20-016 § 2, 2020; Ord. 16-005 § 4, 2016; Ord. 03-08 §§ 4, 5, 2003; Ord. 811 N.S., 1974; Ord. 795 N.S., 1974; Ord. 720 N.S. §§ 9, 10, 1972; Ord. 532 N.S. § 5, 1966; Ord. 453 N.S., 1964; Ord. 382 N.S., 1962; Ord. 210 N.S. § 11-133(1)(a), 1952].

23.24.030 Building height limit.

The maximum height of main buildings shall be 30 feet. [Ord. 20-016 § 2, 2020; Ord. 00-18 § 6, 2000; Ord. 1141 N.S. § 3, 1979; Ord. 720 N.S. § 3, 1972; Ord. 210 N.S. § 11-133(1)(b), 1952].

23.24.040 Building site area required.

For each building, or group of buildings, a minimum of 4,000 square feet and minimum width of 40 feet shall be required on interior lots. A minimum of 6,000 square feet and a minimum width of 60 feet shall be required on corner lots. In the subdivisions designated as additions to Pacific Grove Retreat and in the Pacific Grove Retreat, where the lot sizes, as legally subdivided, are 30 by 60 feet, the minimum lot size shall be 3,600 square feet, with the lot lines along the lines of said subdivisions. Nothing contained herein shall authorize such smaller minimum lot sizes for any future subdivisions.

For each family unit in any building or group of buildings, a minimum of 1,500 square feet of land area shall be required. [Ord. 20-016 § 2, 2020; Ord. 1260 N.S. § 2, 1981; Ord. 720 N.S. § 1, 1972; Ord. 210 N.S. § 11-133(1)(c), 1952].

23.24.050 Allowed building coverage.
Maximum building coverage on all sites is 50 percent. [Ord. 12-003 § 5, 2012; Ord. 1193 N.S. § 2, 1980; Ord. 720 N.S. § 8, 1972; Ord. 593 N.S., 1968; Ord. 210 N.S. § 11-133(1)(d), 1952].

23.24.051 Allowed site coverage.
Maximum site coverage on all sites is 60 percent. [Ord. 12-003 § 5, 2012].

23.24.060 Yards required.
(a) Front Yards. The minimum required front yard shall be 12 feet. Driveways shall not occupy more than 40 percent of the street frontage, and on a corner lot, the combined coverage on all frontages shall not exceed 25 percent of the total street frontage. Fifty percent of the front yard area shall be landscaped. Such areas shall not be surfaced, covered, enclosed or treated in such a manner as to make it impossible or impractical to establish and maintain landscaping and gardening thereon. The area must be rectangular or composed of a series of rectangles not less than 10 feet in width.

(b) Side Yards. Side yards shall be 10 percent of lot width with a minimum requirement of three feet and a maximum of 10 feet; provided, however, on corner lots, the side yard abutting the street shall be 20 percent of the width of the lot, but need not exceed 10 feet.

(c) Rear Yards. Rear yards, excluding allowable horizontal projections described in PGMC 23.64.150, shall have the following minimums:

(1) One-story building: five feet.

(2) Two-story building: eight feet.

(3) Three-story building: 10 feet.

(4) Where a rear yard fronts on a street, the minimum rear yard shall be 12 feet.

(d) Special Yards and Distances Between Buildings.

(1) Distance between any buildings, which shall be free from the encroachment of overhanging eaves, shall be a minimum of eight feet. For buildings of three stories, the minimum shall be increased to 10 feet and for buildings of four stories or more the minimums shall be increased to 12 feet.

(2) Side yards providing access to single-row dwelling group: minimum 12 feet.

(3) Inner court providing access to double-row dwelling group: minimum 20 feet.

(e) Open Yard. Open yard required shall be 200 square feet per unit for all construction of five units or more.

(f) Decks, Porches and Parking Spaces. Decks and open porches over three feet above grade may project or extend four feet over a required yard area, but not closer than three feet to the property line and no closer to other buildings than the minimums set forth in subsection (d) of this section. Parking spaces in excess of the required space for each family unit may project into the rear yard area set forth in subsection (c) of this section. [Ord. 720 N.S. § 6, 1972; Ord. 593 N.S., 1968; Ord. 532 N.S. § 6, 1966; Ord. 478 N.S., 1964; Ord. 382 N.S., 1962; Ord. 210 N.S. § 11-133(1)(e), 1952].

23.24.070 Garbage areas.
Where there are three or more units, garbage areas for holding of garbage or refuse shall be constructed with a concrete floor and curb. The area shall be enclosed by a view-obscuring wall or fence designed in

harmony with the building design. The enclosure shall be not less than five feet in height and equipped with a self-closing gate or door. Trash area shall have access to a driveway or public way. [Ord. 720 N.S. § 14, 1972].

Chapter 23.26

R-3-P.G.R. DISTRICT[1]

Sections:
23.26.010 Generally.
23.26.020 Permitted uses.
23.26.030 Building site area required.
23.26.040 Building height limit.
23.26.050 Allowed building coverage.
23.26.051 Allowed site coverage.
23.26.060 Allowed gross floor area.
23.26.070 Yard requirements.
23.26.080 Garbage/recycling areas.
23.26.090 Off-street parking.

23.26.010 Generally.

The regulations in this chapter shall apply in the R-3-P.G.R. district and shall be subject to the provisions of Chapter 23.64 PGMC unless the provisions of this chapter are in conflict with said Chapter 23.64 PGMC, in which event the provisions of this chapter shall prevail. [Ord. 98-05 § 1, 1998].

23.26.020 Permitted uses.

(a) All of the uses permitted and prescribed for the R-3 district at PGMC 23.24.020 shall apply in the R-3-P.G.R. district.

(b) In addition, bed and breakfast inns are permitted, subject to first securing a use permit.

The city council shall have the authority to set forth, by resolution, standards for bed and breakfast inns including, but not necessarily limited to: the number of visitors who may be accommodated; the amount and the type of signing to be provided; the length of permissible stay; the type of cooking and dining facilities to be provided; the amount of parking to be provided; and any similar standard necessary to protect the neighborhood from unreasonable changes in character. Provided however, that in no case shall the number of rooms be less than eight, excluding the primary residence of the owner or manager. The setting of such standards shall in no way limit the authority or the ability of the planning commission to impose such conditions as may be deemed appropriate upon any use permit granted for bed and breakfast use. [Ord. 98-05 § 1, 1998].

23.26.030 Building site area required.

(a) Except as provided in subsections (b) and (c) of this section, building site area shall be as set out in PGMC 23.24.040.

(b) The minimum land area for each unit other than bed and breakfast units shall be 2,200 square feet.

(c) Any parcel which has the following characteristics shall constitute a separate building site for future building purposes:

(1) It has, prior to March 15, 1986, been designated on the assessor’s map as a separate parcel.

(2) It has at least 1,800 square feet, but not more than 3,600 square feet, and is not part of a larger building site.

(3) It has been unimproved with any building or structure for a minimum of five years immediately preceding March 15, 1986.

(4) It has access to a public street.

(5) Its transfer will not create additional aspects of nonconformity to this title.

(d) Development of parcels qualifying as building site pursuant to subsection (c) of this section shall, at a minimum, be subject to the following:

(1) A use permit shall be first secured in each case.

(2) Architectural review board approval shall be required.

(3) Any construction shall conform to the requirements with respect to separate parcels in the R-3-P.G.R. district; however, in considering a use permit application the planning commission is authorized to prescribe requirements other than those prescribed by PGMC 23.26.670 where it finds that the qualification of PGMC 23.72.090 apply to the land, building or use. [Ord. 98-05 § 1, 1998].

23.26.040 Building height limit.
The maximum height of main buildings shall be 30 feet; provided, the maximum height of the top plate shall be no more than 24 feet. [Ord. 00-18 § 7, 2000; Ord. 98-05 § 1, 1998].

23.26.050 Allowed building coverage.
Maximum building coverage on all sites is 50 percent. [Ord. 12-003 § 6, 2012; Ord. 98-05 § 1, 1998].

23.26.051 Allowed site coverage.
Maximum site coverage on all sites is 60 percent. [Ord. 12-003 § 6, 2012].

23.26.060 Allowed gross floor area.
Maximum gross floor area is as follows:

Table 23.26.060 – Maximum Gross Floor Area*

Lot Size	Floor Area
1,000	833
1,100	917
1,200	1,000
1,300	1,083
1,400	1,167
1,500	1,250
1,600	1,333
1,700	1,417
1,800	1,500
1,900	1,556
2,000	1,611
2,100	1,667
2,200	1,722
2,300	1,778
2,400	1,833
2,500	1,889

Lot Size	Floor Area
2,600	1,944
2,700	2,000
2,800	2,044
2,900	2,089
3,000	2,133
3,100	2,178
3,200	2,222
3,300	2,267
3,400	2,311
3,500	2,356
3,600	2,400
3,700	2,433
3,800	2,467
3,900	2,500
4,000	2,533
4,100	2,567
4,200	2,600
4,300	2,633
4,400	2,667
4,500	2,700
4,600	2,733
4,700	2,767
4,800	2,800
4,900	2,833
5,000	2,867
5,100	2,900
5,200	2,933
5,300	2,967
5,400	3,000
5,500	3,017
5,600	3,033
5,700	3,050
5,800	3,066
5,900	3,083

Lot Size	Floor Area
6,000	3,099
6,100	3,116
6,200	3,132
6,300	3,149
6,400	3,165
6,500	3,182
6,600	3,198
6,700	3,215
6,800	3,231
6,900	3,248
7,000	3,264
7,100	3,281
7,200	3,297
7,300	3,314
7,400	3,330
7,500	3,347
7,600	3,363
7,700	3,380
7,800	3,396
7,900	3,413
8,000	3,429
8,100	3,446
8,200	3,462
8,300	3,479
8,400	3,495
8,500	3,512
8,600	3,528
8,700	3,545
8,800	3,561
8,900	3,578
9,000	3,594
10,000	3,759
11,000	3,924
12,000	4,089

Lot Size	Floor Area
13,000	4,254
14,000	4,419
15,000	4,584
16,000	4,749
17,000	4,914
18,000	5,079
19,000	5,244
20,000	5,409
21,000	5,574
22,000	5,739
23,000	5,904
24,000	6,069
25,000	6,234
26,000	6,399
27,000	6,564
28,000	6,729

* Note: For every 1,000 square feet above 28,000, add 165 square feet of floor area.
[Ord. 12-003 § 6, 2012; Ord. 98-05 § 1, 1998].

23.26.070 Yard requirements.
(a) The minimum front yard shall be eight feet; however, to encourage architectural variety in footprint and massing, the front yard may be reduced to no less than four feet for up to 50 percent of the front of the building.

(b) The minimum side yards shall be 10 percent of lot width, and 20 percent of lot width for side yards abutting the street on corner lots; provided, that the minimum allowable side yard shall be three feet, and the maximum required side yard shall be 10 feet.

Exception: With a use permit, the total of side yards may be 20 percent of lot width with a minimum three feet required on each side, maximum required on either side 10 feet.

(c) Rear yards shall have the following minimums:

(1) One story building: five feet.

(2) Two story building: eight feet.

(3) Three story building: 10 feet.

(4) Where a rear yard abuts a street: 12 feet.

(d) Open Yard. Open yard required shall be 200 square feet per unit for all construction of five units or more.

(e) Decks and Porches. Decks and open porches over three feet above grade may project or extend four feet over a required yard area, but not closer than three feet to the property line. [Ord. 98-05 § 1, 1998].

23.26.080 Garbage/recycling areas.
Where there are three or more units, garbage/recycling areas for holding of garbage or recyclable materials shall be provided. The garbage/recycling area shall be enclosed by a view-obscuring wall or fence designed in harmony with the building design. The enclosure shall be not less than five feet in height and equipped with a self-closing gate or door. Garbage/recycling area shall have access to a driveway or public way. Placement and design of the garbage/recycling areas shall be approved by the public works director and the architectural review board prior to issuance of a building permit. Garbage/recycling areas shall be maintained in a sanitary condition, free of graffiti and in good repair. [Ord. 98-05 § 1, 1998].

23.26.090 Off-street parking.
Storage or parking space to be provided, and driveway requirements, shall be as follows:

(a) Single-family dwellings:

Lot Size	Off-Street Parking Required
To and including 2,700 square feet	None
Larger than 2,700 square feet	One covered and one uncovered*

* A driveway at least 20 feet in length may serve as a required uncovered space.

(b) Multifamily Units. One and one-half spaces/unit having less than two bedrooms; two spaces for all other units. Mechanical parking lifts may be used, and individual units may utilize tandem parking.

(c) The distance from a property line to the garage or carport opening shall be a minimum of 20 feet; provided, that a shorter driveway may be approved through the use permit process.

(d) Driveway width shall not exceed 40 percent of lot width; provided, that a greater width may be permitted subject to obtaining a use permit. [Ord. 21-008 § 3, 2021; Ord. 98-05 § 1, 1998].

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[1] Editor's Note: Prior ordinance history includes Ord. 1166 and part of Ord. 1331.

Chapter 23.28

R-4 DISTRICT

Sections:
23.28.010 Generally.
23.28.020 Uses permitted.
23.28.030 Building height limit – Site area – Lot coverage – Yards.

23.28.010 Generally.

The regulations found in this chapter shall apply in all R-4 districts and shall be subject to the provisions of Chapter 23.64 PGMC. [Ord. 20-016 § 3, 2020; Ord. 382 N.S., 1962; Ord. 210 N.S. § 11-133.1(1), 1952].

23.28.020 Uses permitted.

The following uses shall be permitted in the R-4 district:

(a) Single- or two-family dwellings;

(b) Second units as permitted by Chapter 23.80 PGMC;

(c) Low-barrier navigation centers;

(d) Transitional and supportive housing;

(e) Employee housing.

(f) Multiple dwellings, apartment houses;

(g) Rooming or boarding houses, subject to first securing a use permit;

(h) Dwelling groups;

(i) Professional uses allowed are: accountants, advertisers, appraisers, architects, assayers, attorneys, beauty shops, building designers, chiropractors, chiropodists, clinical laboratories, collection agencies, contractors (no warehousing of material), dental laboratories, detective agencies, dentists, geologists, insurance adjusters, interior decorator services (no display rooms, retail sales, and no warehousing of materials), insurance offices, land surveyors, medical doctors, medical laboratories, oculists, opticians, optometrists, osteopaths, physical therapists, podiatrists, private detectives, professional engineers, psychologists, real estate offices, secretary services and telephone answering services, subject to first securing a use permit;

(j) Community centers, social halls, lodges, clubs and rest homes, subject to first securing a use permit in each case;

(k) Accessory uses and buildings normally incidental to any of the above;

(l) Professional uses in other categories than described in subsection (f) of this section, which are found by the community development director to be similar in nature, as regards size, activity, and impact, as the professions listed in said subsection (f) of this section, subject to first securing a use permit in each case;

(m) Bed and breakfast inns, subject to first securing a use permit. Standards adopted by resolution of the council for bed and breakfast inn use in the R-3-P.G.R. district shall apply as well to that use in the R-4 district. The setting of such standards shall in no way limit the authority or ability of the planning commission to impose such conditions as may be deemed appropriate upon any use permit granted;

(n) Single-Room Occupancies (SROs), subject to first securing a use permit;

(o) State-licensed residential care facilities for seven or more persons, subject to first securing a use permit. [Ord. 20-016 § 3, 2020; Ord. 16-005 § 5, 2016; Ord. 03-08 §§ 6, 7, 2003; Ord. 1418 N.S. § 3, 1984; Ord. 1417 N.S., 1984; Ord. 1307 N.S. § 1, 1982; Ord. 936 N.S. § 1, 1977; Ord. 811 N.S., 1974; Ord. 795 N.S., 1974; Ord. 720 N.S. §§ 11, 12, 1972; Ord. 532 N.S. § 7, 1966; Ord. 506 N.S., 1965; Ord. 382 N.S., 1962; Ord. 210 N.S. § 11-133.1(1), 1952].

23.28.030 Building height limit – Site area – Lot coverage – Yards.
Regulations for building height limit, building site area required, percentage of lot coverage, and yards required shall be those regulations set forth in PGMC 23.24.030 through 23.24.070. [Ord. 382 N.S., 1962; Ord. 210 N.S. § 11-133.1(1)(b), 1952].

Chapter 23.31

COMMERCIAL AND INDUSTRIAL ZONING DISTRICTS

Sections:
23.31.010 Purpose.
23.31.020 Commercial and industrial zoning districts.
23.31.025 C-V-ATC zoning district – American Tin Cannery zoning.
23.31.030 Commercial and industrial zoning districts allowable land uses and permit requirements.
23.31.040 Commercial and industrial zoning districts development standards.

23.31.010 Purpose.

This chapter lists the commercial and industrial zoning districts as established by PGMC 23.12.010 and establishes the development standards and types of land uses permitted in each commercial and industrial zoning district. [Ord. 13-003 § 2, 2013].

23.31.020 Commercial and industrial zoning districts.

(a) Light Commercial (C-1). The C-1 zoning district provides for neighborhood scale and locally oriented retail, service, office uses, as well as residential uses.

(b) Light Commercial and Hotel (C-1-T). The C-1-T zoning district was enacted by citizen initiative, and the standards of the district are included in the applicable sections of this chapter without modification from the initiative.

(1) Intent of District. The intent of the C-1-T district as described by the initiative is as follows:

(A) It is the intent of the people of the city of Pacific Grove in enacting the ordinance codified in this chapter to establish a zone district in the city's downtown area where hotel use is permitted, as are all other uses listed in the C-1 district of this code, as said district may be from time to time amended by the council. The people have determined that the area of downtown defined by subsection (b)(2) of this section is appropriate for hotel development. Further, except as modified by this chapter, all provisions of the motel/hotel regulation ballot measure enacted by the people at the June 3, 1986, special municipal election, as set out at Chapter 23.52 PGMC, shall remain unchanged and in full force and effect.

(B) It is also the intent of the people of the city of Pacific Grove in enacting the ordinance codified in this chapter to provide for an exception to the strict regulations governing condominium development at Chapter 23.45 PGMC, said section enacted by the people at an election held in the city on November 2, 1982. The people have determined that the area of the downtown defined in subsection (b)(2) of this section is appropriate for condominium development in a manner less restrictive than defined by regulations set out in Chapter 23.45 PGMC. Further, except as modified by this chapter, the provisions of Chapter 23.45 PGMC shall remain unchanged and in full force and effect.

(2) Boundaries of District. The C-1-T district shall be that area defined by the block bounded by Lighthouse Avenue, Grand Avenue, Central Avenue and Fountain Avenue.

(3) Amendment. No provision of the C-1-T zoning district shall be repealed or amended except by a vote of the people.

(c) Downtown Commercial (C-D). The C-D zoning district is intended to provide for a range of uses including retail, restaurants, services, entertainment, and upper floor residential, and other compatible uses which enhance the vitality and character of the city's historic commercial core.

(d) Forest Hill Commercial (C-FH). The C-FH zoning district serves as an entrance to the city, offering a variety of commercial and service uses, as well as residential uses, while respecting nearby residential uses.

(e) Heavy Commercial (C-2). The C-2 zoning district is applied to areas of the city that are appropriate for limited residential uses, service commercial and light manufacturing uses, which may involve outdoor storage or activity areas.

(f) Visitor Commercial (C-V). The C-V zoning district is applied to areas of the city appropriate for retail sales, commercial services, and institutional uses oriented to tourism.

(g) Restricted Industrial (I). The I zoning district is applied to areas of the city that are appropriate for limited commercial uses, service commercial and light manufacturing uses, which may involve outdoor storage or activity areas. [Ord. 13-003 § 2, 2013].

23.31.025 C-V-ATC zoning district – American Tin Cannery zoning.

(a) Boundaries of District. The C-V-ATC zoning district shall apply to the American Tin Cannery site that is comprised of Assessor's Parcel Numbers 006-231-001, 006-234-004, and 006-234-005 and that segment of Sloat Avenue that is continuous to the American Tin Cannery site.

(b) Uses Permitted. Notwithstanding any other provision of the Pacific Grove Municipal Code, the following uses shall be permitted in the C-V-ATC zoning district:

(1) Hotels and any accessory uses, such as restaurants, bars and lounges, meeting and event facilities, spa and fitness facilities, parking, and buildings, spaces, and structures incidental to such uses, subject to first securing a use permit.

(2) All uses that are permitted in the C-V zoning district and additional uses permitted by subsequent amendment to the zoning ordinance.

(c) Development Standards. Development standards in the C-V-ATC zoning district, including floor area coverage, density, setbacks and height limits shall be in accordance with the applicable standards set forth in the local Coastal Program Land Use Plan, as updated or amended, or if no such standards are provided in the local coastal Program Land Use Plan, as updated or amended, in accordance with the standards set forth in the use permit or other required permit for a use allowed in the C-V-ATC zoning district.

(d) Except as modified by this section, all provisions of the motel/hotel regulation ballot measure enacted by the people at the June 3, 1986, special election, as set out at Chapter 23.52 PGMC, shall remain unchanged and in full force and effect. [Ord. 16-009A § 1, 2016].

23.31.030 Commercial and industrial zoning districts allowable land uses and permit requirements.

Key to Zoning District Symbols					
C-1	Light Commercial	**C-FH**	Forest Hill Commercial	**I**	Restricted Industrial
C-1-T	Light Commercial and Hotel	**C-2**	Heavy Commercial		
C-D	Downtown Commercial	**C-V**	Visitor Commercial		
P = Permitted use; counter review and determination required (see PGMC 23.70.020)				**UP** = Use permit required (see PGMC 23.70.080)	
AUP = Administrative use permit required (see PGMC 23.70.030)				-- = Use not allowed	

Table 23.31.030 Commercial and Industrial Zoning Districts Allowable Land Uses and Permit Requirements

Use	Specific Use Regulations (PGMC)	C-1[1]	C-1-T[1]	C-D[1]	C-FH[1]	C-2	C-V[1]	I
Industry, Manufacturing and Processing								
Contract construction – no outdoor storage		P[2]	P[2]	--	P[2]	P[3,4]	P[2]	P[3]
Contract construction – outdoor storage		--	--	--	--	P[3,4]	UP	UP
Construction, large-scale equipment sales and rental		--	--	--	--	P[3,4]	UP	UP
Industrial, light		UP	UP	--	UP	AUP[3,4]	UP	AUP[3,4]
Recycling facility		UP	UP	--	UP	UP	UP	UP
Research and development facility		AUP[2]	AUP[2]	AUP[2]	AUP[2]	AUP[3]	AUP[2]	AUP[3]
Storage – self-storage facility		--	--	--	--	AUP[3]	AUP[2]	AUP[3]
Warehousing, wholesaling and distribution		--	--	--	--	P[3]	P[2]	P[3]
Recreation, Education and Public Assembly								
Commercial recreation facility – indoor (≤ 10,000 sf)	7.08, 7.12, 23.64.035	P[2]	P[2]	P[2]	P[2]	P[3]	P[2]	P[3]
Commercial recreation facility – outdoor		AUP[2]	AUP[2]	--	--	AUP[3]	AUP[2]	AUP[3]
Community garden		AUP[5]	AUP[5]	AUP[5]	AUP[5]	AUP[5]	AUP[5]	--
Health/fitness studio (≤ 10,000 sf)		P[2]	P[2]	P[2]	P[2]	P[3]	P[2]	P[3]
Meeting facility, public or private (≤ 10,000 sf)		P[2]	P[2]	P[2]	P[2]	P[3]	P	P[3]
Park, playground (public)		P[2]	P[2]	P[2]	P[2]	P[3]	P[2]	P[3]
Public or quasi-public facility (≤ 10,000 sf)		P[2]	P[2]	P[2]	P[2]	P[3]	P[2]	P[3]
School, specialty (≤ 10,000 sf)		P[2]	P[2]	P[2]	P[2]	P[3]	P[2]	--
Theater or auditorium (≤ 10,000 sf)		P[2]	P[2]	P[2]	P[2]	P[3]	P[2]	P[3]
Residential								

Use	Specific Use Regulations (PGMC)	C-1[1]	C-1-T[1]	C-D[1]	C-FH[1]	C-2	C-V[1]	I
Accessory building or structure		P	P	P	P	P	--	UP
Condominium		UP	UP[6]	UP	UP	UP	--	UP
Duplex		P	P	P	P	P	--	UP
Dwelling group		UP	UP	UP	UP	UP	--	UP
Emergency shelters[9]		--	--	P	P	P	--	P[9]
Employee housing for 6 or fewer persons[12]		P	P	P	P	P		UP
Home business	23.16	P	P	P	P	P	--	UP
Large family day care home		UP	UP	UP	UP	UP	--	--
Low barrier navigation centers				P[9]	P[9]	P[9]	--	P[9]
Mixed-use (residential above or behind commercial)		P[2]	P[2]	P[2]	P[2]	P[3]	--	--
Mobile home park		--	--	--	--	UP	--	UP
Multifamily dwelling								
7 or fewer units	23.28.020	P	P	P	P	P	--	UP
8 or more units	23.28.020	P	UP	P	P	UP	--	UP
Residential care								
Housing 6 or fewer persons		P [10]	P [10]	P [10]	P [10]	P [10]	--[10]	UP[10]
Housing 7 or more persons		UP	UP	UP	UP	UP	--	UP
Rooming and boarding house[14]		UP	UP	UP	UP	UP	--	UP
Second unit	23.80	P	P	P	P	P	--	UP
Single-family dwelling		P	P	P	P	P	--	UP
Single-Room Occupancy		P	P	P	P	P	--	UP
Transitional or supportive housing		P	P	P	P[11]	P[11]	--	UP[11]
Retail Sales								
Automobile/vehicle sales and rental		AUP[2]	AUP[2]	AUP[2]	AUP[2]	AUP[3]	AUP[2]	AUP[3]
Automobile/vehicle service station		AUP[2]	AUP[2]	--	AUP[2]	AUP[3]	AUP[2]	AUP[3]
Bar/tavern/nightclub		--	--	--	--	--	--	--

Use	Specific Use Regulations (PGMC)	C-1[1]	C-1-T[1]	C-D[1]	C-FH[1]	C-2	C-V[1]	I
Brew pub with food service	23.64.290	AUP[2]	AUP[2]	AUP[2]	AUP[2]	AUP[3]	AUP[2]	--
Farmers market		UP	UP	UP	UP	UP	UP	--
Flea market		UP	UP	UP	UP	UP	UP	--
Micro-brewery	23.64.290	--	--	--	UP	UP	UP	UP
Pub or sports bar with food service	23.64.290	AUP[2]	AUP[2]	AUP[2]	AUP[2]	AUP[3]	AUP[2]	--
Restaurant, general and formula general								
w/ no alcohol sales	23.64.134	P[2]	P[2]	P[2]	P[2]	P[3]	P[2]	--
w/ alcohol sales	23.64.134, 23.64.290	AUP[2]	AUP[2]	AUP[2]	AUP[2]	AUP[3]	AUP[2]	--
Restaurant, specialty (not formula)								
w/ no alcohol sales	23.64.134; if formula, see also 23.64.115	P[2]	P[2]	P[2]	P[2]	P[3]	P[2]	--
w/ beer and wine sales only	23.64.134, 23.64.290; if formula, see also 23.64.115	AUP[2]	AUP[2]	AUP[2]	AUP[2]	AUP[3]	AUP[2]	--
Restaurant, fast food (not formula) – w/ no alcohol sales	23.64.134; if formula, see also 23.64.115	AUP[2]	AUP[2]	AUP[2]	AUP[2]	AUP[3]	AUP[2]	--
Restaurant, drive-in/drive-through (not formula) – w/ no alcohol sales	23.64.134; if formula, see also 23.64.115	--	--	--	UP	--	--	--
Retail – general, except the following:		P[2]	P[2]	P[2]	P[2]	P[3]	P[2]	UP
Adult-oriented sales		UP[7]	UP[7]	--	UP[7]	--	--	--
Alcoholic beverage sales		UP	UP	UP	UP	UP	AUP[2]	--
Auction houses		P	--	--	P	P	P	P
Automobile rental		P	--	--	P	P	P	P
Bail bonds		P	--	--	P	P	P	P
Blood, plasma, tissue donation		P	--	--	P	P	P	P
Body piercing/tattoo parlor		P	--	--	P	P	P	P
Check cashing stores		--	--	--	P	P	P	P

Use	Specific Use Regulations (PGMC)	C-1[1]	C-1-T[1]	C-D[1]	C-FH[1]	C-2	C-V[1]	I
Dollar/99 cent stores		--	--	--	P	P	P	P
Electric cigarette/e-vapor		P	--	--	P	P	P	P
Gold and silver exchange stores		P	--	--	P	P	P	P
Kennels or pet boarding**		P	--	--	P	P	P	P
Pawn shops		P	--	--	P	P	P	P
Recreational vehicle sales		P	--	--	P	P	P	P
Meeting halls or places of assembly		P	--	--	P	P	P	P
Tire sales and repair		P	--	--	P	P	P	P
Businesses from which minors excluded by law or owner		UP	UP	UP	UP	UP	UP	--
Floor area over 10,000 sf		AUP[2]	AUP[2]	AUP[2]	AUP[2]	AUP[3]	AUP[2]	AUP[3]
Operating between 12:00 a.m. and 7:00 a.m.		UP	UP	UP	UP	UP	UP	UP
Outdoor storage or displays		AUP	AUP	AUP	AUP	AUP[1]	AUP	AUP[1]
Retail – restricted		UP	UP	--	UP	UP	UP	UP
Wine bar	23.64.290	AUP[2]	AUP[2]	AUP[2]	AUP[2]	AUP[3]	AUP[2]	AUP[3]
Wine tasting room	23.64.290	AUP[2]	AUP[2]	AUP[2]	AUP[2]	AUP[3]	AUP[2]	AUP[3]
Services								
Animal keeping/training facilities or veterinary service		AUP[2]	AUP[2]	AUP[2]	AUP[2]	AUP[3]	AUP[2]	AUP[3]
Automobile/vehicle repair		AUP[2]	AUP[2]	AUP[2]	AUP[2]	AUP[3]	AUP[2]	AUP[3]
Bank or financial service, except the following:		P[2]	P[2]	P[2]	P[2]	P[3]	P[2]	P[3]
Floor area over 10,000 sf at street level		AUP[2]	AUP[2]	AUP[2]	AUP[2]	AUP[3]	AUP[2]	AUP[3]
w/ drive-through		UP	UP	--	UP	UP	UP	UP
Business support service		P[2]	P[2]	P[2]	P[2]	P[3]	P[2]	P[3]
Car wash and detailing		AUP[2]	AUP[2]	--	AUP[2]	AUP[3]	AUP[2]	AUP[3]

Use	Specific Use Regulations (PGMC)	C-1[1]	C-1-T[1]	C-D[1]	C-FH[1]	C-2	C-V[1]	I
Catering and events	23.64.290	AUP[2]	AUP[2]	AUP[2]	AUP[2]	UP	UP	UP
Equipment/appliance rental and repair		AUP[2]	AUP[2]	AUP[2]	AUP[2]	AUP[3]	AUP[2]	AUP[3]
Laundry or dry cleaning service		AUP[2]	AUP[2]	AUP[2]	AUP[2]	AUP[3]	AUP[2]	AUP[3]
Lodging								
Bed and breakfast inn –w/ beer and wine sales only	23.64.290	AUP[2]	AUP[2]	AUP[2]	AUP[2]	AUP[3]	AUP[2]	AUP[3]
Hotel or motel	23.64.290	--	UP[8]	--	--	--	--	--
Medical service								
Ambulance service		UP	UP	--	UP	UP	UP	UP
Clinic or lab		P[2]	P[2]	P[2]	P[2]	P[3]	P[2]	P[3]
Medical office		P[2]	P[2]	P[2]	P[2]	P[3]	P[2]	P[3]
Hospital		UP	UP	--	--	UP	UP	UP
Mortuary or funeral home		UP	UP	--	UP	UP	UP	UP
Office, business or professional		P[2]	P[2]	P[2]	P[2]	P[3]	UP	UP
Personal service	7.06	P[2]	P[2]	P[2]	P[2]	P[3]	P[2]	UP
Personal service – restricted		UP	UP	UP	UP	UP	UP	UP
Printing or creative service		P[2]	P[2]	P[2]	P[2]	P[3]	P[2]	P[3]
Transportation and Infrastructure								
Parking facility		UP	UP	UP	UP	UP	UP	UP
Public utility		UP	UP	UP	UP	UP	UP	UP
Radio or television station		UP	UP	UP	UP	UP	UP	UP
Taxi service	7.16	UP	UP	UP	UP	UP	UP	UP
Transit center		UP	UP	UP	UP	UP	UP	UP
Wireless telecommunication facility		UP	UP	UP	UP	UP	UP	UP
Temporary wireless telecommunications facility		CRD	CRD	CRD	CRD	CRD	CRD	CRD
Wireless eligible facilities request		AUP	AUP	AUP	AUP	AUP	AUP	AUP

End Notes:

1. No merchandise, tools, machinery, equipment, or materials shall be stored or displayed outside of a building, except as specifically permitted for retail uses under an administrative use permit. Temporary administrative use permits, good for not over 30 days, may be granted, pursuant to PGMC 23.70.030(b)(7), for temporary outdoor sales events of new merchandise by merchants holding use permits or otherwise qualified to operate within the applicable district; provided, that such outdoor sales are operated in conjunction with their established retail operations, and for Christmas tree sales, or other sales on private property, connected with festivals or holidays.

2. The permit type specified in this table applies to any new or enlarged commercial use which totals 10,000 square feet or less of interior floor space. An administrative use permit is required for any new or enlarged commercial use which results in either the use of more than one structure on a building site or a total of more than 10,000 square feet of interior floor space. A use permit is required where any new or enlarged commercial use exceeds 25,000 square feet in interior floor space.

3. A use permit is required for any new building or addition which adds more than 25,000 square feet of interior floor space or which results in a building having more than 40 feet in height.

4. Such uses may be granted subject to a use permit, when conducted within a building or enclosed by a fence, subject to architectural approval by the appropriate review authority for design and landscaping pursuant to Chapter 23.70 PGMC; and provided, that said fence and landscaping shall be of sufficient height and screening capacity to prevent the view thereof from any adjacent street or sidewalk.

5. Community gardens on vacant lots may be permitted by administrative use permit, pursuant to PGMC 23.70.030(b)(7), and shall be reviewable every six months and subject to such conditions as the administrative use permit may prescribe. The application shall be accompanied by a written agreement by the owner to grant the city a lien for any cost incurred by the city in restoring such property to its condition prior to such use, in the event the owner fails to make such restoration after such use ceases.

6. Condominium use shall be allowed, subject to first securing a use permit in each case, and subject to the building height, site coverage, and yard requirements of this chapter. The provisions of Chapter 23.45 PGMC shall not apply to development of condominiums in the C-1-T district. The council shall, by ordinance, establish standards, conditions and other regulations to govern the development of condominiums in the C-1-T district. Until and unless such standards, conditions and other regulations are in place, no application for such development shall be accepted or processed. Such standards, conditions and regulations established by the council shall be in addition to and harmonious with state law governing condominium development. See also PGMC 23.31.020(b)(1)(B).

7. Adult-oriented sales may comprise no more than 25 percent of floor area or stock-in-trade of a general retail business, must be located in the rear of the general retail business, and must not be visible from the exterior of the general retail business.

8. Hotel uses shall be allowed, subject to first securing a use permit in each case, and subject to the building height, site coverage, and yard requirements of this chapter. All other regulations and conditions of approval shall be as provided by use permit approved pursuant to this title. Said regulations and conditions shall include, without limitation, provisions for architectural review, land area per unit, neighborhood compatibility, landscaping, parking, traffic and accessory buildings. Required parking, if any, may be located on or off site, the location to be designated by the use permit. See also PGMC 23.31.020(b)(1)(A).

9. Outside the coastal zone only. In addition to the requirements of PGMC 23.31.040, emergency shelters shall be subject to the following standards:

a. Maximum of 25 beds.

b. Off-street parking shall be provided at a rate of one space per each staff person on duty.

c. On-site management shall be provided at all times the shelter is open. A management and security plan shall be prepared in consultation with the city manager or his or her designee which shall describe hours of operation; staffing; house rules and occupant screening procedures; on- or off-site services to be provided; security measures to ensure the safety of the occupants of the shelter and surrounding areas; and communications protocols to ensure effective coordination between shelter management, adjacent property owners and residents, and public safety personnel.

d. No emergency shelter shall be established closer than 300 feet from another emergency shelter, measured from the nearest property line.

e. Waiting and intake areas shall be screened from view from the public right-of-way.

10. Permitted subject to the same standards as apply to other residential dwellings of the same type in the same zone.

11. Transitional and supportive housing developments shall be subject to the parking requirements of PGMC 23.64.190, with the exception of developments located within a one-half (0.5) mile distance of a transit stop where no off-street parking shall be required.

12. Rooming houses or boarding houses accommodating employee housing shall be subject to Employee Housing Act. See permitted uses and standards under employee housing.

**When not associated with a veterinary clinic.

[Ord. 20-001 § 2 (Exh. A), 2020; Ord. 16-005 § 6, 2016; Ord. 15-013 § 4, 2015; Ord. 13-003 § 2, 2013].

23.31.040 Commercial and industrial zoning districts development standards.

Table 23.31.040 Commercial and Industrial Zoning Districts Development Standards

	C-1[7]	C-1-T	C-D[7]	C-FH[1,7]	C-2[7]	C-V	I
Building Placement Requirements							
Setbacks[1,2,3,4]							
Front, min. (max.)[6]	0’	0'	0'	0' (20')	0'	0'	0'
Side (min.), except:	0’	0'	0'	0'	0'	0'	0'
Residential/ Mixed-use	10’	0’	5’	10'	0’	0’	0’
Adjacent to residential zone	5’	5'	5'	5'	5'	10'	10'
Rear (min.), except:	0’	0'	0'	10'	0'	0'	0'
Adjacent to residential zone	5’	5'	5'	10'	5'	10'	10'
Building Form Requirements							
Building height (max.)[4]	45’	40' with max. site coverage of 75%; 30' with max. site coverage of 90%	40'	35'	40'	40' with max. site coverage of 75%; 30' with max. site coverage of 90%	40'
Site coverage (max.)	90%	75 – 90%, depending on building height	100%	75%	90%	75 – 90%, depending on building height	90%
Stepbacks for portion of building above 25 feet							
Front, min	8’[5]	0’	0’	8’	0’	--	--
Side, min	0’	0’	0’	0’	0’	--	--
Rear, min[6]	30’	0’	10’	30’	0’	--	--
Density Requirements							
Dwelling units per net acre	Max. 30 units per acre. For Coastal Zones – Max. allowed by the general plan residential land use category nearest to the site, up to 30 units per net acre.	Max. allowed by the general plan residential land use category nearest to the site, up to 30 units per net acre.	Max. of 45 units per acre; with a minimum density requirement of 30 units per acre.	Max. of 45 units per acre; with a minimum density requirement of 30 units per acre.	Max. 30 units per acre. For Coastal Zones – Max. allowed by the general plan residential land use category nearest to the site, up to 30 units per net acre.	N/A	Max. allowed by the GP residential land use category nearest to the site, up to 30 units per net acre.[6]
Floor area ratio		Max. allowed by the general plan					
Lot Requirements							

Lot area for new parcels (min.)		2,000 sf
Other Requirements		
Landscaping		See PGMC 23.64.195
Parking		See PGMC 23.64.190
Signs		For C-D district see Chapter 20.05 PGMC. For all other districts see Chapter 20.04 PGMC

End Notes:

1. For mixed-use residential/commercial development where residential ground-floor street frontage is allowed and constructed, the setback standards in PGMC 23.31.50 shall apply.

2. Cornices, eaves, and other horizontal projections may be allowed, consistent with PGMC 23.64.150 and 23.64.160.

3. Along Central, Lighthouse, and Forest Avenues, commercial ground-floor street frontage standards in PGMC 23.31.050 also apply.

4. Chimneys and other vertical projections may be allowed, consistent with PGMC 23.64.120.

5. In C-1 and C-FH districts, front stepbacks requirements shall not apply for up to 30 feet of a building's width.

6. Rear stepback requirements shall not apply within 70 feet of front property line, while rear setback requirements shall continue to apply.

7. Pursuant to Government Code Section 65583.2(h)(2) for mixed-use development projects on sites within C-1, C-2, C-D and C-FH districts, identified in the 6th Cycle Housing Element Site Inventory for lower-income households, a minimum of 50 percent of the total floor area shall be residential.

The 6th Cycle Housing Element can be found on the City's website:
https://www.cityofpacificgrove.gov/our_city/departments/community_development/housing/housing_element.php

Sites within the C-1, C-2, C-FH and C-D that are identified for lower-income housing units include the following:

Site No.	Address	APN(s)
8	601 Lighthouse Ave.	006294017000, 006294015000
9	525, 531 Lighthouse Ave.	006284015000, 006284001000, 006284002000
18	95 Central Ave.	6238005000
20	2749 Forest Hill Blvd.	007651013000, 007651017000
21	1146, 1152 Forest Ave.	7651022000, 7651014000
22	1125, 1129, 1133, 1137 Forest Ave.	006713031000, 006713032000, 006713027000, 006713026000
26	1157 Forest Ave.	6713023000
27	1193 Forest Ave.	6713019000
29	1124, 1140 Forest Ave.	7641009000, 7641008000
30	1160 Forest Ave.	7651019000
31	1180 Forest Ave.	7611031000
33	1219 Forest Ave.	6725023000
48	2184 Sunset Dr.	7091025000
49	17 Mile Dr.	7091026000
55	801 Sunset Dr.	7101036000

[Ord. 17-009 § 3, 2017; Ord. 13-003 § 2, 2013].

Chapter 23.52

R-3-M DISTRICTS

Sections:
23.52.010 Regulations generally.
23.52.020 Uses permitted.
23.52.030 Regulations for R-3-M uses.
23.52.035 Special regulations for motels and hotels built prior to 1986.
23.52.040 Statement of intent.
23.52.050 Other provisions.
23.52.060 Amendment.

23.52.010 Regulations generally.

Effective the date of the adoption of the ordinance codified in this section by the city council or by the voters of the city of Pacific Grove, the regulations of the ordinance codified in this section shall apply in the R-3-M district in lieu of any ordinance or resolution to the contrary:

(a) The R-3-M district is defined as those areas so designated on the official zoning map of the city of Pacific Grove referred to in PGMC 23.12.020. Said districts may be classified by the city council to R-1, R -H, or R-2, where already developed as such, but no new R-3-M districts shall be created.

(b) Motel and hotel uses shall be restricted to the R-3-M district, including any uses accessory or ancillary to a motel. The ordinance codified in this section shall also apply to any use described in PGMC 23.52.020 proposed for the construction or expansion in any R-3-M district, including uses accessory or ancillary to such use. [Ord. 1536 N.S. § 2, 1986].

23.52.020 Uses permitted.

The following uses are permitted in the R-3-M districts:

(a) Any use permitted in the R-3 district, subject to obtaining a use permit for any use for which such is required in an R-3 district;

(b) Motels, subject to first securing a use permit in each case;

(c) Hotels, subject to first securing a use permit in each case;

(d) Adult communities, retirement homes and rest homes, subject to first securing a use permit in each case. [Ord. 575 N.S., 1967; Ord. 453 N.S., 1964; Ord. 263 N.S., 1955; Ord. 210 N.S. § 11-139(1)(a), 1952].

23.52.030 Regulations for R-3-M uses.

(a) A minimum of 2,500 square feet of land shall be required for each family unit and each motel or hotel unit. For other uses described in PGMC 23.52.020(d), the planning commission and/or city council shall determine the amount of land area per occupied unit by judging its similarity to a family unit or motel unit in actual use and impact. For example, a rest home affording separate apartments and parking facilities would be judged a family unit; a hotel which offers amenities identical or substantially similar to a motel would be judged a motel. In no event shall less than 2,000 square feet per occupied unit be allowed, for any PGMC 23.52.020(d) use.

(b) A minimum setback of 20 feet shall be required for all structures in a R-3-M development which abut R -1, R-H, or R-2 property, including streets abutting same. The setback shall be 10 feet for commercial or R-3-M. Eave projections may extend up to three feet into any required yard, but in no case may be closer than three feet to any property line.

(c) The height of the structures shall not exceed 25 feet nor two stories above grade. The height shall be one story above grade and not more than 18 feet where the R-3-M property, or any portion thereof, is within 200 feet of any portion of any property zoned R-1, R-H, or R-2.

(d) The architectural review board, the planning commission and/or the city council shall require the configuration and layout of structures so as to assure that residential areas are not impacted by guest activities such as registration, parking, food and beverage services. Said bodies shall require a design which blends with the residential neighborhood and minimizes the nonresidential impact and use. Appropriate landscaping shall be required throughout the site. Setback areas shall be landscaped and shall not be used for automobile parking, or storage of any kind. Access to the site, where feasible, shall be from a street and/or driveway which does not abut said residential areas.

(e) Wood-burning fireplaces and wood-burning heaters shall be limited to the rate of six per acre, and any additional fireplaces shall be limited to natural gas fireplace inserts.

(f) Any use permit for new construction or other activity resulting in an increase in the number of units or the amount of floor space shall expire one year from its issuance unless construction of the project for which the permit was issued is substantially complete.

(g) Uses which do not conform hereto as of the date of publication of the notice of intention to circulate the petition for the ordinance codified in this section may continue if legally installed prior thereto. Any expansion or alteration of such existing nonconforming use shall require complete compliance herewith for the entire use. The conversion of sliding doors to swinging doors, and similar changes, are not considered an expansion or alteration.

(h) Variances and/or exceptions hereto shall not be granted, except upon strict compliance with state and local law governing such. No variance or exception shall be granted on the basis of failure of opposition thereto.

(i) Any R-3-M district property shall be deemed to be upon a street which abuts or abutting to R-1, R-H, or R-2 property, whenever any part of the R-3-M property is within 20 feet of the abutting street or the R-1, R -H or R-2 property. [Amended by vote of the people on November 8, 2011, general election; Res. 11-061 § 4, 2011; Res. 11-060 § 4.1, 2011; Ord. 1536 N.S. § 3, 1986].

23.52.035 Special regulations for motels and hotels built prior to 1986.
This section modifies the development standards in PGMC 23.52.030 for R-3-M motels and hotels built prior to the adoption of Ordinance No. 1536, in order to enable and encourage hoteliers to upgrade and modernize their businesses to stay competitive. Where this section differs from PGMC 23.52.030, the provisions of this section shall take precedence. Where this section is silent on a provision that is in PGMC 23.52.030, the provision in PGMC 23.52.030 shall apply.

(a) Motels and hotels built prior to 1986 are categorized into groups and are allowed additional guest units over the number of permitted guest units, as of the effective date of this section, as follows:

New Guest Units Allowed for Motels and Hotels Built Prior to 1986

Address	Permitted Guest Units as of Effective Date of This Section	Additional Guest Units Allowed over Permitted Guest Units in Column to Left
Group A[1]		
569 Asilomar Avenue	16	3
1095 Lighthouse Avenue	10	2
800 Asilomar Avenue	54	11
221 Asilomar Avenue	18	1

Address	Permitted Guest Units as of Effective Date of This Section	Additional Guest Units Allowed over Permitted Guest Units in Column to Left
1073 Lighthouse Avenue	27	5
701 – 709 Asilomar Avenue	28	6
775 Asilomar Avenue	18	4
1100 Lighthouse Avenue	38	8
1101 Lighthouse Avenue	33	7
Group B[2]		
1111 Lighthouse Avenue	49	10
740 – 750 Crocker Avenue	49	3
650 Dennett Street	31	6
1150 Lighthouse Avenue	66	6
1140 Lighthouse Avenue	37	3
133 Asilomar Avenue	19	4
Group C[3]		
635 Ocean View Boulevard	60	0
625 Ocean View Boulevard	52	0
1038 Lighthouse Avenue	24	0

[1] Group A – Motels and hotels where the number of permitted guest units, as of the effective date of this section, is less than 170 percent of the 1:2,500 density ratio in PGMC 23.52.030(a). Motels and hotels in Group A may construct additional guest units or ancillary facilities by conversion of existing buildings or by new construction.
[2] Group B – Motels and hotels where the number of permitted guest units, as of the effective date of this section, is greater than 170 percent, but less than 250 percent, of the 1:2,500 density ratio in PGMC 23.52.030(a). Motels and hotels in Group B may construct additional guest units or ancillary facilities by conversion of existing buildings only.
[3] Group C – Motels and hotels where the number of permitted guest units, as of the effective date of this section, is greater than 250 percent of the 1:2,500 density ratio in PGMC 23.52.030(a). Motels and hotels in Group C may not construct any additional guest units.

(b) For motels and hotels in Group A, each new guest unit shall be a maximum size of 360 square feet. Since new guest units in Group B motels and hotels must be created by conversion of existing buildings, they may conceivably be greater than 360 square feet in size. No existing guest unit that is less than 360 square feet, as of the effective date of this section, may be enlarged to exceed 360 square feet in size. No existing guest unit that is 360 square feet or more in size, as of the effective date of this section, shall be enlarged.

(c) Motels and hotels in Group A may use up to three of the additional guest units allowed to instead create a new ancillary facility (e.g., meeting space, dining room, fitness facility), with a maximum size of 1,080 square feet (or 360 square feet for each additional guest unit substituted). Motels and hotels in Groups B and C may create new ancillary facilities only through conversion of existing buildings and are not limited in size.

(d) For motels and hotels in Group A, the setback requirements of PGMC 23.52.030(b) shall also apply to new guest units or new ancillary facilities that abut any public street or any single-family residence.

(e) For motels and hotels in Group A, building height is two stories and not more than 25 feet for new guest units that are at least 50 feet from any property zoned R-1, R-H, or R-2, any public street, and any

single-family residence. Building height is one story and not more than 18 feet for new guest units that are at least 20 feet from any property zoned R-1, R-H, or R-2, any public street, and any single-family residence. For property lines of Group A motels and hotels that do not abut any property zoned R-1, R-H, or R-2, a public street, nor single-family residence, building height for new guest units may be two stories and up to 25 feet within 10 feet of the property line. New ancillary facilities in Group A motels and hotels may be one story, with a maximum building height of 18 feet.

(f) For motels and hotels in Groups A and B, the following additional requirements apply to new construction or conversion of existing buildings:

(1) A use permit approval is required. As part of this review, the planning commission may impose specific standards pertaining to building design (e.g., building mass, bulk, height, and wall articulation), outdoor lighting, driveway locations, parking areas, landscaping, signs, street dedication, and related public improvements, upon finding that such requirements are necessary to meet the intent of the R-3-M district.

(2) No outdoor living areas are allowed within setbacks abutting residential zones or residential uses. This includes balconies, decks, open porches, patios, or similar outdoor guest activity areas.

(3) Existing landscaping requirements in PGMC 23.52.030 are expanded to require that within setback areas adjacent to the new development or building conversion, especially abutting residential zones and residential uses, plantings include numerous trees, shrubs and plants that will reduce visual and noise impacts of the motel or hotel use on adjacent properties.

(4) New guest units do not have to be built at one time, but may be developed in phases.

(5) All other R-3-M standards shall apply including, but not limited to, parking and building coverage. New guest units and ancillary facilities must have available water.

(g) For motels and hotels in Groups A, B and C, a nonconforming building damaged or destroyed by catastrophic event or demolished under any other circumstance may be rebuilt to the condition or configuration of the building that existed immediately prior to the event or demolition, as long as the reconstruction is carried out in a manner consistent with PGMC 23.68.040. While reconstruction to pre-existing conditions is allowed, elimination of nonconformities is encouraged. Reconstructed one-story buildings may be built to a maximum height of 18 feet, regardless of the pre-existing building height.

(h) For motels and hotels in Groups A, B and C, exterior remodeling within the existing footprint of a nonconforming building may retain existing nonconformities as long as the remodel does not:

(1) Extend or expand an existing nonconformity;

(2) Add any new nonconformity; or

(3) Adversely affect the privacy of adjacent residential-zoned property or residential uses.

(i) No other reconstruction or remodeling may take place, beyond what is allowed in this section for motels and hotels in Groups A, B and C, without bringing the entire property into conformance with PGMC 23.52.030. [Added by vote of the people on November 8, 2011, general election; Res. 11-061 § 4, 2011; Res. 11-060 § 4.2, 2011].

23.52.040 Statement of intent.
It is the intention of the ordinance codified in this section to preserve the essential residential character of the city, and the residential appearance of the city, and to prevent the adverse impacts of such from developments in the R-3-M districts. [Ord. 1536 N.S. § 4, 1986].

23.52.050 Other provisions.
Regulations found in this chapter are subject to the provisions of Chapter 23.24 PGMC, unless there is a conflict, in which event the regulations found in this chapter shall prevail. [Ord. 1536 N.S. § 5, 1986].

23.52.060 Amendment.

PGMC 23.52.010, 23.52.030, 23.52.035 and 23.52.040 shall not be repealed or amended except by a vote of the people. [Amended by vote of the people on November 8, 2011, general election; Res. 11-061 § 4, 2011; Res. 11-060 § 4.3, 2011; Ord. 1536 N.S. § 6, 1986].

Chapter 23.64

GENERAL PROVISIONS AND EXCEPTIONS

Sections:

23.64.010 Application of chapter.
23.64.020 Use permit – Circus, open-air theater, racetrack.
23.64.030 *Repealed.*
23.64.035 Coin-operated amusement devices.
23.64.040 Accessory uses in C, I, U districts.
23.64.050 Use permit – Parking lots – R district.
23.64.055 Use permit – Downtown public gathering area.
23.64.060 Use permit – Public buildings, parks, etc.
23.64.063 Use permit – Wireless telecommunications facilities.
23.64.065 Use permit – Group quarters.
23.64.067 Use permit – Integral group quarters facilities.
23.64.070 Use permit – Earth, mineral removal.
23.64.080 Commercial uses – R-1, R-2 districts.
23.64.090 Commercial uses – R-3 district.
23.64.110 Family daycare homes.
23.64.115 Food service establishments.
23.64.119 Garden structures.
23.64.120 Height limits – Chimneys, flagpoles, clock towers, etc.
23.64.130 Height limits – Fences, hedges, or other visual obstructions.
23.64.134 Outdoor seating.
23.64.135 Prohibited fences.
23.64.140 Building site area.
23.64.145 Separate building site – R-1 district.
23.64.147 Separate building site – R-3-P.G.R. district.
23.64.150 Yards – Projection of cornices, eaves, etc.
23.64.160 Yards – Projection of open porches, stairways, etc.
23.64.170 Yards – Measured from official plan line.
23.64.180 Accessory buildings and structures.
23.64.185 Accessory use – Storage of portable or movable objects.
23.64.190 Off-street parking, storage.
23.64.195 Landscaping of front and side yards.
23.64.240 Parking or placement of large vehicles or structures in certain areas of residential premises – Prohibited.
23.64.290 Alcoholic beverage sales.
23.64.300 Application for abandonment or purchase of city property.
23.64.310 Swimming pools.
23.64.320 Unlawful sale of subdivided contiguous lots.
23.64.340 Consistency with county hazardous waste management plan.
23.64.350 Transient use of residential property for remuneration.
23.64.360 *Repealed*.
23.64.370 Permitting home sharing.

23.64.010 Application of chapter.

The regulations specified for this title shall be subject to the general provisions and exceptions found in this chapter. [Ord. 210 N.S. § 11-141(1), 1952].

23.64.020 Use permit – Circus, open-air theater, racetrack.

No circus, carnival, amusement park, open-air theater, racetrack, private recreation center, or other similar establishment shall be established in any district where permitted, unless and until a use permit is

first secured for the establishment, maintenance and operation of such use. [Ord. 210 N.S. § 11-141(1)(a)(1), 1952].

23.64.030 Use permit – Dancehall, roadhouse, nightclub, etc.
Repealed by Ord. 13-003. [Ord. 210 N.S. § 11-141(1)(a)(2), 1952].

23.64.035 Coin-operated amusement devices.
For the purposes of this section, an "arcade" shall be defined to mean any place in which any coin-operated amusement device has been installed for purposes of use and operation by the public upon payment of a consideration. Such term shall include a "video" game, or any device or machine played for amusement in exchange for payment of a consideration, howsoever activated.

(a) It is unlawful to operate, maintain, or offer for operation more than two such devices or machines at any one location, business, or establishment within the city of Pacific Grove, or to operate, maintain or offer for operation any such device or machine, at any location without a use permit when a use permit is required under this section.

(b) Any coin-operated vending or amusement machines displayed outside of a building shall require a separate administrative use permit.

(c) A use permit from the planning commission shall be required for any location as to which the planning commission finds, after hearing upon 10 days' notice, that personal supervision has not been at all times provided for the use of any such device or machine by the public. The planning commission shall establish appropriate terms and conditions, including review periods, for the issuance or denial or revocation of any such use permit. The provisions of this section shall apply in lieu of PGMC 23.31.030 for any use permit for any device or machine herein described. [Ord. 13-003 § 18, 2013; Ord. 1322 N.S. § 1, 1983; Ord. 1298 N.S. § 1, 1982].

23.64.040 Accessory uses in C, I, U districts.
Accessory uses and buildings in any C, I, or U district may be permitted where such uses or such accessory building shall be allowed only when constructed concurrent with or subsequent to the main building. [Ord. 210 N.S. § 11-141(1)(a)(3), 1952].

23.64.050 Use permit – Parking lots – R district.
Public or private parking lots for automobiles may be permitted in any R district . adjacent to any C or I district, providing a use permit shall first be obtained in each case. [Ord. 210 N.S. § 11-141(1)(a)(4), 1952].

23.64.055 Use permit – Downtown public gathering area.
Public gatherings and events, other than parades specified in Chapter 16.60 PGMC, may be allowed on the public streets rights-of-way within the bounds of the downtown commercial area "D" designation, as depicted on the Pacific Grove general plan land use map of commercial areas. Single occasion events, and special events approved by the city council in accord with the council special events policy, shall not require a use permit. Events that occur multiple times in any 12-month period within the public right-of-way shall require a use permit. Closures of the public right-of-way associated with either recurring and nonrecurring events shall be coordinated with the city manager to ensure emergency access, traffic flow and parking are appropriately managed during the public gathering. [Ord. 08-014 § 2, 2008].

23.64.060 Use permit – Public buildings, parks, etc.
Churches, schools, hospitals, parks and playgrounds, public utility, and public and quasi-public buildings may be permitted in any district, except the O district, providing a use permit shall first be obtained in each case. [Ord. 20-001 § 2 (Exh. A), 2020; Ord. 13-003 § 18, 2013; Ord. 96-15 § 1, 1996; Ord. 210 N.S. § 11-141(1)(a)(5), 1952].

23.64.063 Use permit – Wireless telecommunications facilities.
(a) This section governs use permits for installation or modification of wireless telecommunications facilities outside of the rights-of-way, except wireless eligible facilities and temporary wireless facilities,

which are permitted as otherwise provided in this title, but shall be subject to subsection (g) of this section.

(b) Wireless telecommunications facilities may be permitted in any district providing a use permit shall first be obtained in each case.

(c) With the exception of use permits for wireless eligible facilities and temporary wireless facilities, the city may only issue a use permit in any of the following locations if an applicant shows that the issuance of the permit is required by federal law:

(1) Any residential district;

(2) The planned unit development district;

(3) Within 300 feet of or within the Monarch Butterfly Sanctuary;

(4) Within any environmentally sensitive area (ESHA); or

(5) Within any public view corridors outside the public right-of-way which is regulated under separate authority.

(d) In the O district, except for wireless telecommunications facilities placed on existing supporting structures, and complying with the city's wireless design standards, a use permit may only issue if an applicant shows that the city is required by federal law to issue the permit.

(e) In all other districts, a use permit may only be issued if applicant proposes a facility that complies with design standards in the city's wireless design standards or if applicant shows that the city is required by federal law to issue a permit.

(f) Notwithstanding the subsections (c) and (d) of this section, a use permit may issue if applicant proposes a facility that complies with the city's wireless design standards and be placed upon:

(1) City Hall or other city-owned buildings.

(2) City of Pacific Grove sewage treatment plant tanks adjacent to the PG Municipal Golf Course.

(3) Golf course poles used to hang protective netting except along the perimeter of the fifth hole.

(4) New, existing or replacement structures in any parking lot.

(5) New, existing or replacement structures at the California American (Cal Am) Water Reservoir on Hillcrest Avenue.

(6) Existing or replacement supporting structures installed for lighting purposes.

(g) Minimum Standards.

(1) Every wireless telecommunications facility must comply at all times with FCC standards for radiofrequency ("RF") emissions as now existing or as hereafter amended.

(2) Every wireless telecommunications facility must comply with other applicable laws and regulations, including the Americans with Disabilities Act.

(3) No wireless telecommunications facility may be installed speculatively.

(4) Every wireless telecommunications facility shall comply with the city's wireless design standards unless an application shows that:

(A) The city is required to issue the permit under federal law and the proposed wireless telecommunications facility varies from the wireless design standards only to the extent required in order to comply with federal law; or

(B) Because of unique characteristics of the location proposed, the design proposed better serves the city's wireless design goals than designs otherwise preferred under the wireless design standards.

(5) Any permit for a wireless telecommunications facility shall be limited to a period of 10 years, except that permits for temporary wireless facilities shall be for the shortest period consistent with the purpose for which the permit is issued. A permit for modification of a wireless telecommunications facility does not alter the duration of the underlying permit.

(h) Wireless Design Standards.

(1) The community development director shall prepare wireless design standards, which may be approved and amended by city council resolution.

(2) The wireless design standards shall prescribe designs for installation and modification of wireless telecommunications facilities consistent with this section and the general plan, so that permitted wireless telecommunications facilities are installed and modified in a manner that minimizes the impacts on the community, conceals the facilities as far as possible, avoids risks to public safety and complies with applicable law, avoids placement of aboveground facilities in underground areas, and maintains the integrity and character of the neighborhoods in which the facilities are located.

(3) Wireless design standards may be developed for temporary wireless facilities and for placement of wireless facilities on property owned and controlled by the city whether or not subject to a use permit.

(i) Municipally Owned or Controlled Supporting Structures and Property.

(1) While the placement of wireless telecommunications facilities may be submitted for review, in accordance with the PGMC, the review authority cannot grant access, and access shall only be by agreement, approved by the city, which agreement shall specify the designs that may be used at particular locations. City finds that it is in its interests as proprietor of these supporting structures or property to control the design of the structures used, in the same manner as any owner of a facility, and to prevent any change in the design without its permission, even if such design is also subject to review by the planning commission. In exercising its decision to agree to access to a supporting structure or property, the city will generally consider factors and consider designs consistent with this section and the Wireless Design Manual. Any design must be consistent with the supporting structure to be used, and the property on which it will be located and result in no uncompensated cost to city. Without limitation, for example, the design for a wireless telecommunications facility to be attached to a light pole in a parking lot must be consistent with designs in use at the same location. Further, use will not be permitted if it requires the city to incur uncompensated costs, or accept risks or liability it would not otherwise face. Access will only be granted if it presents no safety issues, causes no harm to a structure, does not interfere with present or planned uses of the structure, and is in the city's best interests as facilities owner. Subject to lawful limits imposed by state or federal law, the agreement shall specify the compensation to the city for use of the structures. Except as prohibited by law, the person seeking the agreement shall additionally reimburse the city for all costs the city incurs in connection with its review of, and action upon, the person's request for an agreement. The agreement is not in lieu of any use permit or other permit required by the PGMC.

(j) Pre-Approval of Designs.

(1) A person who wishes to install a wireless telecommunications facility with a design that does not comply with the Wireless Design Manual, but who believes that the design is fully consistent with the goals of this section, may submit a request for pre-approval of the design to the planning

commission. A pre-approval request is not mandatory, and is not an application for a wireless telecommunications facility within the meaning of this section, and must be submitted with a clear statement that consideration of the request is not subject to any FCC shot clock. The purpose of permitting the request is to permit, encourage development of, and provide a means for public consideration of those designs.

(2) The proposed design will be publicly published, and the planning commission may conduct such investigations, and require the person requesting pre-approval to submit such information and provide such mock-ups as may be necessary to evaluate the impact of the design. If, after a full opportunity for public hearing, the planning commission finds that the design serves the goals of this section, it may recommend to the city council that it find that the design serves the purposes of this section, and recommend that the design be included as an approved design within the Wireless Design Manual for particular areas within the city. A facility pre-approved for an industrial area need not be pre-approved for any other area.

(3) The council may pre-approve the design, and, if approved, it shall be included in the Wireless Design Manual. The council may require any design to be removed from the Wireless Design Manual, or restricted in use at any time. [Ord. 20-001 § 2 (Exh. A), 2020].

23.64.065 Use permit – Group quarters.
As defined in Chapter 23.08 PGMC, group quarters may be permitted, provided a use permit shall first be obtained in each case, but only in those areas of R districts defined on the general plan land use map. Group quarters meeting California Health and Safety Code 1568.0831 eligibility requirements for residential care facilities of six or fewer persons are permitted as a residential use in all districts and do not require a use permit. [Ord. 13-003 § 18, 2013; Ord. 1985 N.S. § 1, 1995].

23.64.067 Use permit – Integral group quarters facilities.
As defined in Chapter 23.08 PGMC, integral group quarters facilities may be permitted in all residential zones, subject to the following conditions, and provided a use permit shall first be obtained in each case.

(a) No more than one such residential housing unit shall be permitted on any parcel that is separate from the property upon which the affiliated group quarters facility is located.

(b) No more than two such residential housing units shall be permitted on any block as long as the parcels upon which the units are located are at least 300 feet apart at their closest points.

(c) Each such residential housing unit must have an independent, noninstitutional appearance. Exterior areas surrounding such residential housing units must be paved and landscaped in a manner similar to other single-family homes on the block, but distinguished from any other integral group quarters facility on the block. Access to the integral group quarters facility grounds must be limited to residents and invitees of the integral group quarters facility's resident(s).

(d) For each residential housing unit that is part of an integral group quarters facility, the owner shall pay to the city an annual fee established by council resolution.

(e) This section does not affect group quarters licensed as a residential care facility for the elderly (RCFE) or residential care facilities for six or fewer persons. RCFEs are treated in accordance with Section 23.64.111 but shall be superseded by any recent state law. [Ord. 13-008 § 3, 2013].

23.64.070 Use permit – Earth, mineral removal.
The removal of minerals, earth and other natural materials, may be permitted in any district, providing a use permit shall first be obtained in each case. [Ord. 210 N.S. § 11-141(1)(a)(6), 1952].

23.64.080 Commercial uses – R-1, R-2 districts.
Commercial uses shall be prohibited in any R-1 or R-2 district except where existing as a nonconforming use. [Ord. 210 N.S. § 11-141(1)(a)(7), 1952].

23.64.090 Commercial uses – R-3 district.
Commercial uses shall be prohibited in any R-3 district, except where incidental and accessory to any use permitted within the district, or where existing as a nonconforming use. [Ord. 210 N.S. § 11-141(1)(a)(8), 1952].

23.64.110 Family daycare homes.
(a) Small family daycare homes, as defined in Division 2, California Health and Safety Code, shall be treated as an allowed residential use, to the extent required by said Division 2.

(b) Establishment of a large family daycare home as defined in Division 2, California Health and Safety Code, may be allowed as a residential use, subject to first securing a use permit from the community development director. Review of said use permit application shall be to the extent allowed under applicable provisions of said Division 2. [Ord. 1634 N.S. § 1, 1988; Ord. 1534 N.S., 1986; Ord. 1065 N.S. § 9, 1979; Ord. 561 N.S., 1966; Ord. 382 N.S., 1962; Ord. 210 N.S. § 11-141(1)(a)(10), 1952].

23.64.111 Employee housing.
As defined by California Employee Housing Act (California Public Health and Safety Code Sections 17000 through 17062.5). Employee housing that provides for six or fewer employees shall be deemed a single-family structure, and shall be permitted in any zone that allows for single-family residential use.

23.64.112 Residential care facilities.
(a) Small residential care facilities of six or fewer persons, as defined in Division 2, California Health and Safety Code, shall be treated as an allowed residential use, to the extent required by said Division 2.

(b) Establishment of a large residential care facility of seven or more persons, as defined in Division 2, California Health and Safety Code, may be allowed as a residential use in all zones that allow multiple dwellings, subject to the same requirements and standards as residential uses of the same type and subject to fist securing a use permit.

23.64.113 Transitional and supportive housing.
Transitional and supportive housing, as defined in Chapter 23.08 PGMC, may be allowed as a permitted use in all zones that allow multiple dwellings.

(a) Parking. See 23.64.190 for off-street parking standards.

23.64.114 Single-room occupancies (SROs).
As defined in Chapter 23.08 PGMC, SROs may be permitted through a use permit in any zone that allows multiple dwellings or mixed-use residential developments. In addition, SRO housing shall be subject to the following standards:

(a) Unit size and occupancy. The minimum size of a unit shall be one hundred fifty square feet and the maximum size shall be three hundred square feet, which may include bathroom and/or kitchen facilities.

(b) Common areas. A minimum of ten square feet for each unit shall be provided for a common area. All common areas shall be within the structure. Dining rooms, meeting rooms, recreational rooms, or other similar areas approved by the city shall be considered common areas. Shared bathrooms and kitchens shall not be considered as common areas.

(c) Management: A single room occupancy management plan shall be submitted to, reviewed and approved by the Community Development Department before issuance of a certificate of occupancy. A twenty four hour resident manager shall be provided for any single room occupancy use consisting of twelve or more units.

(d) Parking. See 23.64.190 for off-street parking standards.

(e) Kitchen facilities. Each unit shall be provided a food preparation space that meets the requirements of the State of California Health and Safety Code and California Building Code Section 1208.4 or subsequent amendments. If each individual unit is not provided with a minimum of a refrigerator and a microwave oven, a complete kitchen facility available for residents shall be provided on each floor of the structure.

(f) Bathroom Facilities. For each unit a private toilet in an enclosed compartment with a door and a sink shall be provided. A full bathroom shall contain at least a toilet, sink and bathtub, shower or bathtub/shower combination. If private bathing facilities are not provided for each unit, shared bathing facilities shall be provided at a ratio of one for every seven units or fraction thereof. The shared shower or bathtub facility shall be on the same floor as the units it is intended to serve and shall be accessible from a common area or hallway. Each shared shower or bathtub facility shall be provided with an interior lockable door.

23.64.115 Food service establishments.
(a) Applications for use permits for food service establishments shall be accepted and processed under the terms of Chapter 23.72 PGMC.

(b) No use permit application shall be accepted, processed or considered for a food service establishment having all of the following characteristics:

(1) It specializes in short order or quick service food service;

(2) It serves food primarily in paper, plastic or other disposable containers;

(3) It delivers food or beverage products in such a manner that customers may remove such food or beverage products from the food service establishment for consumption;

(4) It is a formula food service establishment required by contractual or other arrangements to operate with standardized menus, ingredients, food preparation, architecture, decor, uniforms, or similar standardized features. [Ord. 1999 N.S. § 3, 1995].

23.64.119 Garden structures.
Garden structures are allowed, subject to the following standards:

(a) A garden structure shall not encroach onto a public right-of-way.

(b) If a garden structure has an area of 24 square feet or less, it may have a solid roof.

(c) If a garden structure has an area greater than 24 square feet, its roof shall be at least half open to the elements, with no solid roof portion greater in area than 24 square feet.

(d) A garden structure 70 square feet or less in area may encroach into a required side yard or rear yard setback, but if greater than six feet in height, shall be located at least three feet from the property line, with the following exceptions:

(1) If the property line faces a street or alley, one garden structure, over a gate or walkway, shall be allowed on the outward-facing property line. Such structures shall be no more than 24 square feet in area and shall be nine feet or less in height.

(2) In each side yard setback, a single garden structure over a gate or walkway is allowed to encroach up to the property line. Such structures shall be nine feet or less in height, and shall not have a depth greater than two feet.

(e) In required front yard setbacks, one garden structure is allowed over a gate or walkway. Such structures shall be no more than 24 square feet in area with a height of nine feet or less, and may be located either in the setback or on the front property line.

(f) Vertical trellises that serve the same function as a fence shall be treated as a fence under PGMC 23.64.130.

(g) Garden structures exceeding these standards may be allowed with a minor administrative use permit pursuant to PGMC 23.70.030(b)(7)(B). Garden structures outside of required setbacks do not require a community development department permit. [Ord. 12-003 § 11, 2012].

23.64.120 Height limits – Chimneys, flagpoles, clock towers, etc.

For each building, vertical projections may extend above maximum allowable building heights as follows:

Vertical feature	**Maximum projection**	**Max. horizontal area**
Chimneys, cupolas, window cleaning equipment	4 feet	20 square feet (each)
Clock tower, water tank, stair/elevator penthouse	10 feet	100 square feet (each)
Mechanical penthouse for roof-mounted equipment	4 feet	100 square feet (1 per building)
Flagpoles	15 feet	1 square foot
Solar panels	See PGMC 18.45 and PGMC 23.70	
Wireless communications facilities	Wireless communications facilities concealed as such structures are subject to height limits and design standards as specified in the Wireless Design Manual.	
Additional height, other vertical structures, other appurtenances	May be permitted in excess of height and horizontal area limits provided a use permit is obtained in each case.	

23.64.130 Height limits – Fences, hedges, or other visual obstructions.

(a) Fences, hedges, screen plantings, or other visual obstructions (other than allowed garden structures) are hereafter limited to four feet in height forward of the front yard setback line, six feet in height on the front yard setback line, and six feet in height to the rear of the front yard setback along the property lines and within required setback areas.

(b) Exceptions Pertaining to Corner Lots. The purpose of this subsection is to promote traffic safety by maintaining unrestricted visibility at corners.

(1) Corner Lots Whose Intersecting Corner Property Lines Are Two Straight Lines. The height limit for a fence, hedge, screening or other visual obstruction for a corner lot whose intersecting corner property lines are two straight lines shall not exceed three feet in height within an area represented by a triangle whose apex is the property corner nearest the intersection and whose other two vertices are points located 20 feet away from the apex as shown in Figure 1.

(2) Corner Lots Whose Intersecting Corner Property Lines Are Found Along a Curve. The height limit for a fence, hedge, screening or other visual obstruction - for a corner lot whose corner property lines are found along a curve shall not exceed three feet in height within the area of a polygon whose apex is the midpoint of the arc at the corner and whose furthermost vertices are points located 20 feet away from the apex as shown in Figure 2.

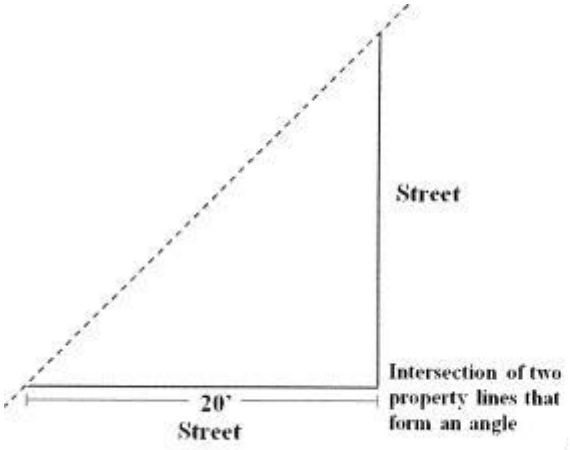


Figure 1

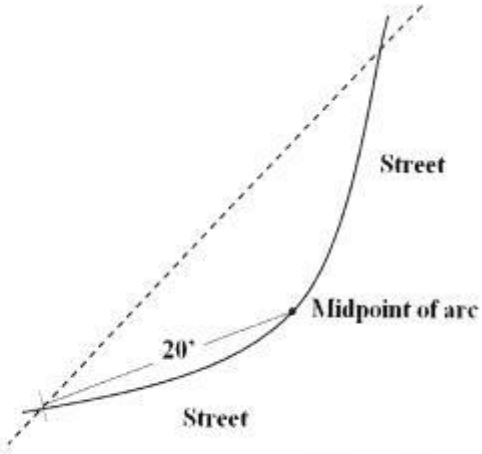


Figure 2

(3) In the event that a corner lot has intersecting corner property lines that do not precisely conform to the characteristics defined in this section, the chief planner shall define the area in which no visual obstruction shall exceed three feet in height in a manner so as to prevent a traffic hazard. (c) A tree shall not be considered a visual obstruction. However, to maximize unrestricted visibility, a property owner shall be required to trim trees in areas covered by this section, as directed by the chief planner.

(d) Exceptions Pertaining to Deer Fencing. The purpose of this subsection is to allow for protection of property from deer.

(1) Deer fencing may be permitted up to six feet in height along the front property line to the front of any dwelling if an administrative use permit is first obtained.

(2) The following materials, or materials of similar aesthetics and durability, shall be used: two-inch by four-inch or four-inch by four-inch galvanized metal wire, with wrapped (not welded) joints for durability, in black, green or metallic finishes, or transparent or semi-transparent aviary mesh screen, in black or green.

(3) Deer fencing may be constructed with wood, metal, or fiberglass posts or attached at the top of an existing, and otherwise conforming, fence.

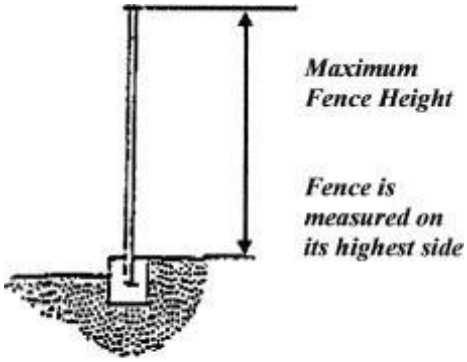
(e) Exceptions Pertaining to Fences on Retaining Walls.

(1) For retaining walls located on a property line, a fence constructed on top of the wall shall be measured from the grade level on the higher side, as shown in Figure 3, with a combined height limited to four feet in height forward of the front yard setback line along the property lines, and six feet in height to the rear of the front yard setback along the property lines. From the lower side, the combined height shall be limited to six feet in height forward of the front yard setback line along the property lines and eight feet in height to the rear of the front yard setback along the property lines.

(2) For retaining walls located entirely on a single property, a fence constructed on top of a retaining wall shall be measured from the grade level of the same property, with a combined height limited to four feet in height forward of the front yard setback line and six feet in height to the rear of the front yard setback.

(3) If a fence is on one property and the retaining wall on the abutting property, regardless of the retaining wall height, and as measured from the grade level on the property where the fence is

located, the maximum fence height is limited to four feet in height forward of the front yard setback line and six feet in height to the rear of the front yard setback, as measured from the grade level of the property upon which the fence is located.



FENCE AT PROPERTY LINE

Figure 3

(f) A height greater than otherwise allowed in this section may be permitted if an administrative use permit is first obtained. [Ord. 12-003 § 11, 2012; Ord. 1884 N.S. § 1, 1993; Ord. 210 N.S. § 11-141(1)(b)(2), 1952].

23.64.134 Outdoor seating.
Outdoor seating shall be allowed adjacent to eating establishments in the downtown commercial (C-D), Forest Hill commercial (C-FH), and light commercial (C-1) zoning districts on public sidewalks and similar adjacent areas, subject to the provisions of PGMC 15.16.045. [Ord. 13-003 § 18, 2013].

23.64.135 Prohibited fences.
(a) Prohibition. It is unlawful for any person to erect or maintain a fence constructed completely or in part of any of the following: wires carrying an electric current of greater than 0.006 amperes (six milliamperes), razor ribbon, barbed wire, wooden fence spikes, broken glass, protruding nails or spikes or any other like or similar material or device designed to cause trauma when touched. While not prohibited, chain link fences are discouraged for aesthetic reasons.

(b) Exceptions. Fences constructed of materials described in subsection (a) of this section shall be allowed subject to first obtaining a use permit in the following cases: fences bordering public utility facilities or facilities in the C-2 and I districts and fences in residential districts designed to protect private property.

(c) Abatement. Chapter 23.68 PGMC, allowing continuance of nonconforming uses, shall not apply to this section. Fences not conforming to this section as of the effective date of the ordinance codified in this section shall be abated within six months of written notice to abate issued by the chief planner. [Ord. 12-003 § 11, 2012; Ord. 00-03 § 1, 2000; Ord. 1687 N.S. § 1, 1989].

23.64.140 Building site area.
A lot or parcel of land which has been created or designated in a recorded subdivision or which has been described in a recorded deed transferring such parcel may, if improved with a separate integrated residential structure, constitute a valid integrated building site for future building purposes, even though less in area or width than required under this title, under the following conditions:

(a) It was created, designated or so described and so improved prior to May 1, 1981;

(b) If situated in other than the R-3 Pacific Grove Beach district, it has at least 1,500 square feet of area and 25 feet of width;

(c) It has access to a public right-of-way directly or by recorded easement heretofore created or reserved;

(d) Its transfer will not create conditions of nonconformity in such lot or parcel or in any lot or parcel contiguous to it, including nonconformity in area and width as to any undeveloped parcel.

Before any replacement or substantial renovation may be made for any structure on such a lot or parcel, the new or renovated structure shall conform to the requirements with respect to a parcel separately owned in the same district.

Any lot or parcel, whether or not improved, which has less area or width than required by this title, shall not constitute a valid integrated building site if it is separately sold after May 1, 1981, so as to become conjoined in single ownership with the owner of a contiguous lot or parcel. [Ord. 1253 N.S. § 1, 1981; Ord. 1083 N.S. § 1, 1979; Ord. 1058 N.S. § 1, 1979; Ord. 210 N.S. § 11-141(1)(c)(1), 1952].

23.64.145 Separate building site – R-1 district.
Notwithstanding PGMC 23.64.140 or PGMC Title 24, any parcel in an R-1 district which has the following characteristics shall constitute a separate building site subject to sale or transfer:

(a) It has, 90 days or more prior to May 15, 1981, been designated on the assessor's map as a separate parcel;

(b) It has at least 4,000 square feet if an interior parcel, or 5,000 square feet if a corner parcel;

(c) It has access to a public street;

(d) Its transfer will not create additional aspects of nonconformity to this title. [Ord. 1255 N.S. § 1, 1981].

23.64.147 Separate building site – R-3-P.G.R. district.
(a) Notwithstanding any other provision of this code, any parcel in the R-3-P.G.R. district which has the following characteristics shall constitute a separate building site for future building purposes:

(1) It has, prior to March 15, 1986, been designated on the assessor's map as a separate parcel.

(2) It has at least 1,800 square feet, but not more than 3,600 square feet, and is not part of a larger building site.

(3) It has been unimproved with any building or structure for a minimum of five years immediately preceding March 15, 1986.

(4) It has access to a public street.

(5) Its transfer will not create additional aspects of nonconformity to this title.

(b) Development of parcels qualifying as building sites pursuant to subsection (a) of this section shall, at a minimum, be subject to the following:

(1) A use permit shall be first secured in each case.

(2) Architectural review board approval shall be required.

(3) Any construction shall conform to the requirements with respect to separate parcels in the R-3-P.G.R. district; however, in considering a use permit application the planning commission is authorized to prescribe requirements other than those prescribed by PGMC 23.24.060 where it finds that the qualification of PGMC 23.72.090 apply to the land, building or use. [Ord. 1597 N.S., 1987].

23.64.150 Yards – Projection of cornices, eaves, etc.
Architectural features such as cornices, eaves, canopies/awnings, chimneys, and bay windows (not more than 10 feet wide and separated from adjacent bay windows by not less than 6 feet) may extend not exceeding three feet into any required setback or yard, but shall be no closer than three feet to any property line except where no setback is required. [Ord. 1065 N.S. § 10, 1979; Ord. 210 N.S. § 11-141(1)(d)(1), 1952].

23.64.160 Yards – Projection of open porches, stairways, etc.
Open porches or outside stairways may project not exceeding six feet into any required front or side yard, but not closer than three feet to any property line except where no setback or yard is required, provided, that the elevation of such porch, or outdoor stairway is within one foot of the elevation of finished grade. [Ord. 210 N.S. § 11-141(1)(d)(2), 1952].

23.64.170 Yards – Measured from official plan line.
Whenever an official plan line has been established for any street, required yards shall be measured from such line and in no case shall the provisions of this title be construed as permitting any encroachment upon any official plan lines. [Ord. 210 N.S. § 11-141(1)(d)(3), 1952].

23.64.180 Accessory buildings and structures.
(a) "Accessory building or structure" means a building or structure that is subordinate and incidental to the use of the main building on the same site. There are three categories of accessory buildings and structures:

(1) Category 1. Detached nonhabitable structures (such as garages, carports, workshops, and gazebos) that are 70 square feet or more in area;

(2) Category 2. Detached nonhabitable structures (such as storage, garden, or utility sheds) that are less than 70 square feet in area;

(3) Category 3. Portable or built-in hot tubs (including equipment).

(b) In any R district, the following standards shall apply:

Table 23.64.180 – Accessory Buildings and Structures – R Districts

	Category 1	Category 2	Category 3
Description	Detached nonhabitable structures that are 70 square feet or more in area (such as garages, carports, workshops, and gazebos)	Detached nonhabitable structures that are less than 70 square feet in area (such as storage, garden or utility sheds)	Portable or built-in hot tubs (including equipment)
Number Allowed in Each Category without UP/AP[1]	1	1	1
Additional Allowed in Each Category with UP/AUP[1]	120 sq. ft. or less: Additional structure(s) allowed subject to approval of an administrative use permit (AUP) Larger than 120 sq. ft.: Additional structure(s) allowed subject to approval of a use permit (UP)	Additional structure(s) allowed subject to approval of an administrative use permit (AUP)	Additional structure(s) allowed subject to approval of an administrative use permit (AUP)
Design Review Required	120 sq. ft. or less: No Larger than 120 sq. ft.: Yes, see PGMC 23.70.030(b)(2)(G) and 23.70.060(c)(3)	No	No
Counted in Floor Area and Building Coverage	120 sq. ft. or less: No	No	No

	Category 1	Category 2	Category 3
	Larger than 120 sq. ft.: Yes		
Counted in Site Coverage	Yes	Yes	Yes
Use Permit Required for Plumbing	Yes	Yes	Yes
Building Separation	At least 3 1/2 feet from any dwelling or building on the same building site	Not required	Not required
Front Setback	As prescribed by the zoning district	As prescribed by the zoning district	As prescribed by the zoning district
Rear Setback	5 ft.	Over 6 ft. in height: 5 ft. 6 ft. or less in height: None required	Over 4 ft. in height: 5 ft. 4 ft. or less in height: None required
Side Setback	As prescribed by the zoning district	Over 6 ft. in height: As prescribed by the zoning district up to a maximum requirement of 5 ft. 6 ft. or less in height: None required	Over 4 ft. in height: As prescribed by the zoning district 4 ft. or less in height: None required
Height	15 ft. maximum	8 ft. maximum	Not regulated

1. Grading, building, and/or other construction permits may be required prior to starting any work, according to the requirements of the municipal code.

[Ord. 12-005 § 3, 2012; Ord. 00-18 § 2, 2000].

23.64.185 Accessory use – Storage of portable or movable objects.

A use permit shall be required for any accessory use in the R districts which involves or includes the storage, keeping, fabrication, construction or repair of any portable or movable object, not intended to be permanently fixed, such as a boat, structure or vehicle not capable of self-propulsion, and which exceeds 15 feet in either height or width or exceeds 26 feet in length. Before a use permit may be issued hereunder the community development director shall find all of the following:

(a) The object is or will be used with relative frequency as opposed to being stored;

(b) The object is not being built, fabricated or repaired for the use of anyone not occupying the property; and

(c) The use does not meet the definition of “junkyard” in Chapter 23.08 PGMC.

Nothing contained herein is intended to permit uses not otherwise accessory to the residential use of the property.

Existing uses may apply for a use permit within one month of adoption of this section. [Ord. 13-003 § 18, 2013; Ord. 1418 N.S. § 7, 1984; Ord. 1030 N.S. § 2, 1978].

23.64.190 Off-street parking, storage.

Storage or parking space for the parking of automobiles off the street shall be provided in any district as follows:

(a) Not less than two garage or carport spaces for each single-family dwelling; provided, however, in cases of single-family dwellings on lots of 5,000 square feet or less, on which the living space floor area is 1,000 square feet or less, and in which there are less than three bedrooms, one garage or carport shall be required and tandem parking shall be allowed;

(b) For each family unit in a duplex, apartment house or dwelling group, or mixed use project, parking spaces may be tandem or may utilize mechanical lifts and shall be provided as follows:

(1) One space for efficiency or studio units and one bedroom units;

(2) One and one-half spaces for each unit having two to three bedrooms

(3) Two spaces for all other units; and

(4) 50 percent of all required parking shall be covered.

(c) Not less than one garage space for each two guest rooms in any rooming house, excluding SROs as defined in Chapter 23.08 PGMC;

(d) Transitional and Supportive Housing. One space per employee per shift. No parking space requirement if the housing development is located within one-half mile of a transit stop.

(e) Emergency Shelters and Low Barrier Navigation Centers. One space per employee per shift.

(f) SROs. One for every three units, plus one space per employee per shift.

(f) Not less than one garage space for each four guest rooms in any hotel and not less than one parking space for each unit in a motel. The planning commission may require additional parking at a ratio of one space for each 50 square feet of accessory dining area within the R-3-M district;

(g) Not less than one parking space for each 300 square feet of floor area in each professional office building permitted, except that for office buildings located in areas assessed for the payment of off-street parking lots, parking space shall not be required except as set forth in subsection (k) of this section;

(h) For commercial buildings, industrial buildings, and mixed-use buildings in which residential uses comprise less than one-third of a development project's total floor area, the amount of non-residential parking shall be subject to a use permit;

(i) For mixed-use buildings in which residential uses comprise not less than two-thirds of a development project's total floor area, not less than one non-residential parking space for each 500 square feet of floor area of space for retail sales, commercial services, and health/fitness studios, except for projects located in areas assessed for payment of off-street parking lots;

(j) Not less than one parking space for each six seats provided for visitors to churches, community centers, social halls, lodges, and clubs and not less than one parking space for each six beds and one parking space for each employee on the shift with the maximum number of employees in any rest home, nursing home, convalescent home or hospital;

(k) The number of parking space required for other uses allowed in any district and not set forth above shall be determined by the planning commission and set forth as a condition to the granting of the use permit for such use;

(l) The minimum width of parking aisles shall be as described below:

(1) 60 degrees and less – 18 feet,

(2) 60.1 to 65 degrees – 19 feet,

(3) 65.1 to 70 degrees – 20 feet,

(4) 70.1 to 75 degrees – 21 feet,

(5) 75.1 to 80 degrees – 22 feet,

(6) 80.1 to 85 degrees – 23 feet, and

(7) 85.1 to 90 degrees (perpendicular) - 24 feet.

(m) The review authority shall be authorized to approve compact parking spaces under the following conditions:

(1) Where a minimum of eight standard spaces are provided for commercial or industrial parking lots, 50 percent of parking in excess of the eight may be compact size; and

(2) Fifty percent of the parking provided in excess of that required for any R district use may be compact size;

(n) Low Vehicle Ownership Reduced Parking Requirement. For uses that serve tenants with low vehicle ownership rates, such as special needs or supportive housing facilities for persons with disabilities, and that can demonstrate a reduced parking need, the review authority may allow for a reduction in parking spaces;

(o) Shared parking may be permitted. [Ord. 21-008 § 4, 2021; Ord. 13-003 § 18, 2013; Ord. 1715 N.S. §§ 1, 2, 1990; Ord. 1332 N.S. § 1, 1983; Ord. 1194 N.S. § 1, 1980; Ord. 1065 N.S. § 12, 1979; Ord. 975 N.S. § 1, 1977; Ord. 720 N.S. § 7, 1972; Ord. 593 N.S., 1968; Ord. 459 N.S., 1964; Ord. 382 N.S., 1962; Ord. 210 N.S. § 11-141(e), 1952].

(p) Within surface parking lots, not less than one tree shall be provided for every six parking spaces.

23.64.195 Landscaping of front and side yards.
Landscaping shall be maintained in all front and side yards except for areas devoted to uses allowable in the yards. Failure to maintain the areas with suitable garden materials and free of weeds or unsightly matter shall be unlawful. Driveways shall not occupy more than 40 percent of the street frontage, and on a corner lot, the combined coverage on all frontages shall not exceed 25 percent of the total street frontage, [Ord. 1065 N.S. § 13, 1979; Ord. 532 N.S. § 15, 1966].

23.64.240 Parking or placement of large vehicles or structures in certain areas of residential premises – Prohibited.
(a) Except as provided in subsection (b) of this section, it is unlawful for the owner or occupant of a premises in any R district to park or place, or to allow or suffer the parking or placing of, any structure, container or vehicle, mobile or not, which dimensions exceed eight feet in height or 20 feet in length, at any location on the premises as listed below:

(1) Between the main structure and any property line abutting a street.

(2) In any side or rear yard required by the zone district in which the premises is located.

(3) At any location on an undeveloped lot.

(4) Closer than three and one-half feet to any structure.

(b) Exceptions:

(1) Parking or placement for less than six consecutive hours.

(2) Parking for the purpose of loading or unloading household goods or furniture.

(3) Parking or placement of vehicles or structures being used in connection with construction in progress on the premises.

(4) Parking in a legally existing driveway.

(5) Parking in a required rear yard setback that abuts an alley.

(6) Parking or placement inside a garage or carport legally constructed on the premises.

(c) Parking in the prohibited area may be allowed subject to first obtaining a use permit under the terms of Chapter 23.72 PGMC. [Ord. 97-41 § 2, 1997].

23.64.290 Alcoholic beverage sales.

(a) Failure to maintain food service or any other applicable requirements of this section or failure to comply with any conditions of the use permit or administrative use permit shall be grounds for revocation of the use permit or administrative use permit granted, in addition to subjecting the persons responsible therefor to penalties under this code. Revocation may be effected by the planning commission, for use permits, or zoning administrator, for administrative use permits, after a public hearing to which the operator has had 10 days' notice by certified mail, and in which the review authority finds that the operator of the restaurant has not maintained food service or any other applicable requirements herein or has not complied with all permit conditions. In the event that service by certified mail is not effected, service may be by personal service on the operator, or if personal service is not effected, the property shall be posted with a notice of the hearing, and a copy of the notice shall be published in an official newspaper of this city.

(b) The administrative use permit and use permit procedures shall be as set forth in PGMC

23.70.030 and 23.70.080, respectively. For any use listed in this section which has an approved administrative use permit or use permit, no additional community development permit is required to establish alcoholic beverage service for that use as long as such service is provided in accordance with this section. Exception: subsection (c) of this section shall continue to apply.

(c) In addition to the permit requirements provided in Table 23.31.030, restaurants may be permitted to serve or sell alcoholic beverages:

(1) Where said eating establishments are located on premises owned by a public entity, as defined in Section 23824 of the Business and Professions Code of the state of California; provided, that a use permit is obtained; and

(2) In any R-3-M zone where said restaurant has been constructed under a variance, or as an accessory use under a use permit.

(d) Minimum Requirements for Eating Establishments Serving Alcoholic Beverages.

(1) Restaurants and Specialty Restaurants.

(A) Any sale of alcoholic beverages shall be subordinate to the primary use, and shall comply with the State Alcoholic Beverage Control (ABC) license requirements for a "bona fide public eating place";

(B) Amplified and unamplified music and entertainment are allowed indoors, and shall not generate noise in excess of 70 dB (65 dB between the hours of 10:00 p.m. and 7:00 a.m.) at the property line of any such site. Amplified and unamplified music and entertainment are allowed outdoors between the hours of 7:00 a.m. and 10:00 p.m., and shall not generate noise in excess of 70 dB measured at the property line of any such site; and

(C) Outdoor seating is allowed in compliance with PGMC 15.16.045 and 23.64.134.

(2) Pub and Brew Pub.

(A) All alcoholic beverage and food service to customers shall be discontinued between the hours of 12:00 a.m. and 7:00 a.m.;

(B) The business shall comply with the ABC license requirements for a “bona fide public eating place”;

(C) All foods from the standard menu shall be available for purchase during all but the opening and closing hours of alcoholic beverage service. This may include different menus for breakfast, lunch and dinner meals; and

(D) Amplified and unamplified music and entertainment are allowed indoors, and shall not generate noise in excess of 70 dB (65 dB between the hours of 10:00 p.m. and 12:00 a.m.) at the property line of any such site. Amplified and unamplified music and entertainment are allowed outdoors between the hours of 7:00 a.m. and 10:00 p.m., and shall not generate noise in excess of 70 dB measured at the property line of any such site.

(e) Minimum Requirements for Drinking Establishments.

(1) Wine Bar.

(A) All alcoholic beverage and food service to customers shall be discontinued between the hours of 12:00 a.m. and 7:00 a.m.;

(B) Food must be available during all hours of operation, but may be limited to snacks, appetizers, small plates, or other similar offerings; and

(C) Amplified and unamplified music and entertainment are allowed indoors, and shall not generate noise in excess of 70 dB (65 dB between the hours of 10:00 p.m. and 12:00 a.m.) at the property line of any such site. Amplified and unamplified music and entertainment are allowed outdoors between the hours of 7:00 a.m. and 10:00 p.m., and shall not generate noise in excess of 70 dB measured at the property line of any such site.

(2) Wine Tasting Room.

(A) All alcoholic beverage service to customers shall be discontinued between the hours of 12:00 a.m. and 7:00 a.m.; and

(B) Amplified and unamplified music and entertainment are allowed indoors, and shall not generate noise in excess of 70 dB (65 dB between the hours of 10:00 p.m. and 12:00 a.m.) at the property line of any such site. Amplified and unamplified music and entertainment are allowed outdoors between the hours of 7:00 a.m. and 10:00 p.m., and shall not generate noise in excess of 70 dB measured at the property line of any such site.

(3) Micro-Brewery.

(A) All alcoholic beverage service to customers shall be discontinued between the hours of 12:00 a.m. and 7:00 a.m.; and

(B) Amplified and unamplified music and entertainment are allowed indoors, and shall not generate noise in excess of 70 dB (65 dB between the hours of 10:00 p.m. and 12:00 a.m.) at the property line of any such site. Amplified and unamplified music and entertainment are allowed outdoors between the hours of 7:00 a.m. and 10:00 p.m., and shall not generate noise in excess of 70 dB measured at the property line of any such site.

(4) Catering and Events.

(A) All alcoholic beverage and food service to customers shall be discontinued between the hours of 12:00 a.m. and 7:00 a.m.;

(B) Food must be available during all hours of operation, but may be limited to snacks, appetizers, small plates, or other similar offerings; and

(C) Amplified and unamplified music and entertainment are allowed indoors, and shall not generate noise in excess of 70 dB (65 dB between the hours of 10:00 p.m. and 12:00 a.m.) at the property line of any such site. Amplified and unamplified music and entertainment are allowed outdoors between the hours of 7:00 a.m. and 10:00 p.m., and shall not generate noise in excess of 70 dB measured at the property line of any such site.

(f) Minimum Requirements for Lodging Establishments.

(1) Bed and Breakfast Inn.

(A) Bed and breakfast inns may sell or serve beer and wine to registered guests and their invited guests, pursuant to the provisions of subsections (f)(1)(B) through (E) of this section and the ABC license to the extent that it is consistent with such provisions;

(B) All alcoholic beverage service to guests shall be discontinued between the hours of 2:00 a.m. and 7:00 a.m.;

(C) Food must be available during all hours that alcoholic beverages are available, but may be limited to snacks, appetizers, small plates, or other similar offerings;

(D) At least one meal, breakfast, shall be served daily and shall be limited to registered guests only; and

(E) The provisions of PGMC 23.26.020(b) shall also apply.

(2) Motel and Hotel.

(A) Motels and hotels may be permitted to sell or serve beer and wine to registered guests and their invited guests, pursuant to the provisions of subsections (f)(2)(B) through (F) of this section and the ABC license to the extent that it is consistent with such provisions. In the case of hotels, other guests who pay a fee or charge for use of the premises for parties may also be sold or served beer and wine, pursuant to the provisions of subsections (f)(2)(B) through (F) of this section and the ABC license to the extent that it is consistent with such provisions;

(B) Hotels may offer full liquor service, pursuant to the provisions of subsections (f)(2)(C) through (F) of this section and the ABC license to the extent that it is consistent with such provisions;

(C) All alcoholic beverage service to guests shall be discontinued between the hours of 2:00 a.m. and 7:00 a.m.;

(D) Food must be available during all hours that alcoholic beverages are available, but may be limited to snacks, appetizers, small plates, or other similar offerings;

(E) Motels or hotels with an accessory dining area, meeting the definition of a “bona fide public eating place,” may offer full liquor service within the dining area, subject to approval of a use permit for the dining area and the limitations in subsection (f)(2)(C) of this section; and

(F) For hotels in the C-1-T district only, amplified and unamplified music and entertainment are allowed indoors, and shall not generate noise in excess of 70 dB (65 dB between the hours of 10:00 p.m. and 12:00 a.m.) at the property line of any such site. Amplified and unamplified music and entertainment are allowed outdoors between the hours of 7:00 a.m. and 10:00 p.m., and shall not generate noise in excess of 70 dB measured at the property line of any such site.

Table 23.64.290 Summary of Minimum Requirements for Establishments Serving Alcoholic Beverages[1]

	Alcoholic Beverages Allowed	Food Service Required	Hours of Food and Alcoholic Beverage Service	Amplified Music and Entertainment	Seating on Public Sidewalks
Eating Establishments					
Restaurant and specialty restaurant	Beer, wine and distilled spirits	Bona fide public eating place	No limits	Allowed per PGMC 23.64.290(d)(1)(B)	Allowed per PGMC 15.16.045 and 23.64.134
Pub and brew pub	Beer, wine and distilled spirits	Bona fide public eating place	No service 12:00 a.m. –7:00 a.m.	Allowed per PGMC 23.64.290(d)(2)(D)	Not allowed
Drinking Establishments					
Wine bar	Beer and wine	Snacks, appetizers, or small plates	No service 12:00 a.m. – 7:00 a.m.	Allowed per PGMC 23.64.290(e)(1)(C)	Not allowed
Wine tasting room	Wine tasting	None	No service 12:00 a.m. –7:00 a.m.	Allowed per PGMC 23.64.290(e)(2)(B)	Not allowed
Micro-brewery	Beer tasting	None	No service 12:00 a.m. –7:00 a.m.	Allowed per PGMC 23.64.290(e)(3)(B)	Not allowed
Catering and events	Beer and wine	Snacks, appetizers, or small plates	No service 12:00 a.m. –7:00 a.m.	Allowed per PGMC 23.64.290(e)(4)(C)	Not allowed
Lodging Establishments					
Bed and breakfast inn	Beer and wine	Snacks, appetizers, or small plates	No service 2:00 a.m. –7:00 a.m.	Not allowed	Not allowed
Motel	Beer, wine and distilled spirits	Snacks, appetizers, or small plates; bona fide public eating place for distilled spirits	No service 2:00 a.m. –7:00 a.m.	Not allowed	Not allowed
Hotel	Beer, wine and distilled spirits	Snacks, appetizers, or small plates; bona fide public eating place for distilled spirits	No service 2:00 a.m. –7:00 a.m.	Not allowed, except in the C-1-T district per PGMC 23.64.290(f)(2)(F)	Not allowed

1 This table presents a summary of requirements only. For a complete set of requirements, see PGMC 23.64.290(d) through (f). [Ord. 13-003 § 18, 2013].

23.64.300 Application for abandonment or purchase of city property.

Requests for the abandonment or purchase of a city street, park, or other property shall be accompanied by the payment of a fee of $30.00 and referred to the planning commission for consideration before consideration by the city council. [Ord. 532 N.S. § 12, 1966].

23.64.310 Swimming pools.

Swimming pools shall not project into a front yard area and shall be situated no closer than five feet to any property line.

The swimming pool or all or a portion of the property containing the pool shall be entirely protected by a wall or fence of 66 inches in height and without openings except for gates containing self-latching devices at least 45 inches above ground level. [Ord. 720 N.S. § 14, 1972; Ord. 593 N.S. § 1(f), 1968].

23.64.320 Unlawful sale of subdivided contiguous lots.

It is unlawful for any owner or owners of subdivided contiguous lots, each of which may otherwise be of legal size, frontage, and area, to sell, transfer, or convey one or more of the subdivided lots where, as a result of such sale, transfer, or conveyance, the lot or lots which has or have been sold, transferred, or

conveyed, or the lot or lots which is or are retained by said owner or owners, will not conform with the requirements of this code. [Ord. 878 N.S. § 1, 1976].

23.64.340 Consistency with county hazardous waste management plan.
All approved applications for use permits, variances, subdivisions and other land use entitlements shall be consistent with portions of the Monterey County hazardous waste management plan which identify general areas or siting criteria for hazardous waste facilities. [Ord. 1727 N.S. § 1, 1990].

23.64.350 Transient use of residential property for remuneration.
(a) Definitions. For the purpose of this chapter certain terms used herein shall have the meanings set forth in this chapter, and such meanings shall prevail in case of conflict with the definitions set forth in Chapter 23.08 PGMC.

(1) “Person” means an individual, a group of individuals, or an association, firm, partnership, corporation or other entity, public or private.

(2) “Owner” means the person who possesses fee title to a transient use site.

(3) “Owner representative” means any person authorized by the owner to fully manage the transient use site.

(4) “Remuneration” means compensation, money, rent, or other bargained for consideration given in return for occupancy, possession or use of real property.

(5) “Residential property” means any dwelling unit, except those dwelling units lawfully established as part of a bed and breakfast inn, motel, hotel, timeshare development, or other transient use not prohibited by this section.

(6) “Responsible tenant” means a person aged 18 or older who has received notice of occupancy, parking and other limits and regulations that apply to the transient use site, and who has agreed to be responsible to ensure that impermissible or inappropriate behavior does not occur at the transient use site.

(7) “Transient” means a period of time less than 30 consecutive calendar days.

(8) “Transient use of residential property” means the commercial use, by any person, of residential property for transient lodging uses where the term of occupancy, possession or tenancy of the property by the person entitled to such occupancy, possession or tenancy is less than 30 consecutive calendar days.

(9) “Transient use site” and “transient use” mean property occupied and used for transient or short-term rental purposes.

(10) “Use” means the purpose for which land or premises of a building thereon is designed, arranged or intended, or for which it is or may be occupied or maintained.

(b) Transient use of residential property must comply with General Plan Policy 1.5. Specifically, transient use of residential property for remuneration is prohibited, and no transient use license may be issued, in any residential zoning district, including R-1, R-H, R-1-H, R-1-B-2, R-1-B-3, R-2, R-2-B-3, R-3, R-3-P.G.R., R-3-M, R-4, and all PUD districts, except to the extent that such use is both (1) in the coastal zone and permitted under the local coastal program, and (2) permitted by a transient use license issued by the city. Transient use of residential property for remuneration in nonresidential zoning districts is prohibited, except (1) as otherwise expressly permitted by this title, or (2) when such use is permitted by a transient use license issued by the city. Transient use of residential property for remuneration does not include “home sharing” permitted by the city or house swaps, house sitting, pet sitting, work trade, and similar noncommercial arrangements that do not involve an exchange of money.

(c) In order to provide a reasonable phase-out of transient uses of residential property for remuneration, notwithstanding any other provision of this code, all uses that become nonconforming as a result of the amendment to this section by the Initiative to Preserve and Protect Pacific Grove's Residential Character, including uses permitted under short-term rental licenses, shall be discontinued within 18 months from the date that the initiative was approved by the voters. Nothing in this subsection is intended to affect any city authority to terminate uses found to be a nuisance, or that are otherwise unlawful.

(d) Liability and Enforcement.

(1) Any owner, owner representative, responsible tenant, person acting as agent, real estate broker, real estate sales agent, property manager, reservation service or otherwise who uses, arranges, or negotiates for the use of residential property in violation of the provisions of this chapter is guilty of an infraction for each day in which such residential property is used, or allowed to be used, in violation of this chapter.

(2) Any owner, owner representative, responsible tenant, or other person who uses, or allows the use of, residential property in violation of the provisions of this chapter is guilty of an infraction for each day in which such residential property is used, or allowed to be used, in violation of this chapter.

(3) Violations of this chapter may be prosecuted pursuant to Chapter 1.16 PGMC, or enforced pursuant to Chapter 1.19 PGMC.

(4) Penalties may be assessed for violations as provided in Chapters 1.16, 1.19, and/or 7.40 PGMC. The maximum limits set for administrative penalties in PGMC 1.19.200, however, shall not apply to any violation of this chapter or Chapter 7.40 PGMC.

(e) This section may be repealed or amended only by a vote of the people, except that amendments do not require a vote of the people if they (1) apply only in the coastal zone or (2) amend subsection (d) of this section concerning liability and enforcement. [Ord. 18-018 § 3, 2018; Ord. 16-007 § 2, 2016; Ord. 10-001 § 2, 2010; Ord. 08-006 § 79, 2008; Ord. 1933 N.S. § 1, 1994; Ord. 1913 N.S. § 1, 1993].

23.64.360 Permitting of undocumented dwelling units.
Repealed by Ord. 17-013. [Ord. 13-005 § 2, 2013].

23.64.370 Permitting home sharing.
(a) Definitions. For the purposes of this section, certain terms used herein shall have the meanings set forth below or in PGMC 23.64.350, and such meanings shall prevail in case of conflict with the definitions set forth in Chapter 23.08 PGMC.

(1) "Guest" means a person who rents a bedroom and ancillary facilities at a home sharing site.

(2) "Home sharing" means an activity whereby residents host guests in their homes, for compensation, for periods of 30 consecutive days or less, while at least one of the dwelling unit's residents lives in the dwelling unit.

(3) "Home sharing site" means property occupied and used for home sharing purposes.

(4) "Resident" means a person legally residing in a dwelling unit in excess of 30 consecutive days. Such resident may be the owner or a tenant living there with the approval of the owner.

(b) Home sharing for remuneration is allowed pursuant to this chapter; provided, that a separate home sharing permit has first been granted and validly maintained for each home sharing site.

(c) Each home sharing permit shall meet all requirements of this section, including:

(1) Each "home sharing" permit shall be subject to the following conditions:

(A) Home sharing is limited to single-family dwellings in any residential or commercial zone. Home sharing is not permitted in dwelling units lawfully established as second units pursuant to Chapter 23.80 PGMC; in any accessory unit to a single-family dwelling; in any condominium, multifamily dwelling unit or any other “tenants in common” dwelling unit; in any room, detached rooms, or any portion of a single-family that does not provide both kitchen and bathroom facilities; or as part of a bed and breakfast inn, motel, hotel, timeshare development, or other transient use;

(B) The resident shall also occupy the home throughout the duration of any home sharing;

(C) A maximum of one bedroom in the home may be rented to adults; a second bedroom may be rented to children as part of the same contract;

(D) No more than two adults shall occupy the rented bedroom;

(E) Guest(s) shall have exclusive use of the rented bedroom(s) and shared use of a full bathroom and kitchen;

(F) Neither bedrooms nor bathrooms shall contain cooking facilities;

(G) A designated on-site parking space for use by overnight guests, if it exists, or one parking space on any on-site driveway, if it exists.

(2) Owner or owner representative of any qualifying residential property may submit an application to the city for an administrative home sharing permit, along with payment of the approved fees, an affidavit affirming that smoke detectors are installed and maintained in all sleeping quarters and common areas, that fire extinguishers are accessible, and a carbon monoxide alarm is installed on each level. The owner or owner representative shall provide access and information to a certified inspector to ensure health and safety of the home share site, prior to issuance of the permit; a report verifying inspection of the site has occurred, and that the home sharing site conforms to all requirements of this section.

(3) A home sharing permit shall continue in force, as long the conditions are met, except upon cancellation by the owner or owner representative, or upon the sale or transfer of the property.

(4) Once a permit is approved, all transient occupancy taxes as set forth in Chapter 6.09 PGMC, and fees, as adopted from time to time in the city’s master fee schedule shall be collected and remitted to the city, and are applicable.

(5) Evidence of transient occupancy of a permitted home sharing site, statements and records, failure to file statement or corrected statement, payment of transient occupancy tax, appeal of tax, additional power of city, permit nontransferability, permit denial or revocation, appeal of revocation or suspension, penalties, and liens, shall be as provided in PGMC 7.40.110 through 7.40.210, inclusive.

(d) Liability and Enforcement. For the purposes of this section, liability and enforcement shall be the same as PGMC 23.64.350(c). [Ord. 16-006 § 2, 2016].

Chapter 23.70

COMMUNITY DEVELOPMENT PERMIT REVIEW AUTHORITIES AND PROCEDURES

Sections:

23.70.010 Purpose.
23.70.012 Types of community development permits and related review authorities.
23.70.015 Exemptions.
23.70.018 Counter review.
23.70.020 Counter review and determination.
23.70.030 Staff approvals.
23.70.040 Zoning administrator.
23.70.050 Site plan review committee.
23.70.060 Architectural review board.
23.70.070 Historic resources committee.
23.70.080 Planning commission.

23.70.010 Purpose.

This chapter identifies the types of community development permits, the roles of review authorities, and provides procedures for the approval or disapproval of the community development permits established by these regulations. Exception: Procedures and standards for the review and approval of subdivision maps are found in PGMC Title 24 (Subdivisions). [Ord. 11-001 § 2, 2011].

23.70.012 Types of community development permits and related review authorities.

Table 23.70.012-1, entitled "Types of Review, Applications, and Roles of Review Authorities," identifies the city official or body responsible for reviewing and making decisions on community development permit applications, legislative amendments, and other actions required by these regulations.

Table 23.70.012-1:
Types of Review, Applications, and Roles of Review Authorities

	Roles of Review Authorities[1]						
Type of Permit Application	**Director**	**ZA**	**SPRC**	**ARB**	**HRC**	**PC**	**CC**
ARB = Architectural Review Board, CC = City Council, HRC = Historic Resources Committee, HRI = Historic Resources Inventory, LCP = Local Coastal Program, PC = Planning Commission, PGMC = Pacific Grove Municipal Code Section, SPRC = Site Plan Review Committee, and ZA = Zoning Administrator.							
Counter Review: Recommended preliminary staff review of projects to determine compliance with zoning code, need for further permit applications, or determination of which track below best suits the situation. (PGMC 23.70.018)							
Counter Review and Determination: Required director review of specific projects or land uses in order to verify compliance with zoning standards. (PGMC 23.70.020)							
Staff Approvals: For timely approval of permits for the following projects and uses:							
Admin. architectural permit – not on HRI (PGMC 23.70.030)	Decision[2]	Hearing/ Decision		Appeal[5]			Appeal[5]
Admin. architectural permit – on HRI (PGMC 23.70.030)	Decision[2,3]				Hearing/ Decision	Appeal[5]	Appeal[5]
Architectural design change – not on HRI (PGMC 23.70.030)	Decision[2]	Hearing/ Decision		Appeal[5]			Appeal[5]
Architectural design change – on HRI (PGMC 23.70.030)	Decision[2,3]				Hearing/ Decision	Appeal[5]	Appeal[5]
Admin. sign permit (PGMC 23.70.030)	Decision	Hearing/ Decision		Appeal[5]			Appeal[5]

	Roles of Review Authorities[1]						
Type of Permit Application	**Director**	**ZA**	**SPRC**	**ARB**	**HRC**	**PC**	**CC**
Admin. use permit and admin. use permit amendments[7] (PGMC 23.70.030)	Decision[2]	Hearing/ Decision				Appeal[5]	Appeal[5]
Admin. variance and admin. variance amendments (PGMC 23.70.030)	Decision[2]	Hearing/ Decision				Appeal[5]	Appeal[5]
Certificate of compliance (Chapter 24.05 PGMC)	Decision					Appeal[5]	Appeal[5]
City-initiated merger (PGMC 24.04.050)		Decision				Appeal[5]	Appeal[5]
Lot-line adjustment and owner-initiated merger (Chapter 24.06 PGMC)	Decision[2]					Appeal[5]	Appeal[5]
Permitting of undocumented dwelling units (PGMC 23.70.030)	Decision[2]	Hearing/ Decision				Appeal[5]	Appeal[5]
Zoning Administrator: For the following applications:							
Interpretations of permitted use lists (PGMC 23.70.040, Chapter 23.82 PGMC)		Decision[6]				Appeal	Appeal
Historic relocation permit – on-site (PGMC 23.70.040, 23.76.100)		Decision[6]			Hearing/ Decision	Appeal	Appeal
Parcel map (PGMC 23.70.040, Chapter 24.08 PGMC)		Decision[6]				Appeal	Appeal
Site Plan Review Committee: For the following approvals:							
Site plan review (multifamily/ commercial/industrial projects only) (PGMC 23.70.050)			Review and Comment				
Architectural Review Board: For the following applications:							
Architectural permit for new construction, major alteration, or demolition/reconstruction – not on HRI (PGMC 23.70.060)				Decision		Appeal	Appeal
Sign permit (PGMC 23.70.060)				Decision		Appeal	Appeal
Historic Resources Committee: For the following applications:							
Historic determination (PGMC 23.70.070, 23.76.030)					Decision	Appeal	Appeal
Architectural permit for major alteration – on HRI (PGMC 23.70.070)					Decision	Appeal	Appeal
Historic preservation permit (PGMC 23.70.070, 23.76.060)					Decision	Appeal	Appeal
Historic demolition permit (PGMC 23.70.070, 23.76.090)					Decision	Appeal	Appeal
Historic relocation permit – off-site (PGMC 23.70.070, 23.76.100)					Decision	Appeal	Appeal
Initial historic screening (PGMC 23.70.070)	Decision				Recommend		
Planning Commission: For the following applications:							
Use permit and use permit amendments (PGMC 23.70.080(a))						Decision	Appeal

	Roles of Review Authorities[1]						
Type of Permit Application	**Director**	**ZA**	**SPRC**	**ARB**	**HRC**	**PC**	**CC**
Variance and variance amendments (PGMC 23.70.080(b))						Decision	Appeal
Tentative tract map (Chapter 24.12 PGMC)						Decision	Appeal
Final tract map (Chapter 24.16 PGMC)						Decision	Appeal
Administrative and Amendments: For legislative actions and code interpretations (other than interpretations for permitted use lists), the following applies:							
General plan amendments (Chapter 23.84 PGMC)						Recommend	Decision
LCP amendments (Chapter 23.84 PGMC)						Recommend	Decision
Zoning text amendments (Chapter 23.84 PGMC)						Recommend	Decision
Zoning map amendments (Chapter 23.84 PGMC)						Recommend	Decision
Interpretations of code (PGMC 23.04.040)	Decision[4]					Appeal	Appeal

1. “Decision” means that the review authority makes the decision on the matter; “hearing” means that the review authority holds a hearing and renders a decision only if requested in response to a notice, in compliance with PGMC 23.70.030 (Staff approvals); “appeal” means that the review authority may consider and decide upon appeals to the decision of an earlier decision-making body, in compliance with Chapter 23.74 PGMC (Appeals and Call-Ups); “recommend” means that the review authority makes a recommendation to a higher decision-making body.

2. The director may defer action and refer the item to the hearing authority for decision.

3. If an administrative architectural permit or an architectural design change is accompanied by a historic preservation permit, both applications shall be reviewed concurrently by the historic resources committee.

4. The director may defer action and refer the item to the first appeal authority for decision.

5. Appeal authority may review matter only if the hearing authority held a public hearing and rendered a decision; except in cases where one or more vacancies on a board or committee causes an item to be continued to a subsequent meeting in order to meet the requirements for an affirmative action.

6. The zoning administrator may defer action and refer the item to the first appeal authority for decision.

7. Administrative use permits are broken down into major and minor categories, to reflect the reduced staff time required and lower corresponding fee for projects in the minor category, pursuant to PGMC 23.70.030(b)(7).[Ord. 19-014 § 2, 2019; Ord. 17-023 § 2, 2017; Ord. 13-005 § 3, 2013; Ord. 12-005 § 4, 2012; Ord. 11-001 § 2, 2011].

23.70.015 Exemptions.

The land uses, structures, and activities noted in this section are exempt from the community development permit review requirements of this zoning code. However, nothing in this section shall eliminate the requirement to obtain grading, building, and/or other construction permits prior to starting any work, as required by the municipal code.

(a) Interior Remodeling. Interior alterations that do not increase the number of rooms or the gross floor area within the structure, or change the approved use of the structure.

(b) Reconstruction of Destroyed Uses and Structures. A use of land and/or structure destroyed by fire or natural disaster may be reestablished as it existed; provided, that:

(1) It was legally established and in compliance with this zoning code before destruction;

(2) Reconstruction occurs in compliance with all applicable building, electrical, mechanical, and plumbing code requirements;

(3) For historic buildings, the provisions of PGMC 23.76.070 (Unsafe or dangerous conditions) also apply; and

(4) For nonconforming buildings or structures, the provisions of PGMC 23.68.040 (Reestablishing or repairing a nonconforming use, building, or structure damaged or destroyed by a catastrophic event) also apply.

(c) Repairs and Maintenance. Ordinary repairs and maintenance are exempt, if:

(1) The work does not result in any change in the approved land use of the site or structure, addition to, or enlargement/expansion of the land use and/or structure;

(2) The exterior repairs employ the same materials and design as the original construction. For historic structures, the repairs must use in-kind materials (i.e., materials of like size, shape, location, materials, and design as the originals) or materials that match the historic appearance;

(3) The repairs are necessary to correct a condition that has been declared unsafe or dangerous by the chief building official. For historic buildings, the provisions of PGMC 23.76.070 (Unsafe or dangerous conditions) also apply; and

(4) For nonconforming buildings or structures, the provisions of PGMC 23.68.050 (Maintenance, repair, alterations and improvements to nonconforming building or structure) also apply.

(d) Exterior Modifications to Buildings Listed on Historic Resources Inventory. Certain exterior modifications to structures listed on the historic resources inventory are exempt from the requirements of this zoning code, including:

(1) Re-roofing and gutter replacement with either in-kind materials or materials that match the historic appearance;

(2) Restoration of existing architectural elements, including historic elements (e.g., original windows and doors) consistent with the Secretary of the Interior’s standards and guidelines for rehabilitation;

(3) Foundations and foundation skirting.

(e) Exterior Modifications to Buildings Not Listed on Historic Resources Inventory. Certain exterior modifications to structures not listed on the historic resources inventory are exempt from the requirements of this zoning code, including:

(1) In the R-1 zoning districts, exterior building color and plantings;

(2) Roofing material changes or replacements, utilizing in-kind or matching color and materials;

(3) Restoration of existing architectural elements;

(4) Awnings;

(5) Foundations and foundation skirting;

(6) Solar energy equipment; and

(7) Consumer-end antennas that satisfy the following:

(A) A satellite dish less than one meter (39.37 inches) in diameter and that, if mounted on a mast, is mounted no higher than needed to receive or transmit an acceptable quality signal and in no event higher than 12 feet above roofline.

(B) An antenna designed to receive over-the-air broadcast signals, no higher than needed to receive or transmit an acceptable quality signal and in no event higher than 12 feet above roofline.

(C) A broadband radio service antenna one meter or less in diameter or diagonal measurement and that, if mounted on a mast, is mounted no higher than needed to receive or transmit an acceptable quality signal and in no event higher than 12 feet above roofline.

(D) Amateur radio antennas:

(i) That are completely enclosed within a permitted building; or

(ii) That consist of a single wire not exceeding one-fourth inch in diameter. Such wire antennas may be located in setback areas provided the antenna does not extend above the maximum building height in the district.

(iii) That consist of a single ground-mounted vertical pole or whip antenna not exceeding 42 feet in height, measured from finish grade at the base of the antenna, and not located in any required setback area. Support structures or masts for pole or whip antennas shall conform to standards set out in the California Building Standards Code. A building permit may be required for the support structure or mast. [Ord. 20-001 § 2 (Exh. A), 2020; Ord. 12-005 § 4, 2012; Ord. 11-001 § 2, 2011].

23.70.018 Counter review.

(a) Purpose. A counter review is a recommended, but not required, preliminary over-the-counter staff review of proposed projects or land uses.

(b) Applicability. Any property owner or owner representative may request a counter review for a proposed development project or land use on their property.

(c) Review Process. Staff may: answer questions; review general compliance with the zoning code; review whether a project is exempt; and assess the need for more complete plans or documentation, further community development permit applications, or possible preapplication meetings. No application is required and no official approvals are granted. [Ord. 11-001 § 2, 2011].

23.70.020 Counter review and determination.

(a) Purpose. To comply with the zoning code, some specific projects require the chief planner or designee to verify facts or make determinations regarding such zoning standards as floor area percentages or visual significance. A counter review and determination is used by the city to determine if such projects comply with the zoning code and may proceed without further community development permits.

(b) Applicability. The following project types are non-discretionary reviews that must receive a determination by the chief planner or designee before proceeding without further community development permits. Exceptions: If a new use permit, variance, or historic preservation permit is also required, see instead PGMC 23.70.030 (Staff approvals), PGMC 23.70.040 (Zoning administrator), PGMC 23.70.060 (Architectural review board), or PGMC 23.70.080 (Planning commission). If an administrative use permit or administrative variance is required, any of the projects listed under subsections (b)(1), (3), (4), (5) and (6) of this section, if located outside of the coastal zone, shall also require an administrative architectural permit, which shall be processed concurrently, pursuant to PGMC 23.70.030 (Staff approvals). If located within the coastal zone, an architectural permit shall be required for projects listed under subsections (b)(1)(A), (C) and (D), (b)(2)(F), and (b)(3)(A) and (C) of this section, pursuant to PGMC 23.70.060 (Architectural review board).

(1) For nonhistoric properties (buildings determined by the city to be ineligible for the historic resources inventory (HRI), or less than 50 years of age):

(A) In the R-1 zoning districts outside of the coastal zone:

(i) An exterior addition to a single-family home where the addition is less than 25 percent of existing floor area and does not enlarge or create a second story. Visual significance is not a factor;

(ii) Exterior modifications and additions to a single-family home, duplex or triplex, that are 25 percent or more of existing floor area and do not enlarge or create a second story, and that the chief planner determines to be “visually insignificant” as viewed from the adjacent street(s); and

(iii) Any new impervious surfaces.

(B) In the R-1 zoning districts, both within and outside the coastal zone:

(i) Replacement of chimneys, siding, doors, porches, decks, or other exterior feature(s) on a single-family home, duplex or triplex, if the replacement materials and design are either in-kind or matching the existing or original materials and design, such that the change is determined by the chief planner to be “visually insignificant” as viewed from the adjacent street(s);

(ii) Replacement of windows (including change in window location of up to 12 inches from existing location) on a single-family home, duplex or triplex, if the replacement materials are either in-kind, matching or are considered an upgrade of the existing or original materials, which would meet the definition of “visually insignificant,” pursuant to the Window Guidelines, Appendix IV of the Pacific Grove Architectural Review Guidelines; and

(iii) Roof material change and/or roof pitch change, such that the change is determined by the chief planner to be “visually insignificant” as viewed from the adjacent street(s) or is considered appropriate to the architectural style of the structure.

(C) In all other residential zoning districts outside of the coastal zone, exterior modifications or an exterior addition to a single-family home, duplex or triplex where the addition is less than 400 square feet or 10 percent of existing floor area, whichever is less, and where the alterations and/or addition is determined to be “visually insignificant” as viewed from the adjacent street(s) and does not enlarge or create a second story.

(D) In all other residential zoning districts outside of the coastal zone, any new impervious surfaces.

(E) In all residential zoning districts outside of the coastal zone, deer fencing meeting the height limits of PGMC 23.64.130(d).

(2) For historic properties (buildings listed on the historic resources inventory (HRI), or determined by the city to be eligible for the HRI) in any zone:

(A) In-kind replacement of original historic windows if the chief building official determines that the original windows are “too deteriorated to restore,” pursuant to the Window Guidelines, Appendix IV of the Pacific Grove Architectural Review Guidelines;

(B) Replacement of nonhistoric windows with windows that match, or more closely match, original historic windows in design and materials, when photo documentation of original windows is available, or other original windows exist and can be used for comparison. If original windows or photo documentation is not available, window replacement options shall be reviewed by the city’s on-call historic consultant and a determination made by the chief planner, pursuant to the Window Guidelines, Appendix IV of the Pacific Grove Architectural Review Guidelines;

(C) Replacement of historic stairs, railings, doors or porches if the chief building official determines that they are “too deteriorated to restore.” Replacement shall be with in-kind materials or, if photo documentation is available, materials and design that match the historic

appearance to the extent possible and historically appropriate. If original materials or photo documentation is not available, replacement options shall be reviewed by the city's on-call historic consultant and a determination made by the chief planner;

(D) Replacement of nonhistoric stairs, railings, doors, and porches with features that match, or more closely match, original features in design and materials, when photo documentation of original features is available, or other original features exist and can be used for comparison. If original features or photo documentation is not available, replacement options shall be reviewed by the city's on-call historic consultant and a determination made by the chief planner;

(E) Repair or patching individual areas of historic exterior siding with in-kind materials, if the chief building official determines that the original siding is "too deteriorated to restore"; and

(F) In all residential zoning districts outside of the coastal zone, any new impervious surfaces.

(3) For buildings 50 years of age or older with an undetermined historic status:

(A) All development under subsections (b)(1)(A) and (C) of this section if the chief planner determines that the exterior modifications and additions are "visually insignificant" as viewed from the adjacent street(s);

(B) All development under subsection (b)(1)(B) of this section if the chief planner determines that the exterior modifications and additions are "visually insignificant" as viewed from the adjacent street(s);

(C) In all residential zoning districts outside of the coastal zone, any new impervious surfaces; and

(D) All replacement and repairs listed under subsections (b)(2)(A) through (E) of this section.

(4) In all R-1, R-2, R-H, and M-H (when combined with R-1 or R-2 only) zoning districts, both within and outside the coastal zone, home businesses pursuant to subsection (e) of this section.

(5) For all property types in all residential zoning districts, water heater or utility enclosure if the exterior material matches the existing siding.

(6) In any zoning district other than the unclassified (U), open space (O), downtown commercial (C-D) and light commercial and hotel (C-1-T) zoning districts:

(A) Minor sign face change within an existing and approved sign frame, if substantially conforming to the existing sign approval and the requirements of Chapter 20.04 PGMC (Signs); and

(B) Water cisterns or rainwater collection equipment 1,500 gallons or less in capacity if determined by the chief planner to be "visually insignificant," and if located to the sides or rear of buildings and outside of building setback areas.

(7) In the downtown commercial (C-D) and light commercial and hotel (C-1-T) zoning districts, signs meeting all applicable development standards and design guidelines contained in Chapter 20.05 PGMC.

(8) Any proposed use listed as a "permitted use" in Table 23.31.030.

(9) Any proposed use requiring an administrative use permit or use permit, as listed in Table 23.31.030, shall only require a counter review and determination if the proposed use will replace an existing use of the same size and use category which already has a valid administrative use permit or use permit.

(10) Projects which meet the following requirements are entitled to review as a use by-right:

(1) Project is located on a site suitable for residential development as defined in California Government Code Section 65583.2 and identified for lower-income households in the adopted 6th Cycle Housing Element Site Inventory that are shown to be the following:

(i) Vacant and listed in the Site Inventory of two or more consecutive Housing Elements; or

(ii) Non-vacant and listed in the Site Inventory of a previous Housing Element.

(2) The project is proposed to include 20 percent of the total number of housing units available to lower-income households.

(c) Review Process. A “counter review and determination” application, as well as accurate plans, drawings, photographs, and other documentation, as applicable, are required. The application review is ministerial in nature, in that the determinations are arrived at objectively, involve little or no personal judgment, and are issued by the chief planner. Though called a “counter” review, if staff research is needed, a counter review and determination may take up to three business days. Note: If an administrative use permit or administrative variance is required, any of the projects listed under subsections (b)(1), (3), (4), (5) and (6) of this section, if located outside of the coastal zone, shall also require an administrative architectural permit, which shall be processed concurrently, pursuant to PGMC 23.70.030 (Staff approvals). If located within the coastal zone, an architectural permit shall be required for projects listed under subsections (b)(1)(A), (C) and (D), (b)(2)(F), and (b)(3)(A) and (C) of this section, pursuant to PGMC 23.70.060 (Architectural review board).

(d) Determination. If the chief planner determines that the proposed project or land use complies with all zoning code provisions or is otherwise exempt from these regulations, the application will be signed by the chief planner or designee, the supporting documents stamped with an official notation of compliance, and no further community development permits will be required. Grading, building, and/or other construction permits may be required prior to starting any work, according to the requirements of the municipal code.

(e) Appeals of Determinations. For appeals of these determinations, see PGMC 23.74.020(a).

(1) Projects pursuant to California Government Code Section 65583.2 may be appealed to the Planning Commission only by the applicant or the owner of the subject property.

(f) Effective Date of Determination. The determination shall become effective only when:

(1) The appeal period has expired or, if appealed, prior to final action on the appeal by the appeal authority in accordance with Chapter 23.74 PGMC (Appeals and Call-Ups); and

(2) All necessary prior approvals have been obtained. [Ord. 13-023 § 5, 2013; Ord. 13-003 § 20, 2013; Ord. 12-005 § 4, 2012; Ord. 11-001 § 2, 2011].

23.70.030 Staff approvals.

(a) Purpose. This section establishes procedures and findings for the issuance of, and effective time periods for, staff-approved permits. No public hearings are held unless a request for a hearing is submitted or the director refers it to the hearing authority. The intent of this section is to ensure that community development permits are in compliance with the general plan, local coastal program, and these regulations, and are issued quickly yet allow for public review.

(b) Applicability. As summarized in Table 23.70.012-1, the director or designee is the decision-making authority for the following community development permits:

(1) Administrative Architectural Permits (On HRI, Determined by the City to Be Eligible for the HRI, or 50 Years of Age or Older with an Undetermined Historic Status). In all residential zoning districts,

administrative architectural permits may be granted for the following structures and the following alterations to buildings listed on the historic resources inventory (HRI), determined by the city to be eligible for the HRI, or to buildings that are 50 years of age or older and have an undetermined historic status:

(A) Outside of the coastal zone, an exterior modification to side and/or rear elevations, or an addition to side and/or rear elevations where the addition is less than 400 square feet or 10 percent of existing floor area, whichever is less, of a single-family home, duplex or triplex, if all of the following apply:

(i) Does not enlarge or create a second story; and

(ii) The director has determined that it is consistent with the Secretary of the Interior's Standards for Historic Rehabilitation and the State Historic Building Code.

(B) Outside of the coastal zone, Category 1 detached accessory structures larger than 120 square feet, pursuant to Table 23.64.180.

(C) Both within and outside the coastal zone, deer fencing, not to exceed six feet, if within front, side, and rear yards, pursuant to PGMC 23.64.130(d).

Exception: If accompanied by a historic preservation permit application, an administrative architectural permit shall be referred to the historic resources committee to hold a public hearing and to take action on both applications concurrently, pursuant to PGMC 23.70.070.

(2) Administrative Architectural Permits (Not on HRI). Administrative architectural permits may be granted for the following structures and the following alterations to a building that has been determined by the city to be ineligible for the historic resources inventory, or is less than 50 years of age:

(A) In the R-1 zoning districts outside of the coastal zone, any exterior modifications or additions to a single-family home, duplex or triplex that are 25 percent or more of existing floor area and do not enlarge or create a second story, if the director determines that the exterior modifications and additions are "visually significant" as viewed from the adjacent street(s);

(B) In the R-1 zoning districts outside of the coastal zone, any of the following modifications to a single-family home, duplex or triplex:

(i) Replacement of chimneys, siding, doors, porches, decks, or other exterior feature(s), if the replacement materials and design are determined by the director to be "visually significant" as viewed from the adjacent street(s);

(ii) Replacement of windows (including change in window location of up to 12 inches from existing location), if the replacement materials meet the definition of "visually significant," pursuant to the Window Guidelines, Appendix IV of the Pacific Grove Architectural Review Guidelines; and

(iii) Roof material change and/or roof pitch change, such that the change is determined by the director to be "visually significant" as viewed from the adjacent street(s);

(C) In the R-2, R-3, and R-4 zoning districts, outside of the coastal zone, any of the following modifications or additions to a single-family home, duplex or triplex:

(i) Replacement of chimneys, siding, doors, porches, decks, or other exterior feature(s), if the replacement materials and design are either in-kind or matching the existing or original materials and design, such that the change is determined by the director to be "visually insignificant" as viewed from the adjacent street(s);

(ii) Replacement of windows (including change in window location of up to 12 inches from existing location), if the replacement materials are either in-kind, matching or are considered an upgrade of the existing or original materials, which would meet the definition of “visually insignificant,” pursuant to the Window Guidelines, Appendix IV of the Pacific Grove Architectural Review Guidelines;

(iii) Roof material change and/or roof pitch change, such that the change is determined by the director to be “visually insignificant” as viewed from the adjacent street(s) or is considered appropriate to the architectural style of the structure;

(iv) Exterior modifications and additions that are 25 percent or more of existing floor area and do not enlarge or create a second story, and that the director determines to be “visually insignificant” as viewed from the adjacent street(s); and

(v) Exterior modifications or an exterior addition, where the addition is less than 400 square feet or 10 percent of existing floor area, whichever is less, and where the alterations and/or addition is determined to be “visually significant” as viewed from the adjacent street(s) and does not enlarge or create a second story;

(D) Roof overhang, roofing material, and siding material modifications for any mobile home installed in other than the R-1-M-H district;

(E) Water heater or utility enclosure if the exterior material does not match the existing siding and the director determines it is “visually significant” as viewed from the adjacent street(s);

(F) Water cisterns or rainwater collection equipment not meeting the provisions of PGMC 23.70.020(b)(6)(B);

(G) Outside of the coastal zone, Category 1 detached accessory structures larger than 120 square feet, pursuant to Table 23.64.180; and

(H) Within the coastal zone, deer fencing, not to exceed six feet, if within front, side, and rear yards, pursuant to PGMC 23.64.130(d).

(3) An administrative architectural permit shall also be required for projects located outside the coastal zone and listed in PGMC 23.70.020(b)(1), (3), (4), (5) or (6), that are accompanied by an administrative use permit or administrative variance. The two permits shall be processed concurrently, in accordance with this section. If located within the coastal zone, an architectural permit shall be required for projects listed under PGMC 23.70.020(b)(1)(A), (C) and (D) and (b)(3)(A) and (C), pursuant to PGMC 23.70.060 (Architectural review board), and PGMC 23.70.020(b)(2)(F) pursuant to PGMC 23.70.070 (Historic resources committee).

(4) Architectural Design Changes. Once an architectural permit, outside the coastal zone, or an administrative architectural permit has been approved, but before the associated building permit has been finaled, changes that modify the exterior elevations of the project shall be processed as an architectural design change; provided, that cumulative design changes to a prior architectural permit or administrative architectural permit shall not appreciably alter the originally approved design. This applies to properties either on the HRI or not on the HRI.

Exception: If accompanied by a historic preservation permit application, an administrative design change shall be referred to the historic resources committee to hold a public hearing and to take action on both applications concurrently, pursuant to PGMC 23.70.070.

(5) Lot Mergers. Lot mergers, in accordance with this section and the procedures in PGMC 24.04.030 (Definitions).

(6) Administrative Sign Permit. An administrative sign permit may be granted for the following:

(A) A flat sign in the C-1, C-FH, C-2, or I zone that has a sign area of 25 square feet or less, is attached to or is painted on a building so as not to project more than six inches from the building, and is the only permanent sign displayed on the premises;

(B) New commercial signs or modifications to an existing sign that comply with an existing master sign program for the site; and

(C) In the downtown commercial (C-D) and light commercial and hotel (C-1-T) zoning districts, signs meeting all applicable development standards, but not all applicable design guidelines, contained in Chapter 20.05 PGMC.

(7) Administrative Use Permits. Administrative use permits and administrative use permit amendments may be granted for the following:

(A) Major Administrative Use Permits.

(i) Detached or semi-detached rooms within the R-1 zoning districts;

(ii) Averaging of side yards for interior sites within the R-1 and R-2 zoning districts, pursuant to PGMC 23.16.060(b)(1) and 23.20.070(b)(1);

(iii) Accessory buildings and structures that are 120 square feet or less in area, pursuant to Table 23.64.180;

(iv) Roominghouses, boardinghouses, and professional uses within the R-4 zoning district;

(v) Uses requiring an administrative use permit in the C-1, C-1-T, C-D, C-FH, C-2, C-V, or I zoning district, pursuant to Table 23.31.030, except as provided in PGMC 23.70.020(b)(8);

(vi) Temporary uses within the C-1, C-1-T, C-D, C-FH, and C-V zoning districts, pursuant to Table 23.31.030;

(vii) Gardening on vacant lots within the C-1, C-1-T, C-D, C-FH, C-2, or C-V zoning district;

(viii) Uses allowed with a use permit within the R-3-P.G.B. zoning district;

(ix) Earth and mineral extraction for commercial purposes;

(x) Foster and day care homes under PGMC 23.64.110 (Family day care homes);

(xi) Projection of open porches, stairways, etc., under PGMC 23.64.160 (yards);

(xii) Accessory storage of portable or movable objects under PGMC 23.64.185 (accessory use);

(xiii) Extension, change, or restoration of a nonconforming use under Chapter 23.68 PGMC (Nonconforming Uses and Buildings);

(xiv) Wireless eligible facilities requests (for modification of previously permitted wireless telecommunications facilities); and

(xv) Consumer-end antennas not exempted from this code.

(B) Minor Administrative Use Permits.

(i) Structures, appurtenances, fences, deer fences, hedges, screen plantings, or other visual obstructions (other than allowed garden structures) in excess of height limits under PGMC 23.64.120; and

(ii) Garden structures exceeding the standards required by PGMC 23.64.119 (Garden structures).

(8) Administrative Variances. Administrative variances and administrative variance amendments may be granted for the following:

(A) Reductions in required yards or setbacks that are 20 percent or less of the required distance;

(B) Increases in allowable building site coverage of five percent or less for additions to an existing structure;

(C) The occupancy of any part of a required side or rear yard by a driveway or parking pad; and

(D) The elimination of a required covered parking space in the R-1 zoning districts where the absence of the space is a legal nonconforming condition of an existing single-family use and where a parking space is not physically possible.

(c) Review Process. Upon submittal of one of the community development permit applications listed in this section, the department shall process it in accordance with Chapter 23.72 PGMC (Permit Application Filing and Processing) and the following:

(1) Staff reviews the proposed project for compliance with the general plan, certified local coastal program, these regulations, and other applicable conditions and regulations.

(2) The director issues a notice of administrative decision, pursuant to the procedures in PGMC 23.86.030, or determines that the permit application presents issues of sufficient public concern to warrant a public hearing and refers the application directly to the appropriate hearing authority, pursuant to Table 23.70.012-1. The hearing authority decision may be appealed or called up in accordance with Chapter 23.74 PGMC (Appeals and Call-Ups).

(3) If no written request for a hearing is received by the department within 10 days of the issuance of the notice of administrative decision, the action of the director is final, and the appeal and call-up procedures in Chapter 23.74 PGMC (Appeals and Call-Ups) do not apply.

(d) Review Criteria. For architectural review projects, the criteria in PGMC 23.70.060(e) shall apply.

(e) Findings Required for Approval. Permit applications under this section shall be approved or approved with conditions, only if the review authority first makes all of the following applicable findings:

(1) Findings for All Staff Approvals under This Section Other Than Wireless Eligible Facilities Requests and Temporary Wireless Telecommunications Facilities.

(A) The proposed development conforms to the applicable provisions of the general plan, the local coastal program, any applicable specific plan, and these regulations;

(B) The proposed development is located on a legally created lot;

(C) The subject property is in compliance with all laws, regulations, and rules pertaining to uses, subdivision, setbacks, and any other applicable provisions of this municipal code, and all applicable zoning violation enforcement and processing fees have been paid; and

(D) The proposed development is in compliance with all citywide permits, including, but not limited to, the National Pollutant Discharge Elimination System (NPDES) permit.

(2) Additional Findings for Administrative Architectural Permits and Architectural Design Changes.

(A) The architecture and general appearance of the completed project are compatible with the neighborhood; and

(B) The completed project will neither be detrimental to the orderly and harmonious development of the city nor impair the desirability of investment or occupation in the neighborhood; and

(C) The director has been guided by and has made reference to applicable provisions of the architectural review guidelines in making its determinations on single-family residences.

(3) Additional Findings for Exterior Alterations to Structures on the Historic Resources Inventory (HRI).

(A) The exterior alteration of any building or structure on the historic resources inventory is consistent with the Secretary of the Interior's Standards for Rehabilitation of Historic Buildings; and

(B) The exterior alteration of any structure on the historic resources inventory complies with Appendices I through IV of the Pacific Grove Architectural Review Guidelines.

(4) Additional Finding for Administrative Sign Permits. The proposed sign effectively conveys the business identity to the public and possesses pleasing elements of design that protect and enhance the architectural character and harmony of the buildings and neighborhood in which it is located.

(5) Additional Findings for Administrative Use Permits and Variances.

(A) The findings in PGMC 23.70.080(a)(4) shall apply to administrative use permits;

(B) Additional Finding for Administrative Use Permits for Fences, Deer Fences, and Garden Structures. The proposed fencing, and/or garden structure, will be in keeping with the neighborhood and will not obstruct views, air or light from the adjoining public street(s) without there being unique or exceptional circumstances of the property to warrant it; and

(C) The findings in PGMC 23.70.080(b)(4) shall apply to administrative variances.

(6) Administrative Use Permit (AUP) Findings for Wireless Eligible Facilities Requests.

(A) The proposed wireless telecommunications facility qualifies as a wireless eligible facilities request, satisfying each element specified in 47 CFR Sections 1.6001 through 1.6100, as may be amended.

(B) The findings required by subsections (e)(1)(B) through (D) of this section shall apply, except as specifically preempted by federal law.

(C) The proposed wireless telecommunications facility complies with applicable safety codes and guidelines, and FCC regulations governing radiofrequency emissions.

(7) Additional Findings for Customer-End Antennas.

(A) The proposed height, and design, and placement of the antenna is consistent with applicable safety codes, including setback requirements;

(B) The proposed height and design are required to receive service, or to engage in amateur radio communications;

(C) The proposed antennas have been designed and placed to minimize the visual impact of the antennas and their effect on adjoining properties, including through the use of shielding and landscaping; and

(D) Approval is required under applicable FCC regulations.

(f) Effective Date of Decision. The decision shall become effective only when:

(1) The 10-day request for hearing period has expired, or the appeal period following a hearing authority decision has expired or, if appealed further or called up, after final action by the appeal authority in accordance with Chapter 23.74 PGMC (Appeals and Call-Ups); and

(2) All necessary prior approvals have been obtained. [Ord. 20-001 § 2 (Exh. A), 2020; Ord. 17-023 § 2, 2017; Ord. 13-023 § 5, 2013; Ord. 13-005 § 3,

2013; Ord. 13-003 § 20, 2013; Ord. 12-005 § 4, 2012; Ord. 11-001 § 2, 2011].

23.70.040 Zoning administrator.

(a) Purpose. This section establishes a zoning administrator, duties, and procedures for the purpose of providing an appropriate public review and approval process for certain community development permits, but less process than that required for board or commission review.

(b) Establishment. The city manager shall appoint a zoning administrator to grant community development permit approvals where required by these regulations, and to promote the orderly and harmonious development of the city. The zoning administrator shall conduct public hearings and render decisions on permits in accordance with this section and Chapter 23.86 PGMC (Public Meeting and Hearing Procedures).

(c) Applicability.

(1) As summarized in Table 23.70.012-1, the zoning administrator is the decision-making authority for the following permits and activities:

(A) Interpretation of permitted use lists in commercial and industrial districts;

(B) Historic relocation permit – on-site; and

(C) Parcel map.

(2) If a permit application is referred by the chief planner, or if a written request for a hearing is received within 10 days of the department's issuance of a notice of administrative decision, the zoning administrator shall also act as the decision-making authority and take action on the following:

(A) Administrative architectural permit – not on HRI;

(B) Architectural design change – not on HRI;

(C) Lot merger;

(D) Administrative sign permit;

(E) Administrative use permit or administrative use permit amendment; and

(F) Administrative variance or administrative variance amendment.

(d) Review Process.

(1) For interpretations of permitted use lists, application processing shall be in accordance with Chapter 23.82 PGMC (Interpretations of Permitted Use Lists).

(2) Upon submittal of one of the community development permit applications listed in this section, the department shall process it in accordance with Chapter 23.72 PGMC (Permit Application Filing and Processing) and the following:

(A) Staff reviews for compliance with the general plan, certified local coastal program, these regulations, and other applicable conditions and regulations.

(B) Staff schedules the item for zoning administrator hearing and prepares the noticing, pursuant to the procedures in Chapter 23.86 PGMC (Public Meeting and Hearing Procedures).

(C) The zoning administrator holds a public hearing and either approves, approves with conditions, or disapproves the item. The action is subject to appeal or call-up in accordance with Chapter 23.74 PGMC (Appeals and Call-Ups).

(e) Review Criteria. For architectural review projects, the criteria in PGMC 23.70.060(e) shall apply.

(f) Findings Required for Approval. Permit applications under this section shall be approved, or approved with conditions, only if the zoning administrator first makes all of the following applicable findings:

(1) Findings for interpretations of permitted use lists are provided in PGMC 23.82.050.

(2) Findings for all permit applications decided by the zoning administrator under this section:

(A) The proposed development conforms to the applicable provisions of the general plan, the local coastal program, any applicable specific plan, and these regulations;

(B) The proposed development is located on a legally created lot;

(C) The subject property is in compliance with all laws, regulations, and rules pertaining to uses, subdivision, setbacks, and any other applicable provisions of this code, and all applicable zoning violation enforcement and processing fees have been paid; and

(D) The proposed development is in compliance with all citywide permits, including, but not limited to, the National Pollutant Discharge Elimination System (NPDES) permit.

(3) Additional Findings for Administrative Architectural Permits and Architectural Design Changes.

(A) The architecture and general appearance of the completed project are compatible with the neighborhood; and

(B) The completed project will neither be detrimental to the orderly and harmonious development of the city nor impair the desirability of investment or occupation in the neighborhood; and

(C) The zoning administrator has been guided by and has made reference to applicable provisions of the architectural review guidelines in making its determinations on single-family residences.

(4) Additional Finding for Administrative Sign Permits. The proposed sign effectively conveys the business identity to the public and possesses pleasing elements of design that protect and enhance the architectural character and harmony of the buildings and neighborhood in which it is located.

(5) Additional Findings for Administrative Use Permits.

(A) The findings in PGMC 23.70.080(a)(4) shall apply to administrative use permits; and

(B) Additional Finding for Administrative Use Permits for Fences, Deer Fences, and Garden Structures. The proposed fencing, and/or garden structure, will be in keeping with the neighborhood and will not obstruct views, air or light from the adjoining public street(s) without there being unique or exceptional circumstances of the property to warrant it.

(6) Additional Findings for Administrative Variances. The findings in PGMC 23.70.080(b)(4) shall apply to administrative variances.

(g) Effective Date of Permit Approval. The permit approval shall become effective only when:

(1) The appeal period has expired or, if appealed, prior to final action on the appeal by the appeal authority in accordance with Chapter 23.74 PGMC (Appeals and Call-Ups); and

(2) All necessary prior approvals have been obtained. [Ord. 12-005 § 4, 2012; Ord. 11-001 § 2, 2011].

23.70.050 Site plan review committee.

(a) Purpose. The purpose of the site plan review committee (SPRC) is to encourage well-designed multifamily residential, commercial, and industrial development. The SPRC's review does not apply to single-family residences outside of the coastal zone. The SPRC studies the siting of proposed construction and its impact upon the existing topography and natural vegetation, and the relationship of proposed construction to existing public and private improvements in the immediate area. It does not act on architectural aspects. It encourages the elimination of unnecessary grading, and endeavors to retain the natural character of the site, including the preservation of trees. The SPRC ensures that site plans conform to a logical plan of site development; have adequate parking facilities, driveways, entrances, and exits; provide an appropriate arrangement, location, and design of required open spaces and recreational facilities; and incorporate other pertinent project features, so that development will not be detrimental to vehicular or pedestrian traffic on adjacent streets, will provide adequate light and air, will provide adequate access for firefighting equipment and, in general, will provide a desirable and well designed facility. The SPRC also reviews and approves lot-line adjustments.

(b) Establishment. The city manager shall appoint a site plan review committee, which shall consist of the director, city engineer, fire chief, and chief building official, or their representatives. The SPRC may adopt such rules as are needed for the conduct of its deliberations. The director or designee shall serve as chairperson of the SPRC. A quorum of the SPRC shall consist of not less than three members of the SPRC, one of whom shall be the director. An affirmative vote of a majority of the total members of the SPRC shall be required for any action by the SPRC.

(c) Applicability. As summarized in Table 23.70.012-1, the site plan review committee is the decision-making authority or reviews and comments on the following permits and activities:

(1) Siting and lot coverage in the coastal zone. Pursuant to Policy No. 3.4.5.2 of the local coastal program, the SPRC shall review and comment on the siting of each new development and the expected area of disturbance around each residence within the coastal zone, and review and comment on any property owner request to exceed the maximum lot coverage of 15 percent of a total lot area within the coastal zone.

(2) Projects of $50,000 or more. The SPRC shall review and comment on any structure or site work valued at $50,000 or more, as determined by the chief building official, including the structural alteration, or addition to, existing structures or works.

Exceptions. This section shall not apply to:

(A) Interior alterations and remodeling that do not involve a change in occupancy as defined by the Uniform Building Code;

(B) Exterior alterations not involving an increase in floor area; or

(C) Single-family residences in all residential zones outside of the coastal zone.

(d) Review Process. Upon submittal of an application for site plan review, the department shall process it in accordance with the following:

(1) Staff reviews the application to ensure it is complete based on the submittal requirements provided by the department.

(2) For site plan reviews, the SPRC holds a meeting to review and comment on the project. No formal action is taken. Comments are forwarded to the review authority for the associated community development permit.

(e) Required Improvements. The SPRC will ensure compliance with the following requirements as part of its site plan review:

(1) Street Frontage Improvements. Curb, gutter, sidewalk, street pavement, and concrete driveway aprons shall be installed along all street frontages of the site in compliance with the requirements of Chapter 24.12 PGMC. The requirements of this section shall not apply to the erection, construction, or reconstruction of agricultural structures or uses. If the city engineer determines that engineering considerations will make the required improvements infeasible or if the SPRC finds that there is a prevailing design element of the neighborhood that runs counter to usual standards, the site plan review committee may modify the improvement requirements to conform to engineering feasibility or a prevailing neighborhood design element.

(2) Deferral of Improvements. The SPRC may recommend to the review authority the deferral of required improvements after a written request from the applicant, if the SPRC first determines that special or unusual circumstances warrant the deferral. When recommending a deferral, the SPRC shall specify a time limit for deferral, which shall not exceed one year, unless extended by subsequent action of the review authority. If a deferral is ultimately granted, the applicant shall furnish a satisfactory faithful performance bond, cash contribution, or other guarantee acceptable to the city, to ensure that the work will be performed.

(f) Criteria for Site Plan Review. The SPRC will review and comment on whether site plans submitted for review incorporate the following criteria:

(1) Necessary street improvements to control and provide for traffic movement arising from the development;

(2) Safe pedestrian movement on or adjoining the property;

(3) Safe and sanitary control of surface and subsurface drainage on or adjoining the property;

(4) Attractive and sanitary provisions for refuse storage and disposal;

(5) Appropriate and adequate automobile parking spaces; and

(6) Fulfillment of the purposes of subsection (a) of this section.

(g) Building Permit Issuance. No building permit shall be issued for structures subject to the provisions of this section until the SPRC has completed its deliberations. The chief building official shall not allow final public utility connections to any structure until the applicant has complied with all applicable provisions of this section. [Ord. 19-014 § 3, 2019; Ord. 11-001 § 2, 2011].

23.70.060 Architectural review board.

(a) Purpose. This section establishes procedures for the city's architectural review of structures, in order to promote the orderly and harmonious development of the city, and to protect its architectural character.

(b) Establishment. The architectural review board is hereby established as follows:

(1) Membership. The board shall consist of five voting members, appointed by the mayor, with the approval of the council. At least four members shall be residents registered to vote in the city of Pacific Grove. At least two members shall have professional experience as an architect, landscape architect, engineer, designer, or draftsperson; or have experience in the building industry. A member not registered to vote in the city of Pacific Grove shall have demonstrated architectural experience in the city of Pacific Grove.

(2) Term of Office, Attendance. All appointees shall serve for a two-year term, and may be removed at the pleasure of the council. Three of the board members shall be appointed for terms ending on January 31st in odd-numbered years, and four for terms ending on January 31st in even-numbered years. A member's seat shall be deemed vacated upon two consecutive absences from regular meetings without being excused by the chair.

(3) Meetings. The board shall meet no less frequently than once per month and may adopt rules as needed for the conduct of its deliberations, including the selection of the member who shall serve as chair.

(c) Applicability. As summarized in Table 23.70.012-1, the architectural review board is the decision-making authority for structures not listed on the historic resources inventory for the following permits:

(1) Outside of the coastal zone, architectural permits for new construction, major alterations to existing structures, or demolition and reconstruction of structures. This section does not apply to any project listed in PGMC 23.70.020, 23.70.030 and 23.70.040, including a design change to an approved architectural permit that meets the provisions of PGMC 23.70.030(b)(4);

(2) Within the coastal zone, architectural permits for new construction, major and minor alterations to existing structures, or demolition and reconstruction of structures, including an amendment to an approved architectural permit. This section does not apply to any project listed in PGMC 23.70.020(b)(1)(B), (2)(A) through (E), (3)(B) and (D), (4), (5), and (6);

(3) Within the coastal zone, architectural permits for Category 1 detached accessory structures larger than 120 square feet, pursuant to Table 23.64.180;

(4) Sign permits, pursuant to Chapter 20.04 PGMC (Signs) and PGMC 20.05.070. This section does not apply to any counter review and determination or administrative sign permit under PGMC 23.70.020, 23.70.030 and 23.70.040;

(5) Whenever otherwise required by this code.

(d) Review Process. Upon submittal of one of the community development permit applications listed in this section, the department shall process it in accordance with Chapter 23.72 PGMC (Permit Application Filing and Processing) and the following:

(1) Staff reviews for compliance with the general plan, certified local coastal program, these regulations, and other applicable conditions and regulations.

(2) Staff schedules the item for an architectural review board hearing and prepares the noticing, pursuant to the procedures in Chapter 23.86 PGMC (Public Meeting and Hearing Procedures).

(3) The board holds a public hearing and approves, approves with conditions or disapproves each item. The action is subject to appeal in accordance with Chapter 23.74 PGMC (Appeals and Call-Ups).

(e) Review Criteria. In carrying out the purposes of this chapter, the board shall consider in each specific case any or all of the following as may be appropriate:

(1) The city of Pacific Grove Architectural Review Guidelines.

(2) The siting of any structure on the property as compared to the siting of other structures in the immediate neighborhood and the surrounding area.

(3) All structures shall have simplicity of mass and detail and shall not strive for bizarre effects. There shall be an appropriate use of material. Except as exempt pursuant to PGMC 23.70.015 (Exemptions), colors shall be in good taste and never harsh, garish, or inappropriate to the other colors designated for the structure or to the surrounding environment. Architectural character shall be

aesthetically pleasing of itself and shall either harmonize with adjacent structures, or shall complement architectural characteristics of adjacent structures by means of dignified contrast.

In consideration of architectural or stylistic character and detail, the simple dignity of early California architecture and the romantic character of the Victorian styles as exemplified in the early buildings of Pacific Grove shall be considered as models suitable for emulation, but studied copying of past styles shall be considered as neither necessary nor greatly to be desired.

(4) When required, landscaping shall be designated as required by PGMC Title 12 (Trees and Vegetation), the State Model Landscape Ordinance, and these regulations.

(A) At least 80 percent of the street frontage of gasoline or service stations unused for driveways shall be landscaped.

(B) Parking lots, used car lots, service stations, or similar uses that park or store over five vehicles shall be landscaped.

(5) The size, location, and arrangement of on-site parking and paved areas together with ingress, egress, and internal traffic circulation shall be considered and shall be subject to the board's approval.

(f) Findings Required for Approval. The board shall determine from the materials submitted whether:

(1) The architecture and general appearance of the completed project are compatible with the neighborhood; and

(2) The completed project will neither be detrimental to the orderly and harmonious development of the city nor impair the desirability of investment or occupation in the neighborhood; and

(3) The board has been guided by and has made reference to applicable provisions of the architectural review guidelines in making its determinations on single-family residences.

(4) Additional Finding for Sign Permits. The proposed sign effectively conveys the business identity to the public and possesses pleasing elements of design that protect and enhance the architectural character and harmony of the buildings and neighborhood in which it is located.

(g) Effective Date of Permit Approval. The permit approval shall become effective only when:

(1) The appeal period has expired or, if appealed, prior to final action on the appeal by the appeal authority in accordance with Chapter 23.74 PGMC (Appeals and Call-Ups); and

(2) All necessary prior approvals have been obtained. [Ord. 21-021 § 2, 2021; Ord. 18-013 § 3, 2018; Ord. 17-023 § 2, 2017; Ord. 13-023 § 5, 2013; Ord. 12-005 § 4, 2012; Ord. 11-001 § 2, 2011].

23.70.070 Historic resources committee.

(a) Purpose. This section establishes procedures for the city's determinations on additions and deletions to the historic resources inventory, in order to preserve, protect, enhance and perpetuate those historic structures and neighborhoods that contribute to the cultural and aesthetic heritage of Pacific Grove.

(b) Establishment. The historic resources committee is hereby established pursuant to PGMC 23.76.021.

(c) Applicability.

(1) Decision-Making Authority. As summarized in Table 23.70.012-1, the historic resources committee is the decision-making authority for historic determinations, which are additions to and deletions from the historic resources inventory, pursuant to the evaluation criteria in PGMC 23.76.025 and for structures listed on the historic resources inventory for the following permits per PGMC 23.76.080:

(A) Outside of the coastal zone, architectural permits for new construction, major alterations to existing structures, or demolition and reconstruction of structures. This section does not apply to any project listed in PGMC 23.70.020, 23.70.030 and 23.70.040, including a design change to an approved architectural permit that meets the provisions of PGMC 23.70.030(b)(4);

(B) Within the coastal zone, architectural permits for new construction, major and minor alterations to existing structures, or demolition and reconstruction of structures, including an amendment to an approved architectural permit. This section does not apply to any project listed in PGMC 23.70.020(b)(2)(A) through (E), (3)(D), (4), (5), and (6)(B);

(C) Historic preservation permits for exceptions to land use regulations involving structures on the historic resources inventory, pursuant to PGMC 23.76.060;

(D) Historic demolition permits for the demolition of any structure on the historic resources inventory, pursuant to PGMC 23.76.090;

(E) Historic relocation permits for the off-site relocation of any structure on the historic resources inventory, pursuant to PGMC 23.76.100;

(F) If referred by the director or if a written request for a hearing is received within 10 days of the department's issuance of a notice of administrative decision, for one of the following applications:

(i) Administrative architectural permit;

(ii) Architectural design change; and

(G) Whenever otherwise required by this code.

(2) Recommending Authority. As summarized in Table 23.70.012-1, the historic resources committee is the recommending authority for initial historic screening requests. The committee shall make a recommendation to the director as to whether a determination of ineligibility can be made or if a Phase 1 historic assessment is needed to determine the historicity of a structure.

(3) Other Duties. Other duties as set out in this chapter, in Chapter 23.76 PGMC, or as directed by the city council.

(d) Review Process. Upon submittal of one of the applications listed in this section, the department shall process it in accordance with Chapter 23.72 PGMC and the following:

(1) Staff reviews for compliance with the general plan, certified local coastal program, these regulations, and other applicable conditions and regulations.

(2) Staff schedules the item for a historic resources committee hearing and prepares the noticing, pursuant to the procedures in Chapter 23.86 PGMC (Public Meeting and Hearing Procedures).

(3) The committee holds a public hearing and approves or disapproves each item for which the committee is the decision-making authority. The action is subject to appeal in accordance with Chapter 23.74 PGMC (Appeals and Call-Ups). The committee holds a public hearing and makes a recommendation on each item for which the committee is the recommending authority.

(e) Historic Determination Review Criteria. In carrying out the purposes of this chapter, the historic resources committee shall consider the evaluation criteria in PGMC 23.76.025 (Evaluation criteria).

(f) Findings Required for Approval. The historic resources committee shall determine from the application materials submitted whether historic determinations comply with the provisions of Section 15064.5 of the California Environmental Quality Act (CEQA) Guidelines (California Code of Regulations Title 14, Chapter 3) and the evaluation criteria in PGMC 23.76.025.

(g) Architectural Permit Review Criteria. In carrying out the purposes of this chapter, the historic resources committee shall consider the evaluation criteria in PGMC 23.70.060(e).

(h) Findings Required for Approval. The historic resources committee shall determine from the application materials submitted whether:

(1) The architecture and general appearance of the completed project are compatible with the neighborhood; and

(2) The completed project will neither be detrimental to the orderly and harmonious development of the city nor impair the desirability of investment or occupation in the neighborhood; and

(3) The committee has been guided by and has made reference to applicable provisions of the architectural review guidelines in making its determinations on single-family residences.

(4) Additional Findings for Exterior Alterations to Structures on the Historic Resources Inventory (HRI):

(A) The exterior alteration of any structure on the historic resources inventory is consistent with the Secretary of the Interior's Standards for Rehabilitation of Historic Buildings; and

(B) The exterior alteration of any structure on the historic resources inventory complies with Appendices I through IV of the Pacific Grove Architectural Review Guidelines.

(i) Effective Date of Approval. The permit approval shall become effective only when:

(1) The appeal period has expired or, if appealed, prior to final action on the appeal by the appeal authority in accordance with Chapter 23.74 PGMC (Appeals and Call-Ups); and

(2) All necessary prior approvals have been obtained. [Ord. 17-023 § 2, 2017; Ord. 11-001 § 2, 2011].

23.70.080 Planning commission.

(a) Use Permits and Use Permit Amendments.

(1) Purpose. The purpose of the planning commission's review of use permits is to allow for activities and uses that may be desirable in the applicable zoning district and compatible with adjoining land uses, but whose effect on a site and

its surroundings cannot be determined before being proposed for a particular location.

The procedures of this section provide for the review of the configuration, design, location, and potential impacts of the proposed use, to evaluate its compatibility with surrounding uses, and to address the suitability of the use to the site.

(2) Applicability. As summarized in Table 23.70.012-1, the planning commission is the decision-making authority for use permits and use permit amendments. The planning commission shall approve, approve with conditions, or disapprove use permit applications.

Exceptions: Administrative use permits and administrative use permit amendments shall be processed in accordance with PGMC 23.70.030 (Staff approvals). See also exception in PGMC 23.70.020(b)(8) (Counter review and determination).

(3) Review Process. Upon submittal of a use permit or use permit amendment application, the department shall process it in accordance with Chapter 23.72 PGMC (Permit Application Filing and Processing) and the following:

(A) Staff reviews for compliance with the general plan, certified local coastal program, and the purpose and intent of this section.

(B) Staff schedules the item for a planning commission hearing and prepares the noticing, pursuant to the procedures in Chapter 23.86 PGMC (Public Meeting and Hearing Procedures).

(C) The planning commission holds a public hearing and approves, approves with conditions, or disapproves each item. The action is subject to appeal in accordance with Chapter 23.74 PGMC (Appeals and Call-Ups).

(4) Findings Required for Approval. The planning commission may approve a use permit, other than a use permit amendment that is a wireless eligible facilities request, only after first making the following findings:

(A) The proposed use is allowed with a use permit within the applicable zoning district and complies with all applicable provisions of these regulations;

(B) The proposed use is consistent with the general plan, the local coastal program, and any applicable specific plan;

(C) The establishment, maintenance, or operation of the use will not, under the circumstances of the particular case, be detrimental to the health, safety, or general welfare of persons residing or working in the neighborhood of the proposed use;

(D) The use, as described and conditionally approved, will not be detrimental or injurious to property and improvements in the neighborhood or to the general welfare of the city; and

(E) The location, size, design, and operating characteristics of the proposed use are compatible with the existing and future land uses in the vicinity.

(5) Conditions of Approval. In approving a use permit, the planning commission may impose conditions (e.g., buffers, hours of operation, landscaping and maintenance, lighting, off-site improvements, parking, performance guarantees, property maintenance, signs, surfacing, time limits, traffic circulation) deemed reasonable and necessary to ensure that the approval will be in compliance with the findings required in subsection (a)(4) of this section.

(6) Effective Date of Approval. The permit approval shall become effective only when:

(A) The appeal period has expired or, if appealed, prior to final action on the appeal by the appeal authority in accordance with Chapter 23.74 PGMC (Appeals and Call-Ups); and

(B) All necessary prior approvals have been obtained.

(b) Variances and Variance Amendments.

(1) Purpose. The purpose of the planning commission's review and action on variances and variance amendments is to allow for exceptions from the development standards of this title only when, because of special circumstances applicable to the property, including location, shape, size, surroundings, topography, or other conditions, the strict application of these regulations denies the property owner privileges enjoyed by other property owners in the vicinity or in an identical zoning district. Variances must be necessary for the preservation and enjoyment of substantial property rights of the applicant, and may not affect adversely the health or safety of neighbors.

(2) Applicability. As summarized in Table 23.70.012-1, the planning commission is the decision-making authority for variances and variance amendments. The planning commission shall approve, approve with conditions, or disapprove variances and variance amendments. Variances may not be used to vary from allowed land uses, maximum residential density, specific prohibitions, or procedural requirements.

Exceptions: Administrative variances and administrative variance amendments shall be processed in accordance with PGMC 23.70.030 (Staff approvals).

(3) Review Process. Upon submittal of a variance or variance amendment application, the department shall process it in accordance with Chapter 23.72 PGMC (Permit Application Filing and Processing) and the following:

(A) Staff shall review for compliance with the general plan, certified local coastal program, and the purpose and intent of this section.

(B) Staff shall schedule the item for a planning commission hearing and prepare the noticing, pursuant to the procedures in Chapter 23.86 PGMC (Public Meeting and Hearing Procedures).

(C) The planning commission shall hold a public hearing and approve, approve with conditions, or disapprove each application. Such action is subject to appeal in accordance with Chapter 23.74 PGMC (Appeals and Call-Ups).

(4) Findings Required for Approval. The planning commission may approve an application, with or without conditions, only if all of the following findings of fact can be made in a positive manner:

(A) That there are exceptional or extraordinary circumstances or conditions applying to the land, buildings, or use referred to in the application, which circumstances or conditions do not apply generally to land, buildings, and/or uses in the same zoning district;

(B) That the granting of the variance is necessary for the preservation and enjoyment of substantial property rights of the petitioner; and

(C) That the granting of such variance will not, under the circumstances of the particular case, materially affect adversely the health or safety of persons residing or working in the neighborhood of the property of the applicant and will not, under the circumstances of the particular case, be materially detrimental to the public welfare or injurious to property or improvements in the neighborhood.

(5) Conditions of Approval. In granting a variance, the planning commission may impose conditions to:

(A) Ensure that the variance does not grant special privileges inconsistent with the limitations on other properties in the vicinity and zoning district in which the property is located; and

(B) Require project alterations and/or features (buffers, landscaping and maintenance, lighting, off-site improvements, parking, performance guarantees, property maintenance, signs, surfacing, traffic circulation, etc.) deemed reasonable and necessary to ensure that the approval would be in compliance with the findings required by subsection (b)(4) of this section.

(6) Effective Date of Approval. The permit approval shall become effective only when:

(A) The appeal period has expired or, if appealed, prior to final action on the appeal by the appeal authority in accordance with Chapter 23.74 PGMC (Appeals and Call-Ups); and

(B) All necessary prior approvals have been obtained.

(c) Tentative and Final Tract Maps. Tentative and final tract maps shall be processed pursuant to Chapters 24.12 (Filing of Tentative Map) and 24.16 (Approval of Final Maps) PGMC. [Ord. 20-001 § 2 (Exh. A), 2020; Ord. 13-023 § 5, 2013; Ord. 13-003 § 20, 2013; Ord. 11-001 § 2, 2011].

Chapter 23.79

DENSITY BONUS AND AFFORDABLE HOUSING REGULATIONS

Sections:
23.79.010 Purpose and intent.
23.79.020 Implementation.

* Prior legislation: Ord. 09-005.

23.79.010 Purpose and intent.

This chapter is intended to provide incentives for the production of housing for low- and moderate-income, or senior households in accordance with state density bonus law (Section 65915 et seq. of the California Government Code). In enacting this chapter, it is the intent of the city of Pacific Grove to facilitate development of affordable housing and to implement the goals, objectives and policies of the city's housing element. [Ord. 16-005 § 2, 2016; Ord. 98-02 § 1, 1998].

23.79.020 Implementation.

(a) To facilitate the provision of affordable housing, the city shall grant a density bonus and other incentives and concessions for residential developments in conformance with Government Code Section 65915 et seq., as may be amended from time to time.

(b) Affordable housing units produced pursuant to this chapter shall be administered by a city-approved public or quasi-public agency involved in affordable housing programs, or will be verified by the city based on documentation supplied by the property owner, in conformance with State Density Bonus Law. [Ord. 16-005 § 2, 2016; Ord. 98-02 § 1, 1998. Formerly 23.79.030].

Chapter 23.81

REASONABLE ACCOMMODATION FOR PERSONS WITH DISABILITIES

Sections:
23.81.010 Reasonable accommodation for persons with disabilities.

23.81.010 Reasonable accommodation for persons with disabilities.

(a) Purpose and Applicability.

(1) This chapter provides a procedure to request reasonable accommodation for persons with disabilities seeking equal access to housing under the Fair Housing Laws in the application of zoning laws, building codes, and other land use regulations, policies and procedures. Fair Housing Laws means “Fair Housing Amendments Act of 1988” (42 U.S.C. § 3601 et seq.), including reasonable accommodation required by 42 U.S.C. § 3604(f)(3)(B), and the “California Fair Employment and Housing Act” (California Government Code Section 12900 et seq.), including reasonable accommodation required specifically by California Government Code Sections 12927(c)(1) and 12955(l), as any of these statutory provisions now exist or may be amended from time to time.

(2) A request for reasonable accommodation may be made by any person with a disability, his/her representative, or any business or property owner when the application of a zoning law, building code provision or other land use regulation, policy or practice acts as a barrier to fair housing opportunities. A person with a disability is a person who has a physical or mental impairment that limits or substantially limits one or more major life activities, anyone who is regarded as having such impairment or anyone who has a record of such impairment, as those terms are defined in the Fair Housing Laws.

(3) A request for reasonable accommodation may include a request for modification or exception to the rules, standards and practices for the siting, development and use of housing or housing related facilities that would eliminate regulatory barriers and provide a person with a disability equal opportunity to housing of their choice. Requests for reasonable accommodation shall be made in the manner prescribed by this chapter.

(4) It is the intent of this chapter that, notwithstanding time limits provided to perform specific functions, application review, decision making and appeals proceed expeditiously, especially where the request is time sensitive, so as to reduce impediments to equal access to housing.

(b) Application Submittal.

(1) Any person with a disability, or his or her representative, may request reasonable accommodation on a form supplied by the community and economic development department. The request shall include the following information, and be accompanied by a fee established by resolution of the city council:

(A) The applicant’s or representative’s name, mailing address and daytime phone number;

(B) The address of the property for which the request is being made;

(C) The specific code section, regulation, procedure or policy of the city from which relief is sought;

(D) A site plan or illustrative drawing showing the proposed accommodation;

(E) An explanation of why the specified code section, regulation, procedure or policy is preventing, or will prevent, the applicant’s use and enjoyment of the subject property;

(F) The basis for the claim that Fair Housing Laws apply to the individual(s) and evidence satisfactory to the city supporting the claim. Evidence may include a letter from a medical doctor or other licensed health care professional, a disabled license, or any other relevant evidence;

(G) A detailed explanation as to why the accommodation is reasonable and necessary to afford the applicant an equal opportunity to use and enjoy a dwelling in the city;

(H) Verification by the applicant that the property is the primary residence of the person(s) for whom reasonable accommodation is requested; and

(I) Other information required by the city to make the findings required by subsection (d) of this section consistent with the Fair Housing Laws.

(2) A request for reasonable accommodation may be filed at any time the accommodation may be necessary to ensure equal access to housing. If the project for which the request for reasonable accommodation is being made also requires discretionary approval, the applicant shall provide required submittal information to the city together with the application for discretionary approval and shall pay all applicable fees. These materials shall enable the city to concurrently review the accommodation request and the discretionary approval request. Processing procedures for the discretionary approval request shall govern joint processing of both the reasonable accommodation and the discretionary permit.

(3) Reasonable accommodation does not affect or negate an individual's obligations to comply with other applicable regulations not at issue or related to the requested accommodation.

(4) If an individual needs assistance in making the request for reasonable accommodation, the city shall provide assistance to ensure the process is accessible.

(5) Should the request for reasonable accommodation be made concurrently with a discretionary permit, the fee for a reasonable accommodation application may be waived; provided, that the prescribed fee shall be paid for all other discretionary permits.

(c) Review Authority.

(1) Applications for reasonable accommodation shall be reviewed by the community and economic development director (director) when no approval is sought other than the request for reasonable accommodation.

(2) Applications for reasonable accommodation submitted for concurrent review with any discretionary land use application shall be reviewed by the authority governing the discretionary land use application.

(d) Findings. The review authority shall approve the request for a reasonable accommodation if, based upon all of the evidence presented, the following findings can be made:

(1) The housing, which is the subject of the request for reasonable accommodation, will be occupied by an individual with disabilities protected under Fair Housing Laws;

(2) The requested accommodation is reasonable and necessary to make housing available to an individual with disabilities protected under the Fair Housing Laws;

(3) The requested accommodation will not impose an undue financial or administrative burden on the city, as defined in the Fair Housing Laws and interpretive case law; and

(4) The requested accommodation will not require fundamental alteration or frustrate application of the city's zoning or building laws, policies and/or procedures, as defined in the Fair Housing Laws and interpretive case law. The city will consider the following factors to determine whether the

requested accommodation would fundamentally alter or frustrate application of the city's zoning or building program:

(A) Whether granting the accommodation would comply with the city's lighting and noise standards;

(B) Whether granting the accommodation would result in a substantial increase in traffic or insufficient parking; and

(C) Whether granting the accommodation would contradict the goals and policies of the city's general plan or an applicable specific plan.

(e) Decision.

(1) The review authority shall consider the application, and issue a written determination within 40 calendar days of the date of receipt of a completed application. At least 10 calendar days before issuing a written determination on the application, the city shall mail notice to the applicant and adjacent property owners that the city is considering the application and invite written comments as to the requested accommodation.

(2) If necessary to reach a determination on any request for reasonable accommodation, the review authority may request further information from the applicant or others consistent with this chapter, specifying in detail what information is required. If a request for further information is made of the applicant, the time period to issue a written determination shall be stayed until the applicant responds to the request.

(3) The review authority's written decision shall include findings and conditions of approval. The applicant shall be given notice of the right to appeal, and the right to request reasonable accommodation related to the appeal process. The review authority's decision shall be mailed to the applicant, to any person who provided written or verbal comment on the application, and to any other person who requests notice.

(4) Any approved reasonable accommodation shall be subject to any conditions imposed on the approval consistent with the purposes of this section.

(5) The review authority may approve alternative accommodations that provide equivalent and reasonable levels of benefit to the applicant.

(6) The written decision of the reviewing authority shall be final, unless appealed as set forth below.

(7) While a request for reasonable accommodation is pending, all laws and regulations otherwise applicable to the property subject to the request shall remain in full force and effect.

(8) Where improvements or modifications approved through a reasonable accommodation would generally require a variance, a variance shall not be required.

(f) Appeals.

(1) Any decision on a reasonable accommodation request may be appealed to the city council, which appeal must be received by the city within 10 calendar days of the issuance of a written decision.

(2) The appeal shall be in writing and shall include a statement of the grounds for appeal, and be accompanied by a fee established by resolution of the city council. If an individual needs assistance in filing an appeal, the city shall provide assistance to ensure the appeals process is accessible.

(3) The city council shall hear the matter de novo, and shall render a determination as soon as reasonably practicable, but in no event later than 60 calendar days after an appeal has been filed. All

determinations shall address and be based upon the same findings required to be made in the original determination from which the appeal is taken.

(4) The city shall provide notice of an appeal hearing to the applicant, adjacent property owners, and any other person requesting notification at least 10 calendar days prior to the hearing. The council shall announce its findings within 40 calendar days of the hearing, unless good cause exists for an extension. The decision shall be mailed to the applicant and to any other person who requests notice at the time of the hearing. The council's action shall be final.

(g) Waiver of Time Periods. Notwithstanding any provisions in this chapter regarding the occurrence of any action within a specified period of time, an applicant may request additional time beyond that provided for in this chapter or may request a continuance regarding any decision or consideration by the city of a pending appeal. The city may, in its sole discretion, grant or deny any such request for extension or continuance. The granting of an extension of time or continuance shall not be deemed delay on the part of the city, shall not constitute failure by the city to provide prompt decisions on applications and shall not be a violation of any required time period set forth in this chapter.

(h) Notice to the Public of Availability of Accommodation Process. The city shall prominently display in the public areas of the community and economic development department at City Hall a notice advising those with disabilities or their representatives that reasonable accommodations are available in accord with this chapter. City employees shall direct individuals to the display whenever requested to do so or if they reasonably believe individuals with disabilities or their representatives may be entitled to reasonable accommodation.

(i) Expiration, Time Extension, Violation, Discontinuance, and Revocation.

(1) Any reasonable accommodation approved in accordance with the terms of this chapter shall expire within 24 months from the effective date of approval or at an alternative time specified as a condition of approval unless:

(A) A building permit has been issued and construction has commenced;

(B) A certificate of occupancy has been issued;

(C) The use is established; or

(D) A time extension has been granted.

(2) The director may approve a time extension for reasonable accommodation for good cause for a period or periods not to exceed three years. Application for a time extension shall be made in writing to the community and economic development department no less than 30 days or more than 90 days prior to the expiration date.

(3) Notice of the director's decision on a time extension shall be mailed to the applicant.

(4) Any reasonable accommodation approved in accordance with the terms of this chapter may be revoked if any condition or term of the reasonable accommodation is violated, or if any law or ordinance is violated in connection therewith. Notice of revocation shall be mailed to the applicant and to the owner of any property affected by the accommodation. Upon revocation, the director may require any physical alteration associated with the reasonable accommodation to be removed or substantially conform to the code, as may be reasonably feasible.

(5) An accommodation is granted only to an individual. The accommodation shall not run with the land unless the director expressly finds the modification is physically integrated on the property and cannot feasibly be removed or altered. Any change in use or circumstances that negates the basis for the grant of approval may render the reasonable accommodation null and void and/or revocable by the city. Thereafter the director may require the reasonable accommodation to be removed or substantially conformed to the code if reasonably feasible.

(j) Amendments. A request for changes in conditions of approval of a reasonable accommodation, or a change to plans that affects a condition of approval shall be treated as a new application and shall be processed in accordance with the requirements of this chapter. The director may waive the requirement for a new application and approve the changes if the changes are minor, do not involve substantial alterations or addition to the plan or the conditions of approval, and are consistent with the intent of the original approval. [Ord. 16-005 § 7, 2016].

CITY OF PACIFIC GROVE

300 Forest Avenue, Pacific Grove, California 93950

AGENDA REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Sandra Kandell, City Clerk/DEI Coordinator

MEETING DATE: January 21, 2026

SUBJECT: Boards Commissions and Committees Quarterly Reports

CEQA: Proposed Ordinance not subject to CEQA based on Guideline Sections: 15060(c)(3) and 15378; 15060(c)(2); 15061(b)(3); and 150308

RECOMMENDATION

Receive Quarterly Reports from Boards, Commissions and Committees.

Attachments

BCC Quarterly Reports

PACIFIC GROVE ARCHITECTURAL REVIEW BOARD
REPORT FOR THE 3RD QUARTER OF CALENDAR YEAR 2025

Chair Scott Brooks, Vice-Chair Jeanne Byrne, Secretary David Huff, Member Sarah Boyle, and Member Martin Sublett

MEETING DATE	ACCOMPLISHMENTS
Regular Meeting of July 8, 2025	The Board reviewed and discussed Architectural Permit 24-0282 for 501 9th Street, and approved the permit subject to the recommended findings, conditions of approval, and Class 1 Categorical Exemption.
Regular Meeting of August 12, 2025	The Board reviewed and discussed Sign Permit 25-0100 for 1107 Forest Avenue, and approved the permit subject to the recommended findings, conditions of approval, and Class 1 Categorical Exemption. The Board reviewed and discussed Architectural Permit, Tree Permit with Development, and Coastal Development Permit 24-0092 for 229 Asilomar Boulevard. The Board voted to recommend that the Planning Commission approve the Architectural Permit and Tree Permit with Development 24-0092 subject to the recommended findings, standard conditions, and additional conditions for the proposed addition.
Regular Meeting of September 9, 2025	The Board reviewed and discussed Sign Permit 25-0118 for 1199 Forest Avenue Units 1-3, and approved the permit subject to the recommended findings, conditions of approval, and Class 1 Categorical Exemption. The Board received a report on the BCC Recommendation Process Changes & Quarterly Report.

BEAUTIFICATION AND NATURAL RESOURCES COMMISSION

CITY COUNCIL QUARTERLY REPORT:

☐ Q1 ☑ Q2 ☐ Q3 ☐ Q4

Chair Name: Christine Walkingstick | **Date:** 12/1/2025

With this first Quarterly Report (Q2/2025), the BNRC has included a larger scale snapshot of important topics pursued from public comment, time sensitive issues and queries brought forward from individual council members. In early 2025, the BNRC followed City Council SMART Goal creation in real-time to best align and be of the most help to Council throughout the year, as it pertains to BNRC purview, which is highlighted in the template below. We are a motivated, ambitious group, honored to serve as a think-tank to the City Council, the public and Pacific Grove's beautiful, natural environment.

Highlighted points include:

- Climate Action and Adaptation Efforts
- GWP General Plan
- Title 12
- Wildlife Protection Efforts
- Downtown Beautification
- Pests, Abatement and Pesticides

Additionally, the BNRC would like to address:

- Crespi Pond Maintenance - Inquiries regarding the maintenance of Crespi Pond have been brought up continuously during Public Comment. Awareness that Public Works has made announcement updates during City Council meetings is acknowledged. Multiple BNRC Commissioners would like to see real-time updates during BNRC announcements and/or an agenda item outlining project management.
- Meeting Minutes – With the recent recommendation to adopt Action Minutes as our meeting minutes format, context, transparency and value are seen to be lost. Reporting redundancy occurs with Quarterly Reports that could be addressed monthly, when read by council, within streamlined/ comprehensive minutes, avoiding commentary.
- Offering of Quarterly Report Template – Commissioner Craig Giraudo and Vice Chair Jennifer Gorman thoughtfully created the following template. If the Council finds it useful for future reports, the template is being offered to help develop more efficient practices.

Respectfully submitted by,

BNRC Chair, Christine Walkingstick

November 30, 2025

BEAUTIFICATION AND NATURAL RESOURCES COMMISSION

CITY COUNCIL QUARTERLY REPORT:

☐ Q1 ☑ Q2 ☐ Q3 ☐ Q4

Chair Name: Christine Walkingstick | **Date:** 12/1/2025

*Since this is the first quarterly report, historical background has been provided in the "Prior progress" fields:

Council Priority Area:	Environmental Stewardship; Pacific Grove cares for and protects its natural resources and amenities
Goal:	Complete Climate Action and Adaptation Efforts
Objective:	Present a Climate Action and Adaptation Plan to the City Council for approval
Prior progress: (highlights, actions and outcomes)	2/12/2024 – The Climate Action and Adaptation Brown Act Subcommittee reviewed proposal evaluation results and recommended the updated proposal by Blue Strike Environmental to develop the CAAP which Council approved 5/21/2024 – The Climate Action and Adaptation Brown Act Subcommittee recommended the City partner with the California Green Business Network (CGBN) program to provide free services to local businesses to "go green" (Carmel has integrated the program into their climate action plan)
Progress this quarter: (key learnings, actions and outcomes, potential issues, next steps) On track	10/30/2025 – The Climate Action and Adaptation Brown Act Subcommittee received an update on Blue Strike Environmental's Strategic Roadmap priorities and strategies for addressing climate change that will inform the draft CAAP, received public input and provided feedback. Completing its task, the subcommittee sunset at the conclusion of this meeting Next steps: The CAAP is expected to be posted online Nov 2025 for a 30-day public review period, then brought to the BNRC and Planning Commission for consideration prior to coming to Council next quarter for approval

Council Priority Area:	Environmental Stewardship; Pacific Grove cares for and protects its natural resources and amenities
Goal:	Complete Climate Action and Adaptation Efforts – Mitigate wildfire risks for Natural Areas and Open Spaces
Objective:	Reduce Pacific Grove's wildfire risk by prohibiting any source of fire, or open flame, in all City natural parks including its urban forests GWP & Rip Van Winkle; and Complete a GWP Master Plan
Prior progress: (highlights, actions and	5/20/2025 – Proposed Wildfire Safety Measure to prohibit open flames on public property natural spaces including GWP. Recommended Council consider

outcomes)	amending the fire code to prohibit the use of fires of any kind, or any source of open flame, in any public park designated as a Natural Area or Open Space. The BNRC also recommended removing the only BBQ in GWP and adding fire prohibition signage. This aligns with the GWP Master Plan fire management guidelines and protections in effect at similar locations (i.e. Point Lobos State Natural Reserve) that allows picnicking but prohibits any source of fire including campfires, barbecues, campstoves, and smoking)
Progress this quarter: (key learnings, actions and outcomes, potential issues, next steps) **In progress**	Next steps: The municipal code recommendation will be brought to Council in conjunction with another fire safety proposal for GWP that aligns with Council's Climate Action and Adaptation efforts and GWP Master Plan goals (see next goal for more information) at a future date

Council Priority Area:	Environmental Stewardship; Pacific Grove cares for and protects its natural resources and amenities
Goal:	Complete Climate Action and Adaptation Efforts – GWP perimeter fuel reduction plan that aligns with the 2023 Community Wildfire Protection Plan
Objective:	Complete George Washington Park Plan
Prior progress: (highlights, actions and outcomes)	2/18/2025 – Tree subcommittee proposed creating a natural walking/jogging recreational trail around the perimeter of the 20-acre urban forest to serve as a fuel break (defensible space) for surrounding neighborhoods. The proposed nature trail would be in what is now known as the "mow" zone, reducing perimeter fuels by eliminating tall grasses/weeds. It would be made from decomposed granite (DG), a natural material that is permeable. The path would naturally shift around trees and native plants in the pathway to protect and maintain the natural character of the park while increasing recreational opportunities for residents and visitors, especially for individuals with varying levels of disabilities that may have difficulty hiking the interior, more uneven trails. Trees within the perimeter pathway management zone would also be pruned to the minimum vertical clearance as recommended in the 2023 Community Wildfire Protection Plan. The establishment of this controlled trail system would also minimize soil compaction and root damage aligning with current GWP Master Plan recommendations. The BNRC recommended Council receive the concept presentation 2/18/2025 – Received public comment, discussed, and recommended the 2024 Denise Duffy and Associates George Washington Park (GWP) Biological Assessment serve as the basis for updating the 1999 GWP Master Plan. The multi-seasonal year-long biological study confirmed the majority of GWP is Monterey pine forest and majority of trees in GWP occur inside of or within 100 yards of the designated monarch butterfly sanctuary and therefore are protected as monarch butterfly habitat trees. Other findings include that due to the historic

	presence of overwintering monarch butterflies at the site and habitat conditions, the site could potentially support overwintering monarch butterflies in the future. In addition to a number of protected and endangered plant and animal species, a new CA species of special concern, the Western red bat, was identified
Progress this quarter: (key learnings, actions and outcomes, potential issues, next steps) **In progress**	11/24/2025 – Tree subcommittee met with the new City Forester and Environmental Program Manager regarding the City's tree canopy goal, wildfire protection measures, the GWP biological assessment and GWP Master Plan Next steps: ● To streamline the current plan addressing workability, wildfire and trails with consideration for tree/ plant/ canopy assessment, wildlife and recreation. ● Control of invasive grasses with handcrews is a top priority for the health of the forest. ● Fuel/Fire Break Perimeter Trail recommendation is on hold because of budgetary and CEQA considerations. Future Needs: GWP Plan will be presented to the BNRC by the City before moving to City Council. GWP Plan will be prioritized over Title 12 updates. In progress with Public Works, City Forester and Environmental Program Manager *(timeline not yet available)*

Council Priority Area:	Environmental Stewardship; Pacific Grove cares for and protects its natural resources and amenities
Goal:	Protect and Preserve the Natural Resources of Pacific Grove
Objective:	Complete the comprehensive update to Title 12 of the municipal code; revisions to focus on replanting compliance and tree appeal process; to be presented to the City Council for approval
Prior progress: (highlights, actions and outcomes)	1/30/2024 – Solicited stakeholder input and provided feedback on proposed Public Works Title 12 revisions. Based on feedback, it was determined a second revised draft would be developed 4/16/2024 – Tree subcommittee provided feedback on the 2nd draft of Amended Title 12 revisions which included reinstating the removal of qualified professional/arborist language, leaving the tree appeals process as is, streamlining and reducing redundancies, and the addition of canopy coverage language. Discussion and commendations included reinstating the 33% tree canopy coverage goal, protected trees that had been removed, additional wildlife considerations, replanting requirements, etc. BNRC recommended seeking further input from qualified forest management professionals. City staff and BNRC agreed to continue collaborating to bring back Title 12 revisions for a third review 7/16/2024 – Discussed commission and public comments on 3rd review of proposed Title 12 revisions

	8/20/2024 – Revisited proposed Title 12 revisions recognizing specific suggestions brought forward by the BNRC and the public deserve further examination by an expert. **Motioned proposed Title 12 revisions be reviewed by a qualified professional City Forester and brought back to BNRC prior to consideration by Council.** *Further progress has been delayed due to the time needed to hire and onboard the new City Forester*
Progress this quarter: (key learnings, actions and outcomes, potential issues, next steps) **In progress**	11/24/2025 – Tree subcommittee met with the new City Forester and Environmental Program Manager regarding the City's tree canopy, Title 12 of the municipal code, the GWP biological assessment and GWP Master Plan Next steps: City Forester and Environmental Program Manager in active review: ● Forester is following ISA (International Society of Arboriculture) standards and communicating certification requirements with area Arborists when approached with tree permitting. ● Forester is meeting with Planning Department to address state mandates, development and Climate Action goals as it pertains to Title 12 ordinances ● Urban Forestry Standards will need revision in tandem. Future Need(s): *Sufficient time is needed to continue review and analysis*

Council Priority Area:	Environmental Stewardship; Pacific Grove cares for and protects its natural resources and amenities
Goal:	Protect and Preserve the Natural Resources of Pacific Grove
Objective:	Assess Wildlife Protection efforts in the City that can be achieved, within available resources and present feasible measures to the City Council for consideration
Prior progress: (highlights, actions and outcomes)	2/28/2025 – Presented a Fencing Municipal Code Revision Concept and discussed wildlife friendly fencing to increase community awareness to improve wildlife protection efforts to reduce animal injuries, particularly for deer 4/15/2025 – Supported the Eagle Scout project of installing Great Horned Owl platforms/nests at GWP and RVW with the evaluation and suggestions of possible other locations within the parks, from a biologist. The project has been completed 9/16/2025 – Received presentation on the Monterey Audubon Society's Point Pinos Seawatch program, which runs each year from Nov 1 - Dec 15. The Seawatch program monitors seabird migration from Point Pinos, gathering long-term data on species numbers, timing, and distribution. This information helps guide conservation efforts and also raises public awareness about the importance of the area's wildlife. Feedback was provided and a motion was made in support of the replacement SeaWatch interpretive sign concept for Point Pinos

Progress this quarter: (key learnings, actions and outcomes, potential issues, next steps) **In progress**	10/21/2025 – Motioned to support the C.O.A.S.T. (Center for Ocean Art, Science, and Technology) group's concept of designating a Point Pinos Historic District on the National Register of Historic Places to preserve and protect the cultural heritage and natural resources of the area including its plants, birds, archaeology, marine resources and the artist Ray Troll's NOAA Mural Next steps: The National Register has requested additional information from C.O.A.S.T. which is being provided Future need: Council support for the historic designation

Council Priority Area:	Infrastructure: Pacific Grove prioritizes the provision of facility, human, and technology infrastructure that enhances the quality of life for residents and businesses
Goal:	Address critical physical infrastructure needs
Objective:	Create a downtown streetscape improvement plan
Prior progress: (highlights, actions and outcomes)	1/21/2025 – Recommended approval of the PG Cares pilot project to improve landscaping at Lover's Point and the entrance to Caledonia Park utilizing drought tolerant, native, and pollinator plants. Both locations are near downtown and businesses. Council approved the beautification landscaping projects and they have been completed 1/21/2025 – Discussed goals and challenges of potential Lighthouse Avenue landscape median beautification project. Challenges include cost, maintenance, asphalt under medians and potentially limited soil for new plantings 4/15/2025 – Recommended Council accept the "Dancing Monarchs" sculpture art donation which serves as a symbol of the City's namesake "Butterfly Town" and signifies the historical and environmental importance of Pacific Grove's monarch sanctuaries. The donation has been accepted and approved for placement at Lover's Point
Progress this quarter: (key learnings, actions and outcomes, potential issues, next steps) **In progress**	Next steps: Revisit downtown median and other landscape streetscape goals and strategies to enhance the community's character with natural elements, creating a sense of place and supporting local businesses. Strategies will also support climate action and adaptation efforts

Council Priority Area:	Environmental Stewardship; Pacific Grove cares for and protects its natural resources.
Goal:	Protect and Preserve Pacific Groves Natural Resources

Objective:	Integrated Pest Management/Pesticide Ban
Prior progress: (highlights, actions and outcomes)	8/19/2025 - In light of the internationally publicized information putting a spotlight on tested monarchs from the Pacific Grove Monarch Sanctuary having died from insecticide poisoning, members of the BNRC requested information from the Environmental Program Manager regarding pest abatement measures used within the city and ordinance considerations. In this same timeline, concerns arose by the public, commission and council regarding the squirrel population at Lovers Point and Perkins Park. The agenda item: Pests, Abatement and Pesticides came forward as a presentation from the City at the August 2025 meeting Presentation included: ● The City of Pacific Grove follows stringent Integrated Pest Management Guidelines. ● Monterey County ordinances rule over local ordinance considerations. ● The state of CA is transitioning to IPM standards and has embarked on a large-scale outreach and education program. Discussion: ● The BNRC finds value in educating our public on IPM best practices and would like to see an outreach/education program locally. ● The BNRC motioned to support prioritizing the legal abatement of ground squirrels in problem areas and adding signage to promote public safety.
Progress this quarter: (key learnings, actions and outcomes, potential issues, next steps) On track	Outcome: Signage was placed at Lovers Point to discourage squirrel feeding. Squirrel abatement was thoughtfully administered through the most humane measures available.

City of Pacific Grove
Task Force on Diversity, Equity and Inclusion

Memo

To: Mayor and City Council

From: Kim Bui, Chair

cc: City Manager

Date: November 22, 2025

Re: Chair Quarterly report

Thank you for the opportunity to provide a quarterly report from the Chair of the Task Force on Diversity, Equity and Inclusion to communicate notable topics or items from the community and Task Force. Notable topics from Task Force meetings and communications:

- Ongoing community interest and support for the development of a Land Acknowledgement for the City of Pacific Grove
- Ongoing community interest and support for an education and resources webpage
- Continued concern for residents, workers, children and families, seniors, businesses, nonprofits, visitors and others negatively affected/harmed by federal actions such as immigration raids, budget cuts, government shutdown, benefit and healthcare cuts, etc. which may not be notvcable in PG but are affecting those who work, live and study in our town, and their family and friends.
- Questions about what the City is/can be doing to assist affected individuals and organizations in these challenging times. Questions about the role of the police department and safety during federal actions..
- Continued interest in having community dialogue with, and about, underrepresented communities
- Appreciation for the work of the Task Force and continued City Council support

The Task Force very much appreciates the assistance and support of the City Clerk/DEI Coordinator, IT staff, City Manager and Council Liaison Poduri.

Quarterly Report
Historic Resources Committee
from Jean Anton, Chair 19 November 2025

(Since this is the first report, I decided to begin in January 2025.)

The **Historic Resources Committee** meets monthly on the fourth Wednesday of each month. At the present we have three members (Jean Anton, Glynis Greening, Lydia Collins) and two vacancies including one spot that should be filled with a qualified architect or contractor.

From the City website:
The Committee was created by ordinance to hear and make determinations regarding additions and deletions to the historic resources inventory. The Committee also performs such other duties relating to the historical preservation of the community as further described in Chapter 23.76 of the Pacific Grove Municipal Code. Any property may be added to the City s Historic Resources Inventory in accordance with the requirements of Municipal Code Section 23.76.030(a) Inclusion on the Inventory is based on the criteria listed in Municipal Code Section 23.76.025 and is not limited to a specific year of construction. The consent of the property owner is not required for inclusion on the Inventory.

Initial Historical Determinations are how the committee decides if a property might be eligible for the Historic Resources Inventory. These are houses that are fifty or more years old but not currently on the Historic Resources Inventory. Since January 2025 we have looked at seven houses, and one was determined to be eligible for the HRI.

Historic Determinations are properties which may be added to or deleted from the Historic Resources Inventory either by initiation of the historic resources committee or by submittal of a historic determination application by the property owner. We have looked at eight houses in this category and have added six houses to the HRI.

Another task involves **Architectural Permits** for all houses currently on the HRI. We check to see that the standards set by the Secretary of the Interior are met. We have looked at four Architectural Permits so far this year and approved them, some with minor changes.

Deletions are houses/buildings proposed for removal from the Historic Resources Inventory due to loss of integrity. In 2025 we have deleted two houses from the Inventory. In 2024 we were systematically going through the “List of Properties Recommended for Removal” provided by Page and Turnbull in their 2019 review, but because of understaffing that process was put on hold. We still have over a hundred houses to review.

Outlook

Library Advisory Board quarterly report

From Alycia Usher Perez [redacted]
Date Sun 11/30/2025 6:19 PM
To Sandra Kandell <skandell@cityofpacificgrove.org>
Cc Rachel Gaither <RGaither@cityofpacificgrove.org>; Angela Canales <acanales@cityofpacificgrove.org>

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Ms. Kandell,

Library Advisory Board (LAB) report to city clerk - December 1, 2025

- The LAB submits the following goal to city council:
  - **Develop and implement a detailed ADA transition plan (with priorities, schedules, and costs) that prioritizes the library, after the completion of t**
- The LAB has an updated work plan that details current and recent activities of the LAB, available attached to each LAB meeting agenda
- There are no current major activities for the LAB

Very best,
Alycia

PROPOSED/DRAFT Library Advisory Board Work Plan 2025						
Item Number	**LAB Task**	**Subcommittee**	**Objectives**	**Anticipated Timeline**	**Notes**	
Ongoing Items						
2025-6	Trainings/Presentations	TBD	Understand roles and duties	2025	None currently planned	
Completed Items						
2024-1	Develop Annual Workplan	Todd Oldham, Tama Olver	Establish and develop a list of tasks	Initial draft Nov 2024	Completed Nov 2024	
2025-1	Election of Officers	Tama Olver	Nominate and select Chair, Vice Chair, and Secretary	March 2025	Completed. Elected: Perez - Chair, Moore - Vice-Chair, Olver - Secretary	
2025-2	PGPL Annual Budget	Tama Olver with Rachel Gaither	Understand budget process	2025	Cancelled	
2025-4	Review Library Policies	N/A	Update PG policies 200 A-F	2025	Cancelled. Director Rachel Gaither is updating policies and will share them with the board as they are available. This is no longer a task for the board.	
2025-5	Advocate for ADA compliance	TBD	Advocate for improvements to increase ADA accessibility.	2025	The board prioritized ADA accessibility at the Library, especially with regards to parking. Voted unanimously to recommend city council to approve additional funds to complete the ADA assessment. As the assessment is completed, the board will determine how to best advocate for and facilitate improvements.	
2025-3	Review unmet community needs for Library Patrons / Possible new strategic plan	TBD	Community survey, PG website, PGPL newsletter, Friends Newsletter, Questionnaire in PGPL	2025	Survey being conducted in February 2025 by Library. 1) hours of availability, 2) new hotel Pacific Grove Engagement	

Outlook

Museum Board Chair Report

From David Messman <cdmessman@gmail.com>
Date Wed 11/19/2025 11:27 AM
To Sandra Kandell <skandell@cityofpacificgrove.org>
Cc Joyce Halabi <jhalabi@cityofpacificgrove.org>

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August board meeting was cancelled for lack of quorum.

Final 2025 board meeting was held on November 3. Only routine matters were on the agenda, including various reports from museum staff, report on lighthouse activities and presentation of museum foundation audited financial statements. All four current members of board were present for November meeting.

One member of the board (Shelton Vernon) passed away this summer. As a result, board (full complement five members) currently composed of four members. Seat vacated by passing of Shelton will need to be filled in 2026. The current term of one member (Dana Allen-Greill) also ends in January 2026.

Feel free to contact me with any question or if you need further information.

David Messman

PACIFIC GROVE PLANNING COMMISSION
REPORT FOR THE 3RD QUARTER OF CALENDAR YEAR 2025

MEETING DATE	ACCOMPLISHMENTS
Regular Meeting of July 10, 2025	The minutes of the April 10 and June 12 meetings of the Planning Commission were approved. The Planning Commission reviewed an update from staff on the status of the Housing Element Update and the next steps involved in completing a draft of the Housing Element and the Environmental Review that was being conducted. Commissioners asked questions and sought clarifications about the various components of the Housing Element and the complement of documents that are being updated in conjunction. These documents include the Land Use Element, Health and Safety Element, Zoning Code, and the Zoning and General Plan Land Use Maps. The consultant team for the Housing Element was not present for this study session. Public comments were received on this agenda item. By consensus, the Commission also encouraged staff to hold at least one additional public workshop on the housing element and its status to keep the community informed about this important policy document and what it means for Pacific Grove.
Regular Meeting of August 14, 2025	The minutes of the July 10 meeting of the Planning Commission were approved. Commissioners received a report from staff on a public workshop on the Housing Element hosted at Chautauqua Hall on the evening of August 6, 2025. The Commission held a study session with a presentation by staff on the draft amendments to the General Plan Land Use Element, General Plan Health and Safety Element, and the zoning code (Title 23, Zoning of the Pacific Grove Municipal Code), which are being updated in response to the update to the Housing Element. The Commissioners used this study session as an opportunity to ask for clarifications and seek guidance on how they could formulate a recommendation to the

	City Council. The consultant team for the Housing Element was not present for this study session. Public comments were received on this agenda item.
Regular Meeting of September 11, 2025	The minutes of the August 14 meeting of the Planning Commission were approved. The Commission received a presentation by staff on the updated Board, Committee, and Commission (BCC) process protocols on the number of recommendations to be forwarded to the City Council to two per BCC per year. The Commission was also informed of a new protocol that directs BCC's to provide quarterly reports to the City Council. Commissioners then considered an Architectural Permit, Coastal Development Permit, and Tree Permit for an addition to an existing single-family dwelling at 229 Asilomar Avenue. Following a presentation by staff and hearing answers to questions posed by the Commissioners to the applicants, the Commissioners deliberated the merits of the project, sought a few further clarifications from staff and the applicant regarding the proposed removal and replacement planting of trees on the site and then voted to approve the project and its related permits. Comments from the applicant and public were received on this agenda item. The Commission held a second study session on the draft amendments to the General Plan Land Use Element, General Plan Health and Safety Element, and the zoning code (Title 23, Zoning of the Pacific Grove Municipal Code), which are being updated in response to the Housing Element Update. Like the prior study session, the Commissioners asked for clarifications and answers to questions. The Commission also wanted to know about the schedule for considering the Environment Impact Report (EIR) on the project. Staff provided an update on this and let the Commission know that the EIR would be considered at the public hearing at which the Housing Element update and the update to all the related regulatory and policy documents would be made. Public Comments were received on this agenda item.

PACIFIC GROVE TRAFFIC SAFETY COMMISSION FOURTH QUARTER REPORT TO THE CITY COUNCIL

I. Introduction

The Pacific Grove Traffic Safety Commission ("TSC") submits the following quarterly report pursuant to the City Council's protocol for all city commissions and committees. Our submission has two sections: 1) Public Concerns – what we are hearing from the citizens of Pacific Grove ("PG") regarding automobile, pedestrian and bicycle safety concerns in PG; and 2) what the TSC is doing to assist in the implementation of the City Council's 2025/2026 Community Goals and Workplan Metrix.

II. PUBLIC CONCERNS

The TSC obtains input from the citizens of PG chiefly through: 1) written comments on the Complaint Page contained on the City website; 2) oral comments from those attending TSC meetings in person and remotely. Commissioners also walk and ride through PG to observe traffic related conditions and speak to the public about their traffic safety related concerns in the city.

Below is a list of issues raised most often in the last year by the citizens of PG:

A. Excessive Speed on City Roads, including, but not limited to:
   1. Patterson Lane
   2. Pine Avenue
   3. Ocean View Blvd.
      Generally, on many PG roads during Car Week.

B. Problematic Intersections
   1. Lighthouse and Central/Congress
   2. Eardley and Central and Lighthouse
   3. Forest and Lighthouse
   4. Eardley and 2nd Street
   5. Central and Caledonia Ave.

C. Pedestrian and Bicycle Safety Issues
   1. Lack of bike lanes on certain major streets
   2. Poor condition of sidewalks and lack of sidewalks particularly on safe routes to PG schools
   3. Excessive speed of bikes on PG Recreation trails

4. Safe Routes to Schools pedestrian and bicycle issues generally involving sidewalks and intersections.

III. TSC Actions Within Our Jurisdiction to Assist the City in Accomplishing its Stated 2025/2026 Goals

This quarter, the TSC has discussed, and will continue to discuss, how the TSC can assist in implementing the goals and the Work Plan Matrix issued by the City Counsel.

After reviewing the Goals and the Matrix, the TSC believes it can assist, given its jurisdiction, in the implementation of the pedestrian sidewalk issued referenced in Goal 2.1 involving City sidewalks and Goal 2.3 Development of a Safe Routes to School Plan.

The condition of sidewalks in PG, and in some cases the lack thereof, requires both citizen and staff time and money. The TSC is searching for funds from outside the City budget to address this issue. We see this as helping advance the Matrix goal to develop a "plan for City property and sidewalk repair process for private property owners." The TSC sees a significant link between this Goal and the development of a Safe Routes to School Plan.

Many of the sidewalks in the City, particularly given the impact of adjacent tree roots are no longer flat. This presents pedestrians hazard particularly for children and the elderly. Where bike lanes are not available or there are obstructions to traveling in the streets, bicyclists also use sidewalks, particularly young children.

The TSC is exploring potential funding though the Transportation Agency for Monterey County ("TAMC") and other public sources for repair and sidewalk installation work. Recently, the TSC has taken under consideration an appeal to the TAMC for funding for the installation of a paved sidewalk from the intersection of Route 68 along Congress to the Forest Grove Elementary School, pending discussion with the Pacific Grove Unified School District, to further the Safe Routes to School goal.

VI. Recommendations to the City Counsel

The TSC recently has taken action to address concerns raised by the public regarding traffic safety in PG, as well as advancing the City goals, through the following recommendations to the City Council:

1. A recommendation for action to improve the safety of the Lighthouse, Central and Congress Avenue intersection. This intersection by the Post office is the western entrance to PG. Crossing from one side of Lighthouse to the other without stop signs on Lighthouse presents issues for pedestrians. It also presents issues for drivers. The City Council approved a study by the City Traffic Engineer to address this issue.

2. A recommendation to the City Counsel for the soliciting of bids to purchase five(5) fixed radar speed signs to be placed on problematic streets in the City. The devises have a proven record of assisting communities in:

    a. Enhancing Public Safety by encouraging speed limit compliance;
    b. Increasing Driver Awareness of speed particularly in areas of high pedestrian and bicycle traffic;
    c. Supporting Data-Drive Policing to assist in identifying problem areas for more efficient use of police and other city resources;
    d. Serving as highly visible but comparatively inexpensive traffic calming devices.

The TSC looks forward to working with the public, public works and the Police Department to selecting the location for these radar speed signs.

CONCLUSION

The TSC looks forward in the coming months to addressing, the concerns of PG citizens and assisting the City Council in accomplishing its stated goals with regard to the safety of PG roads and walkways.

CITY OF PACIFIC GROVE

300 Forest Avenue, Pacific Grove, California 93950

AGENDA REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Joe Amelio, Mayor Pro Tem

MEETING DATE: January 21, 2026

SUBJECT: Monterey Salinas Transit Meeting Minutes of November 10, 2025 and December 8, 2025

CEQA: Does not constitute a Project per California Environmental Quality Act Guidelines Section 15378

RECOMMENDATION

Receive the minutes.

Attachments

MST Minutes 111025

MST Minutes 120825

MEETING OF THE MST BOARD OF DIRECTORS

Meeting Minutes
November 10, 2025
10:00 a.m. (Pacific)

Present:	Mary Ann Carbone, Chair	City of Sand City
	Lorraine Worthy, Vice Chair	City of Gonzales
	Kim Shirley	City of Del Rey Oaks
	Ariana Rodriguez	City of Greenfield
	Liesbeth Visscher	City of Marina
	Ed Smith	City of Monterey
	Joe Amelio	City of Pacific Grove
	Gloria De La Rosa, Alternate	City of Salinas
	Dave Pacheco	City of Seaside
	Fernando Cabrera	City of Soledad
	Luis Alejo	County of Monterey
Absent:	Bob Delves	City of Carmel-by-the-Sea
	Mike LeBarre	City of King
	Ed Smith	City of Monterey
Counsel:	Michael D. Laredo	General Counsel, De Lay & Laredo
Staff:	Carl Sedoryk	General Manager/CEO
	Lisa Rheinheimer	Deputy CEO
	Kelly Halcon	Chief Human Resources Officer
	Michael Kohlman	Chief Information Officer
	Norman Tuitavuki	Chief Operating Officer
	Michelle Overmeyer	Director of Planning and Innovation
	Jeanette Alegar-Rocha	Deputy Secretary/Clerk to the Board
	Andrea Williams	Finance Manager
	Albert Garcia	Communications Systems Specialist
	Cristy Sugabo	Mobility Manager
	Christine Church	Compliance Officer
	Daniel Rodriguez	Customer Service Representative
	Danitza Lopez	Human Resources Assistant
	Emma Patel	Planning Manager
	Ezequiel Rebollar	Systems Engineer

	Grace Ibarra	Coach Operator
	Jacob Huggins	IT Specialist
	Jacob Newman	Operations Specialist
	Jason Anderson	Drug and Alcohol Coordinator
	Jose Sanchez Barajas	Communications Systems Manager
	Kelly Soriano	Mobility Specialist
	Kevin Allshouse	Contract Transportation Manager
	Luiza Hatlestad	Mobility Specialist
	Marzette Henderson	Transportation Manager
	Natalie Flores	Associate Planner
	Paul Lopez	Facilities Manager
	Rolando Munoz	Mobility Specialist
	Ruben Gomez	Mobility Coordinator
	Scott Taylor	Information Technology Manager
	Susie Flores	Grants Analyst
	Ursulla Scardina	Communications Specialist
	Vince Dang	Project Management Coordinator
Public:	W.C. Pihl	Transdev
	David Cox	Transdev
	Cheryl Wilson	Member of the Public
	Emily Paz	Member of the Public
	Steve Ramirez	ATU Local 1225
	Jasmine Mejia-Cortes	County of Monterey
	Christina Watson	TAMC

1. CALL TO ORDER

1-1. Roll Call.

1-2. Pledge of Allegiance

Chair Carbone called the meeting to order at 10:01 a.m. Roll call was taken and a quorum established. Director Visscher led the pledge of allegiance.

1-3. Highlights of the agenda. (Carl Sedoryk)

General Manager/CEO, Carl Sedoryk reviewed highlights of the Agenda.

2. PUBLIC COMMENTS ON MATTERS NOT ON THE AGENDA

Bob Delves arrived at 10:05 a.m.

Emily Paz, a member of the public, commented on scheduling MST RIDES trips.

3. CONSENT AGENDA

These items will be approved by a single motion. Anyone may request that an item be discussed and considered separately.

3-1. Financial Reports – September 2025 (Lori Lee) (Page 9)
   a) Accept Report of September 2025 Cash Flow
   b) Approve September 2025 Disbursements
   c) Accept report of September 2025 Treasury Transactions

3-2. Approve Minutes of the MST Board Meeting on October 13, 2025. (Jeanette Alegar-Rocha) (Page 19)

3-3. Receive Draft Minutes of the MST Board Operations Performance Committee Meeting on October 13, 2025. (Jeanette Alegar-Rocha) (Page 25)

3-4. Adopt Resolution 2026-07 Recognizing Grace Ibarra, Coach Operator as Employee of the Month for November 2025. (Marzette Henderson) (Page 29)

3-5. Receive Draft Minutes of the Mobility Advisory Committee Meeting on September 24, 2025. (Ruben Gomez) (Page 31)

3-6. Adopt Resolution 2026-08 in Appreciation of Assemblymember Dawn Addis in Support of Assembly Bill (AB) 761. (Carl Sedoryk) (Page 35)

3-7. Reject Claim by the Claimant Clorinda Russo. (Jarred Augusta) (Page 37)

3-8. Reject Claim by the Claimant Micaela Jimenez de Ayala. (Jarred Augusta) (Page 39)

End of Consent Agenda

There were no public comments on the Consent Agenda.

On a motion by Director Pacheco and seconded by Director Amelio and carried by the following roll call vote, the Board approved all items on the consent agenda.

AYES:	**11**	**Delves, Shirley, Worthy, Rodriguez, Visscher, Amelio, Carbone, De La Rosa, Pacheco, Cabrera, Alejo**
NOES:	**0**	
ABSENT:	**2**	**LeBarre, Smith**
ABSTAIN:	**0**	
RECUSE:	**0**	

4. RECOGNITIONS AND SPECIAL PRESENTATIONS

4-1. Appreciation of Assemblymember Dawn Addis in Support of Assembly Bill (AB) 761. (MST Chair and Members of the Board)

4-2. November 2025 Employee of the Month – Grace Ibarra, Coach Operator. (Marzette Henderson)

5. PUBLIC HEARINGS

None.

6. ACTION ITEMS

6-1. Adopt FY 2026-2030 Strategic Plan and Approve FY 2025/2026 Action Plan. (Carl Sedoryk) (Page 41)

Cheryl Wilson, a member of the public, commented on scheduling MST RIDES trips.

On a motion by Director Amelio and seconded by Director Pacheco and carried by the following roll call vote, the Board approved item 6-1.

AYES:	**11**	**Delves, Shirley, Worthy, Rodriguez, Visscher, Amelio, Carbone, De La Rosa, Pacheco, Cabrera, Alejo**
NOES:	**0**	
ABSENT:	**2**	**LeBarre, Smith**
ABSTAIN:	**0**	
RECUSE:	**0**	

6-2. Review Draft Transit First Policy Template and Provide Feedback. (Carl Sedoryk/Lisa Rheinheimer) (Page 121)

There were no public comments.

6-3. Adopt Resolution 2026-09 Authorizing the General Manager/CEO to Execute a Purchase and Sale Agreement with the City of Seaside for the Sale of MST-Owned Real Property Located at Colonel Durham and Seventh Avenue, Seaside (APN 031-151-024-000) for $270,000 and Finding that the Sale is Exempt from the California Surplus Lands Act and Exempt from CEQA. (Lisa Rheinheimer) (Page 127)

There were no public comments.

On a motion by Director Pacheco and seconded by Director Amelio and carried by the following roll call vote, the Board approved item 6-3.

AYES:	**11**	**Delves, Shirley, Worthy, Rodriguez, Visscher, Amelio, Carbone, De La Rosa, Pacheco, Cabrera, Alejo**
NOES:	**0**	
ABSENT:	**2**	**LeBarre, Smith**
ABSTAIN:	**0**	
RECUSE:	**0**	

6-4. Approve a 5.5% Incentive Pay for the General Manager/CEO. (Mary Ann Carbone) (Page 133)

There were no public comments

On a motion by Director Worthy and seconded by Director Visscher and carried by the following roll call vote, the Board approved item 6-4.

AYES:	**10**	**Delves, Shirley, Worthy, Rodriguez, Visscher, Amelio, Carbone, De La Rosa, Pacheco, Cabrera**
NOES:	**1**	**Alejo**
ABSENT:	**2**	**LeBarre, Smith**
ABSTAIN:	**0**	
RECUSE:	**0**	

7. REPORTS & INFORMATION ITEMS

The Board will receive and file these reports, which do not require action by the Board.

7-1. General Manager/CEO Monthly Report – September 2025 (Page 135)

7-2. Federal Legislative Advocacy Update – (Page 145)

7-3. State Legislative Advocacy Update – (Page 147)

7-4. Staff Trip Reports – (Pages 154-167)

7-5. Correspondence – None

8. BOARD REPORTS, COMMENTS, AND REFERRALS

8-1. Reports on Meetings Attended by Board Members at MST Expense. (AB 1234)

8-2. Board Member Comments and Announcements.

8-3. Board Member Referrals for Future Agendas.

9. ATTACHMENTS

9-1. The Monthly Report for August 2025 can be viewed online: http://mst.org/about-mst/board-of-directors/board-meetings/

10. CLOSED SESSION

Comments from the public will not receive Board action. Comments must deal with matters on the Closed Session agenda and will be limited to three minutes.

10-1 . Conference with Real Property Negotiators – Gov. Code § 54956.8
APN#s: 003-051-086 and 003-051-087, Salinas, CA
MST Negotiators: Carl Sedoryk, General Manager/CEO
Under Negotiation: Price and Terms

There were no public comments

Michael Laredo, MST General Counsel, reported that the Board met and discussed closed session item 10-1 with no reportable action.

11. ADJOURN

With no further business to discuss, Chair Carbone adjourned the meeting at 12:05 p.m. (Pacific).

Prepared by: _____ Reviewed by: _____

Jeanette Alegar-Rocha
Deputy Secretary/Clerk to the Board

Carl G. Sedoryk
General Manager/CEO

MEETING OF THE MST BOARD OF DIRECTORS

Meeting Minutes
December 8, 2025
10:00 a.m. (Pacific)

Present:	Mary Ann Carbone, Chair	City of Sand City
	Lorraine Worthy, Vice Chair	City of Gonzales
	Bob Delves	City of Carmel-by-the-Sea
	Kim Shirley	City of Del Rey Oaks
	Liesbeth Visscher	City of Marina
	Ed Smith	City of Monterey
	Joe Amelio	City of Pacific Grove
	Tony Barrera	City of Salinas
	Dave Pacheco	City of Seaside
	Luis Alejo (remote)	County of Monterey
Absent:	Ariana Rodriguez	City of Greenfield
	Mike LeBarre	City of King
	Fernando Cabrera	City of Soledad
Counsel:	Michael D. Laredo	General Counsel, De Lay & Laredo
Staff:	Carl Sedoryk	General Manager/CEO
	Lisa Rheinheimer, (remote)	Deputy CEO
	Kelly Halcon	Chief Human Resources Officer
	Michael Kohlman	Chief Information Officer
	Norman Tuitavuki, (remote)	Chief Operating Officer
	Michelle Overmeyer	Director of Planning and Innovation
	Jeanette Alegar-Rocha	Deputy Secretary/Clerk to the Board
	Andrea Williams	Finance Manager
	Beronica Carriedo	C/S and Community Relations Supervisor
	Cristy Sugabo	Mobility Manager
	Christine Church	Compliance Officer
	Daniel Bruno	Scheduling Assistant
	Daniel Rodriguez	Customer Service Representative
	Danitza Lopez	Human Resources Assistant
	Diana Lopez	Customer Services Representative
	Emma Patel	Planning Manager

	Ezequiel Rebollar	Systems Engineer
	Greg Burchell	Operations Supervisor
	Jacob Huggins	IT Specialist
	Jacob Newman	Operations Specialist
	Jason Anderson	Drug and Alcohol Coordinator
	Kevin Allshouse	Contract Transportation Manager
	Luiza Hatlestad	Mobility Specialist
	Melissa Valedez	Human Resources Supervisor
	Natalie Flores	Associate Planner
	Renaldo Hernandez	Coach Operator
	Ruben Gomez	Mobility Coordinator
	Scott Taylor	Information Technology Manager
	Sonjé Dayries	Civil Rights Officer
	Susie Flores	Grants Analyst
	Ursulla Scardina	Communications Specialist
	Vince Dang	Project Management Coordinator
Public:	Don Gilchrest	Thomas Walters & Associates
	Matt Robinson	Shaw, Yoder, Antwih, Schmelzer & Lange
	Michael Pimentel	Shaw, Yoder, Antwih, Schmelzer & Lange
	Jean Rasch	City of Monterey
	Michelle Adams	City of Sand City
	Liz Gonzalez	County of Monterey
	Rick Guerrero	Graniterock-Myers
	Chris Duymich	TAMC
	Ariadne Sambrano	TAMC
	Brian Cox	Transdev

1. CALL TO ORDER

1-1. Roll Call.

1-2. Pledge of Allegiance

Chair Carbone called the meeting to order at 10:02 a.m. Roll call was taken and a quorum established. Director Worthy led the pledge of allegiance.

1-3. Highlights of the agenda. (Carl Sedoryk)

General Manager/CEO, Carl Sedoryk reviewed highlights of the Agenda.

2. PUBLIC COMMENTS ON MATTERS NOT ON THE AGENDA

There were no public comments.

3. CONSENT AGENDA

These items will be approved by a single motion. Anyone may request that an item be discussed and considered separately.

3-1. Financial Reports – October 2025 (Lori Lee)
   a) Accept Report of October 2025 Cash Flow
   b) Approve October 2025 Disbursements
   c) Accept report of October 2025 Treasury Transactions

3-2. Approve Minutes of the MST Board Meeting November 10, 2025. (Jeanette Alegar-Rocha)

3-3. Receive Draft Minutes of the MST Board Administrative Performance Committee Meeting on November 10, 2025. (Jeanette Alegar-Rocha)

3-4. Adopt Resolution 2026-10 Recognizing Susie Flores, Grants Analyst as Employee of the Month for December 2025. (Michelle Overmeyer)

3-5. Receive the 2026 Board Meeting Calendar, Committee Meeting Schedule, and Conference Dates. (Jeanette Alegar-Rocha)

3-6. Reject Claim by the Claimant Argelia Soria Albarran. (Jarred Augusta)

End of Consent Agenda

There were no public comments on the Consent Agenda.

Director Barrera pulled item 3-6 to be reviewed in closed session.

On a motion by Director Smith and seconded by Director Pacheco and carried by the following roll call vote, the Board approved all items except 3-6 on the consent agenda:

AYES:	**10**	**Delves, Shirley, Worthy, Visscher, Smith, Amelio, Carbone, Barrera, Pacheco, Alejo**
NOES:	**0**	
ABSENT:	**3**	**Rodriguez, LeBarre, Cabrera**
ABSTAIN:	**0**	
RECUSE:	**0**	

4. RECOGNITIONS AND SPECIAL PRESENTATIONS

4-1. December 2025 Employee of the Month – Susie Flores, Grants Analyst (Michelle Overmeyer)

4-2. 25 Year Service Anniversary – Dennis Abendano, Coach Operator (Marzette Henderson)

4-3. MST Peer of the Year 2025 Recognitions (Kelly Halcon)

Individual	Job Title	MST Department
Renaldo Hernandez	Coach Operator	Operations
Jose De Jesus Ruelas	Mechanic A	Maintenance
Greg Burchell	Operations Supervisor	Administration

5. PUBLIC HEARINGS

None.

6. ACTION ITEMS

6-1. Approve 2026 Federal Legislative Program. (Carl Sedoryk/Don Gilchrest)

There were no public comments.

On a motion by Director Worthy and seconded by Director Pacheco and carried by the following roll call vote, the Board approved item 6-1:

AYES:	**10**	**Delves, Shirley, Worthy, Visscher, Smith, Amelio, Carbone, Barrera, Pacheco, Alejo**
NOES:	**0**	
ABSENT:	**3**	**Rodriguez, LeBarre, Cabrera**
ABSTAIN:	**0**	
RECUSE:	**0**	

6-2. Approve 2026 State Legislative Program. (Michelle Overmeyer/Matt Robinson/Michael Pimentel)

There were no public comments.

On a motion by Director Worthy and seconded by Director Shirley and carried by the following roll call vote, the Board approved item 6-2:

AYES:	**10**	**Delves, Shirley, Worthy, Visscher, Smith, Amelio, Carbone, Barrera, Pacheco, Alejo**
NOES:	**0**	
ABSENT:	**3**	**Rodriguez, LeBarre, Cabrera**
ABSTAIN:	**0**	

RECUSE: 0

6-3. Receive SURF! Project Construction Updates. (Lisa Rheinheimer)

There were no public comments.

7. REPORTS & INFORMATION ITEMS

The Board will receive and file these reports, which do not require action by the Board.

7-1. General Manager/CEO Monthly Report – October 2025

7-2. Federal Legislative Advocacy Report

7-3. State Legislative Advocacy Report

7-4. Staff Trip Reports

7-5. Correspondence

8. BOARD REPORTS, COMMENTS, AND REFERRALS

8-1. Reports on Meetings Attended by Board Members at MST Expense. (AB 1234)

8-2. Board Member Comments and Announcements.

8-3. Board Member Referrals for Future Agendas.

9. ATTACHMENTS

9-1. The Monthly Report for October 2025 can be viewed online: http://mst.org/about-mst/board-of-directors/board-meetings/

10. CLOSED SESSION

Comments from the public will not receive Board action. Comments must deal with matters on the Closed Session agenda and will be limited to three minutes.

There were no public comments on the closed session items.

3-6. Reject Claim by the Claimant Argelia Soria Albarran. (Jarred Augusta)

Michael Laredo, MST General Counsel, reported that the Board met and discussed the pending and threatened litigation of the matter related to item 3-6 on the consent agenda. On a motion by Amelio and seconded by Smith and carried by the following roll call vote, the Board rejected the claim by claimant Argelia Soria Abarran:

AYES:	**9**	**Delves, Shirley, Worthy, Visscher, Smith, Amelio, Carbone, Barrera, Pacheco**
NOES:	**0**	
ABSENT:	**3**	**Rodriguez, LeBarre, Cabrera**
ABSTAIN:	**1**	**Alejo**
RECUSE:	**0**	

On a motion by Director Alejo, seconded by Director Worthy and carried by the following roll call vote, the Board rescinded their closed session vote on 3-6 from the consent agenda:

AYES:	**10**	**Delves, Shirley, Worthy, Visscher, Smith, Amelio, Carbone, Barrera, Pacheco, Alejo**
NOES:	**0**	
ABSENT:	**3**	**Rodriguez, LeBarre, Cabrera**
ABSTAIN:	**0**	
RECUSE:	**0**	

On a motion by Director Alejo, seconded by Director Smith and carried by the following roll call vote, the Board rejected the claim by claimant Argelia Soria Abarran under item 3-6 on the consent agenda:

There were no public comments

AYES:	**10**	**Delves, Shirley, Worthy, Visscher, Smith, Amelio, Carbone, Barrera, Pacheco, Alejo**
NOES:	**0**	
ABSENT:	**3**	**Rodriguez, LeBarre, Cabrera**
ABSTAIN:	**0**	
RECUSE:	**0**	

10-1. Conference with Real Property Negotiators – Gov. Code § 54956.8
APN#s: 003-051-086, 003-051-087, 003-051-070, and 003-051-072 in Salinas, CA
MST Negotiators: Carl Sedoryk, General Manager/CEO

Michael Laredo, MST General Counsel, reported that the Board met and discussed closed session item 10-1 with direction to authorize a purchase offer of $5.975 M for the Sun Street property owned by the Salinas Valley Solid Waste Authority including a 4,500 square foot carveout for a community garden and contingent upon completion of a satisfactory environmental review. A motion was made by Director Worthy, seconded by Director Pacheco and carried by the following roll call vote:

AYES:	**10**	**Delves, Shirley, Worthy, Visscher, Smith, Amelio, Carbone, Barrera, Pacheco, Alejo**

NOES:	**0**	
ABSENT:	**3**	**Rodriguez, LeBarre, Cabrera**
ABSTAIN:	**0**	
RECUSE:	**0**	

10-2. Conference with Real Property Negotiators – Gov. Code § 54956.8
APN#s: 011-012-001 and 011-012-002 in Sand City, CA
MST Negotiators: Carl Sedoryk, General Manager/CEO
Under Negotiation: Price and Terms

There were no public comments

Michael Laredo, MST General Counsel, reported that the Board met and discussed closed session item 10-2 with no reportable action taken.

11. ADJOURN

With no further business to discuss, Chair Carbone adjourned the meeting at 12:24 p.m. (Pacific).

Prepared by: _____ Reviewed by: _____

Jeanette Alegar-Rocha
Deputy Secretary/Clerk to the Board

Carl G. Sedoryk
General Manager/CEO

CITY OF PACIFIC GROVE

300 Forest Avenue, Pacific Grove, California 93950

AGENDA REPORT

TO: Honorable Mayor and Members of the City Council

FROM: David Stiles, Senior Accountant

MEETING DATE: January 21, 2026

SUBJECT: Core Fund Summary and Check Registers - November and December 2025

CEQA: Does not constitute a Project per California Environmental Quality Act Guidelines Section 15378

RECOMMENDATION

1. Receive the Check Registers and Core Fund Summary.
2. Alternatively, discuss and take other action related to this item.

DISCUSSION

The check register is an account of monthly expenditures. It provides budgetary insight and promotes transparency. The check register is produced from the City's financial system. The report groups the checks by the respective city fund. Attached is the check register reports for November and December 2025. In addition, a detailed listing of the checks issued for the month is available on the City's website.

The Administrative Services Department produces Monthly Core Financial reports to assist in evaluating the City's fiscal condition. The attached report provides details on General Fund revenues as well as a summary related to its other funds.

OPTIONS

N/A - This is informational only.

FINANCIAL IMPACT:

Not applicable.

FOCUSED PRIORITY AREA: Not Applicable.

Attachments

Check Register by Fund November 2025

Check Register by Detail November 2025

Check Register by Fund December 2025

Check Register by Detail December 2025

Core Fund Summary and GF Revenue

Check Register - Summary by Fund - November 2025

Fund		Transaction Amount
01 - General Fund Total	$	1,706,814.24
08 - Museum Improvement Fund Total		295.00
10 - Hospitality Imprvmt Dist. Total		233,724.61
11 - Library Book Fund Total		2,569.49
17 - Local Streets And Roads Total		66.47
18 - Gas Tax Fund Total		15,881.80
24 - Stillwell Children's Pool Total		1,218.47
27 - Lighthouse Maint.& Impv. Total		2,161.26
31 - Operating Donations Total		3,610.00
34 - CDBG Grant Fund Total		347.00
40 - Poetry Promotion Fund Total		200.00
63 - Capital Improv Proj Fund Total		218,954.43
70 - Emp Benefit Fund Total		26,922.99
71 - Workers Comp Fund Total		7,300.83
72 - Liability Ins Fund Total		11,890.00
74 - Local Water Project Total		50,665.16
75 - Cemetery Fund Total		17,211.55
76 - Sewer Fund Total		103,619.91
77 - Golf Fund Total		2,945.22
Grand Total	$	2,406,398.43

Check Register - Summary by Detail - November 2025

Fund	Check Date	Name	DESCRIPTION	Amount
01 - GENERAL FUND	11/04/25	EDMAR UGAZ	REPLACE # 25022132	$ 295.00
			REPLACE # 25020118	368.75
	11/07/25	ALERT-ALL CORPORATI	FIRE SAFETY SUPPLIE	284.05
		ALTIUS MEDICAL	PD MED /SHARPS WAST	106.80
		AMAZON CAPITAL SERV	PW OFFICE SUPPLIES	113.61
			PD FLASHLIGHT HOLST	121.55
			EMPLOYEE TRAIN DAY	414.31
			EMPLOYEE TRAIN DAY	78.63
			REC OFFICE SUPPLIES	272.21
			REC OFFICE SUPPLIES	160.59
			CMO OFFICE SUPPLIES	166.08
			VETERAN DAY SUPPLIE	183.58
			CMO OFFICE SUPPLIES	66.14
			REC PROGRAM SUPPLIE	29.49
			REC CREDIT OFF SUPP	(160.59)
			REC PROGRAM SUPPLIE	20.63
			FIN OFFICE SUPPLIES	27.30
			FORESTRY SUPPLIES	63.31
			REC OFFICE SUPPLIES	63.80
		JOE A AMELIO	CONF LEAGUE OF CITI	1,638.37
		AMERICAN LOCK & KEY	CITY HALL LOCK SVCS	145.00
		AMERICAN SUPPLY COM	B&G JANITORIAL SUPP	8,858.03
		AT&T CALNET 3	ADMIN INTERNET 3342	31.41
			CH GEN ALARM 3254	31.93
		ATKINSON, ANDELSON,	CITY LEGAL SERVICES	2,552.32
		BETTER CHOICE COSTU	FD KID SUPPLIES	500.98
		BOUND TREE MEDICAL,	PD FIRST AID SUPPLI	19.43
			PD FIRST AID SUPPLI	140.57
		BPS TACTICAL, INC.	PD VEST CARRIER	795.21
		CALPELRA	CONF REG NICK CINA	1,340.00
		CARMEL PINE CONE	NOTICE VACANCIES	136.50
		CLUBHOUSE 831	RFND DAMAGE DEPOSIT	191.00
		COMCAST	PW INTERNET 0194117	228.74
			PW INTERNET 0389527	106.24
			PD INTERNET 0387836	151.24
		CRAFT ELECTRIC COMP	MUSEUM REPAIRS	165.00
		CYNTHIA GARFIELD	CONF LEAGUE OF CITI	1,749.49
		DELL MARKETING LP	MS SOFTWARE LICENSE	640.00
		DICK ROBINS	VET DAY PERFORMANCE	100.00
		EWING IRRIGATION PR	B&G IRRIGATION SUPP	221.15
		FEDERICO'S EMBROIDE	SALES TAX	90.65
		FOSTER & FOSTER, IN	GASB 75 REPORT FY25	2,750.00
		C.C.O.I. GATE & FEN	PW GATE REPAIRS	180.00
		HAYWARD LUMBER COMP	B&G REPAIR SUPPLIES	1,276.26
		HINDERLITER, DE LLA	SALES TAX APR-JUNE	1,114.51
		HOMETEK	MEM BENCH ENGRAVING	330.00
		INTERNATIONAL BUSIN	SERVER MAINTENANCE	63.21
		JANAK PATEL	RFND PERMIT FEES	210.00
		JOHN ROUSE	RFND PERMIT FEES	502.00
		KIMBALL MIDWEST	B&G REPAIRS UNIT 50	1,332.41
			MECH STOCK	133.95
		LIEBERT CASSIDY WHI	CPG LEGAL SERVICES	582.00
		MAIN STREET SIGNS	PW SIGNAGE	77.81
		MICHEL DAVENAS	VET DAY PERFORMANCE	300.00
		MISSION LINEN SUPPL	FIRE DEPT LINEN UNI	305.12
		MISSION UNIFORM SER	LINEN / UNIFORM CLE	126.66
			LINEN / UNIFORM CLE	240.88
			LINEN / UNIFORM CLE	445.02
			LINEN / UNIFORM CLE	445.03
			LINEN / UNIFORM CLE	445.03
			B&G OTHER LINEN SVC	1,638.54
			B&G OTHER LINEN SVC	1,638.55
		MONTEREY BAY PARENT	REC PRGM ADVERTISMT	600.00
		MONTEREY BAY PEST C	RODENT CONTROL FOR	135.00
			RODENT CONTROL FOR	175.00
		MONTEREY COUNTY WEE	CC BCC VACANCIES AD	152.28
			CC NOTICE VACANCIES	152.28
			CC PUB NOTICE AD	152.28
			CC PUB NOTICE AD	152.28
			CC 2ND READ FIRE AL	152.28
			CC 2ND READ ORD	152.55
			CDD PH ADVERTISMT	304.56

Check Register - Summary by Detail - November 2025

Fund	Check Date	Name	DESCRIPTION	Amount
			CDD PH HE PC ADVERT	$ 532.98
			CC PUB NOT ORD AD	152.55
		CITY OF MONTEREY	FY25 FIRE SVC TRUE	101,194.00
			FY26 FIRE SERVICES	6,355.00
			FY26 FIRE SERVICES	286,394.00
		ODP BUSINESS SOLUTI	CDD OFFICE SUPPLIES	107.02
			CDD OFFICE SUPPLIES	215.62
			FIN OFFICE SUPPLIES	21.29
		O'REILLY AUTO ENTER	FD REPAIR SUPPLIES	36.83
			PD REPAIR SUPPLIES	66.57
			B&G REPAIR SUPPLIES	51.88
			MECH REPAIR SUPPLIE	116.61
			STREET REPAIR SUPPL	130.03
		PACIFIC GAS & ELECT	PW ADMIN 5508-4	1,986.64
		PACIFIC GROVE HARDW	REC REPAIR SUPPLIES	131.31
			REC OFFICE SUPPLIES	116.77
			MUSEUM REPAIR SUPPL	99.22
			PW REPAIR SUPPLIES	54.60
			B&G REPAIR SUPPLIES	172.76
			STREET REPAIR SUPPL	165.29
			LIB REPAIR SUPPLIES	226.70
			CDD OFFICE SUPPLIES	24.13
			PD REPAIR SUPPLIES	5.01
			MECH SUPPLIES	45.87
		PAGE & TURNBULL	CHTQ HALL OCT SVCS	561.25
			CHTQ HALL SEPT SVCS	932.25
		PROTELESIS	PROCLOUD SOFTWARE	6,257.50
		PRIMO BRANDS	PD WATER SVCS	167.86
			REC WATER SVCS	53.42
		REGIONAL GOVERNMENT	PAYROLL ADVISORY SE	1,560.90
		DUNNIGAN PSYCHOLOGI	PD PSYCH EVALS	650.00
			PD PSYCH EVALS	650.00
		SAME DAY SHRED	CMO SHRED SVCS	50.00
		SIR SPEEDY	LIB BUS CARDS	348.62
			PW BUS CARDS	110.11
		STAPHANY ARRIOLA	EE TRAIN DAY REIMB	19.60
		STITCH WITCH	PD POLO SHIRTS	487.08
		LEHR	B&G REPAIR UNIT 61	319.53
		SYMBOL ART	PD CHALLENGE COINS	2,516.72
		THE MONTEREY COUNTY	CDD PH HE PC AD	701.25
		TORO PETROLEUM CORP	FD DIESEL OCT	1,592.03
		VALERIE RHOADES	RFND DAMAGE DEPOSIT	206.00
		VERBAL JUDO INSTITU	EE TRAINING DAY	3,200.00
		VERIZON BUSINESS	PW PHONE OCT	637.37
			CM PHONE OCT	127.73
			CDD PHONE OCT	135.67
			PD PHONE OCT	99.96
			PW DATA	62.07
			IT DATA	70.81
			LIB DATA	76.02
			FIN PHONE OCT	160.82
			PD DATA OCT	547.41
			FD PHONE OCT	63.30
			REC PHONE OCT	37.36
			IT PHONE OCT	45.27
		VESTIS SERVICES, LL	PD LINEN SVC	182.31
		WATSONVILLE FORD	FD REPAIRS UNIT 649	725.66
		BRIAN WHITSON	JANITORIAL SERVICES	380.00
			JANITORIAL SERVICES	380.00
	11/10/25	US BANK	M KHASIMI MS 365	0.68
			J HALABI EE TRAIN D	10.11
			L FRATI CITY EVENT	11.47
			M MOGENSEN SUBSCRPT	18.00
			L LIVIAN OFFICE SUP	20.85
			PD TRVL 5092 DONUTS	25.10
			S ARRIOLA CMO SUPPL	29.34
			M KHASIMI WEBSITE H	37.87
			S ARRIOLA MMANC CON	39.14
			C DAY CAR WASH	41.45
			B ANDERSON CALPAC P	46.00
			M MOGENSEN MAYOR LU	54.33
			L LIVIAN OPENAI SUB	60.00

Fund	Check Date	Name	DESCRIPTION	Amount
			D GHO MTY HERALD	$ 68.00
			S ARRIOLA CM SUBSCR	70.50
			S HOFFMAN TLO SUBSC	75.00
			M KHASIMI STAFF FAR	75.03
			M MOGENSEN LEAGUE C	93.00
			K CLARK STAFF TRAIN	100.00
			J MEDAWAR GFOA TRAI	112.50
			S ARRIOLA CC MEAL P	124.23
			M MOGENSEN CC MEALS	147.35
			R GAITHER ALA MBRSH	153.00
			D DELFINO CPCA DUES	170.00
			D GHO TRAINING	183.05
			D GHO CA AIR BRD FE	190.24
			M KHASIMI REPAIR EQ	212.15
			S KANDELL CC DINNER	251.28
			PD TRVL 5084 BADGES	265.95
			D GHO OSHA TRAINING	279.24
			PD TRVL 5084 POUCHE	291.57
			PD TRVL 5092 SUPPLI	385.61
			D GHO REC AED REPLC	442.46
			D GHO MUSEUM AED RP	442.46
			F MARSH CSMFO/MMANC	470.81
			D GONZALES CDD SUBS	500.00
			M KHASIMI ZOOM SOFT	702.15
			S ARRIOLA CC TRAVEL	1,052.25
			D GHO REPLACE AEDS	1,054.27
			S HOFFMAN BOOKS/UNI	1,065.51
			S ARRIOLA EE TRAIN	1,142.60
			D GONZALES CEQA/CPF	1,145.00
			L LIVIAN CONF LODGI	1,146.18
			C DAY JPIA TRAINING	1,273.54
			K CLARK PRGRM SUPPL	1,409.31
			M KHASIMI HARDWRE	1,623.50
			D DELFINO CPCA TRAI	2,051.60
			L LIVIAN EE TRAIN D	2,396.14
			M MOGENSEN ICMA CON	2,521.92
		FOOD BANK FOR MONTE	SNAP PRGM DONATION	6,500.00
	11/14/25	AFLAC	DED:5200 AFLAC PREM	577.44
			DED:5201 AFLAC P/T	1,341.78
		CALIF LAW ENFORCMEN	DED:3200 LTD PD	640.00
		CALPERS HEALTH	DED:128 HEALTH EMP	556.45
			DED:4304 HLTH RETRO	921.58
			DED:3053 HEALTH FAM	1,446.77
			DED:116 HEALTH	1,013.70
			DED:2072 HEALTH	1,109.00
			DED:112 HEALTH	1,112.90
			DED:126 HEALTH	1,475.23
			DED:111 HEALTH	1,633.65
			DED:104 HEALTH	2,027.40
			DED:106 HEALTH	2,952.20
			DED:103 HEALTH	3,041.10
			DED:3051 HEALTH EMP	2,225.80
			DED:2071 HEALTH	2,437.50
			DED:108 HEALTH	3,837.86
			DED:123 HEALTH	5,673.95
			DED:124 HEALTH	5,900.92
			DED:105 HEALTH	9,224.67
			DED:2073 HEALTH FAM	9,719.50
			DED:122 HEALTH	11,348.00
		CITY OF PACIFIC GRO	DED:3301 AFLAC MED	829.93
		EFT	DED:*FM MEDICARE	12,900.34
			DED:*SCA STATE TAX	19,563.48
			DED:*FT FEDERAL TX	50,016.75
		PACIFIC GROVE CITY	DED:7000 ASSOC DUES	856.00
		MASS MUTUAL (457 PL	DED:3999 ROTH IRA	1,805.00
			DED:4000 DEF COMP	13,292.16
		MTRY COUNTY DEPT OF	DED:0023 GARNISH	439.99
		PACIFIC GROVE MANAG	DED:7203 ASSOC DUES	35.00
		CITY OF PACIFIC GRO	DED:1006 WORK COMP	65.95
			DED:1009 WORK COMP	187.23
			DED:1010 WORK COMP	3,051.92
			DED:1005 WORK COMP	1,521.27

Fund	Check Date	Name	DESCRIPTION	Amount
			DED:1003 WORK COMP	$ 6,284.90
			DED:7510 PERS REIMB	56.58
			DED:2103 DENTAL FAM	1,642.00
			DED:200 DENTALEOER	334.75
			DED:2102 DENTAL+1EE	958.20
			DED:2101 DENTALEOEE	978.98
			DED:0005 SUTA	141.35
		PERS	DED:2003 PERS OTHER	173.96
			DED:0004 SURV BEN	90.21
			DED:08 PERS OTHER	348.83
			DED:0009 PERS OTHER	479.12
			DED:0018 PERS SP SF	540.90
			DED:0022 PERS SP MS	226.32
			DED:2000 PERS EMPLY	3,784.48
			DED:2001 PERS	2,193.46
			DED:0006 PERS CITY	6,704.72
			DED:0017 PERS RG SF	9,037.07
			DED:07 PERS CITY	6,052.75
			DED:0002 PERS	2,821.00
			DED:0021 PERS REG M	15,031.02
			DED:0020 PERS ER M3	15,670.78
			DED:0011 PERS ER SF	9,741.67
			DED:01 PERS	9,233.41
			DED:0019 PERS RT SF	(3.44)
		POLICE OFFICERS ASS	DED:7204 ASSOC DUES	8.00
			DED:7205 ASSOC DUES	812.71
		LEGAL SHIELD	DED:6100 LEGAL SVC	31.75
		STATE DISABILITY TA	DED:0026 SDI	4,989.08
		STANDARD INSURANCE	DED:3500 LIFE INS	1,464.75
		TRANSAMERICA EMPLOY	DED:5202 TRANSAMERI	311.82
		UNION BANK OF CALIF	DED:4005 PARS-457	689.10
		VISION SERVICE PLAN	DED:2504 VISION FAM	228.48
			DED:2502 VISIONEOEE	205.84
			DED:2503 VISION+1EE	214.20
			DED:300 VISIONEOER	73.04
	11/26/25	AFLAC	DED:5200 AFLAC PREM	445.44
			DED:5201 AFLAC P/T	1,328.64
		CALPERS HEALTH	DED:3053 HEALTH FAM	1,446.77
			DED:126 HEALTH	1,475.23
			DED:111 HEALTH	1,633.65
			DED:106 HEALTH	2,952.20
			DED:103 HEALTH	3,041.10
			DED:3051 HEALTH EMP	2,225.80
			DED:2071 HEALTH	2,437.50
			DED:108 HEALTH	3,837.86
			DED:123 HEALTH	5,673.95
			DED:128 HEALTH EMP	556.45
			DED:104 HEALTH	1,013.70
			DED:116 HEALTH	1,013.70
			DED:2072 HEALTH	1,109.00
			DED:112 HEALTH	1,112.90
			DED:4304 HLTH RETRO	141.21
			DED:124 HEALTH	5,900.92
			DED:105 HEALTH	9,224.67
			DED:2073 HEALTH FAM	9,719.50
			DED:122 HEALTH	11,348.00
		CITY OF PACIFIC GRO	DED:3301 AFLAC MED	1,837.18
		EFT	DED:*FM MEDICARE	13,991.99
			DED:*SCA STATE TAX	23,910.94
			DED:*FT FEDERAL TX	59,795.95
		PACIFIC GROVE CITY	DED:7000 ASSOC DUES	775.75
		MASS MUTUAL (457 PL	DED:4000 DEF COMP	26,433.19
			DED:3999 ROTH IRA	1,805.00
		MTRY COUNTY DEPT OF	DED:0023 GARNISH	439.99
		PACIFIC GROVE MANAG	DED:7203 ASSOC DUES	35.00
		CITY OF PACIFIC GRO	DED:1006 WORK COMP	65.46
			DED:1009 WORK COMP	165.28
			DED:1005 WORK COMP	1,949.29
			DED:1010 WORK COMP	3,059.58
			DED:1003 WORK COMP	7,177.92
			DED:7510 PERS REIMB	56.58
			DED:2102 DENTAL+1EE	894.32

Fund	Check Date	Name	DESCRIPTION	Amount
			DED:2101 DENTALEOEE	$ 978.98
			DED:2103 DENTAL FAM	1,642.00
			DED:200 DENTALEOER	334.75
			DED:0005 SUTA	164.38
		PERS	DED:2003 PERS OTHER	173.96
			DED:0019 PERS RT SF	(3.44)
			DED:08 PERS OTHER	348.83
			DED:0004 SURV BEN	88.35
			DED:0022 PERS SP MS	322.93
			DED:0009 PERS OTHER	551.10
			DED:0018 PERS SP SF	819.34
			DED:2001 PERS	2,193.46
			DED:2000 PERS EMPLY	3,784.48
			DED:0002 PERS	2,821.00
			DED:01 PERS	8,850.05
			DED:0017 PERS RG SF	9,128.15
			DED:0011 PERS ER SF	10,117.63
			DED:07 PERS CITY	5,810.60
			DED:0006 PERS CITY	6,850.99
			DED:0021 PERS REG M	14,906.07
			DED:0020 PERS ER M3	15,641.65
		POLICE OFFICERS ASS	DED:7205 ASSOC DUES	812.71
		STATE DISABILITY TA	DED:0026 SDI	5,803.20
		TRANSAMERICA EMPLOY	DED:5202 TRANSAMERI	311.82
		UNION BANK OF CALIF	DED:4005 PARS-457	517.18
		VISION SERVICE PLAN	DED:2503 VISION+1EE	199.92
			DED:2502 VISIONEOEE	205.84
			DED:2504 VISION FAM	228.48
			DED:300 VISIONEOER	73.04
	11/21/25	PACIFIC GAS & ELECT	117 COMMUNITY CTR	254.73
			LOVERS POINT	6.58
			17 MI DR BALLPARK	8.11
			BERWICK PARK	8.71
			PLATT PK SPRNKLR	9.49
			FOREST CENTRL SPR	9.86
			CALEDONIA PK LIGHTS	10.17
			168 16TH ST	10.37
			17 MI DR BALLPARK	10.55
			COR MELROSE	11.28
			101 CH -FIN - 50%	15.64
			101 CH -CEDD - 50%	15.65
			CORP YARD DM & 5TH	13.77
			PARKING LOT LIGHT	14.78
			CORP YARD SUNSET DR	17.52
			117 RECREATION ROOM	17.95
			1307 FORST SINEX SI	22.31
			GRAND AV & PK PL	22.31
			PHONE BOOTH-BERWICK	27.47
			PLATT PK SPRNKLR	29.05
			1307 FORST PINE SIG	29.41
			COR MELROSE	33.16
			PIEDMONT & MORELAND	38.39
			LOVERS POINT	23.66
			1307 FORST SINEX SI	57.95
			300 16TH ST.	66.84
			1307 FORST PINE SIG	71.35
			162 16TH STREET	72.28
			CITY COUNCIL - 3%	73.21
			RECREATION - 3%	73.21
			CONCESSION STAND	87.40
			165 FOREST AVE	105.16
			CHAUTAUQUA HALL	106.06
			620 OCEAN VIEW POOL	116.84
			FINANCE - 7%	117.56
			117 COMMUNITY CTR	118.25
			CITY COUNCIL - 3%	50.38
			RECREATION - 3%	50.38
			OCEANVIEW & 17TH	122.26
			PUBLIC LIBRARY	130.56
			17TH ST & LAUREL	144.73
			300 FOREST AVE	147.74
			CHAUTAUQUA HALL	155.54

Fund	Check Date	Name	DESCRIPTION	Amount
			CEDD - 9.5%	$ 159.55
			CITY MANAGER - 9.5%	159.55
			FINANCE - 7%	170.81
			POLICE DEPT	222.84
			CEDD - 9.5%	231.82
			CITY MANAGER - 9.5%	231.82
			BEACH BOAT STORAGE	257.28
			17 MI DR BALLPARK	269.35
			117 COMMUNITY CTR	272.11
			FOREST 40 FT E/O LH	302.23
			FIRE DEPT	450.28
			17 MILE DRIVE	531.77
			FIRE DEPT - 24%	585.65
			550 CENTRAL AVE	590.58
			17TH ST & LAUREL	619.63
			FOREST 40 FT E/O LH	620.71
			FOREST & CENTRAL DR	632.32
			POLICE DEPT - 43%	722.17
			580 PINE AVE - LOAN	1,046.81
			POLICE DEPT - 43%	1,049.29
			FOREST & CENTRAL DR	1,160.59
			PUBLIC LIBRARY	1,245.92
			FIRE DEPT - 24%	403.07
			168 16TH ST	0.01
			17 MI DR BALLPARK	0.11
			CALEDONIA PK LIGHTS	0.16
			117 RECREATION ROOM	4.03
	11/20/25	CALIFORNIA AMERICAN	711 OCEANVIEW IRRG	2,372.66
			620 OCEANVIEW/BATH	1,370.43
			616 OCEANVW-SWIM PL	1,549.06
			114 CALEDONIA PK	2,026.07
			230 17-MILE DRIVE	2,062.58
			106 7TH ST PARK	(82.58)
			139 GRAND AVE	(97.94)
			304 16TH ST FIRE	(98.29)
			300 FOREST IRRIG	(121.71)
			611 CENTRAL AVE	(152.57)
			B & G 15%	(155.73)
			SUNSET-CORPYARD18%	(186.87)
			585 LAUREL	(220.43)
			1025 MORSE-PLATT PK	(221.08)
			130 LIGHTHOUSE IRRI	(221.29)
			515 JUNIPERO	(626.94)
			580 PINE	(635.92)
			616 OCEANVIEW IRRG	(762.02)
			150 FOREST-JEWELL P	(798.83)
			610 OCEANVW IRRIGPK	(844.14)
			863 OCEANVIEW IRRG	(847.31)
			707 OCEANVIEW-NAIAD	(847.31)
			391 OCEANVW-BERWICK	(849.01)
			304 16TH ST BDOM-FR	(876.41)
			930 SINEX	(925.23)
			550 CENTRAL	(1,116.80)
			1051 OCEANVIEW IRRG	(1,173.26)
			620 OCEANVIEW/BATH	(1,370.43)
			616 OCEANVW-SWIM PL	(1,549.06)
			114 CALEDONIA PK	(2,026.07)
			230 17-MILE DRIVE	(2,062.58)
			600 PINE	(330.24)
			165 FOREST AVE FIR	(358.26)
			300 FOREST FIRE-50%	(407.85)
			300 FOREST FIRE-50%	(407.86)
			300 FOREST AVE	(516.05)
			980 PIEDMONT BALL P	(518.13)
			100 OCEANVW IRRIG	(518.13)
			196 OCEANVW IRRIG	(518.13)
			ST FUND 50%	(519.11)
			711 OCEANVIEW IRRG	(2,372.66)
			B & G 15%	155.73
			SUNSET-CORPYARD18%	186.87
			585 LAUREL	220.43
			1025 MORSE-PLATT PK	221.08

Fund	Check Date	Name	DESCRIPTION	Amount
			130 LIGHTHOUSE IRRI	$ 221.29
			600 PINE	330.24
			165 FOREST AVE FIR	358.26
			300 FOREST FIRE-50%	407.85
			300 FOREST FIRE-50%	407.86
			300 FOREST AVE	516.05
			980 PIEDMONT BALL P	518.13
			100 OCEANVW IRRIG	518.13
			196 OCEANVW IRRIG	518.13
			ST FUND 50%	519.11
			643 HYDRANTS HYDT	(44.54)
			MECH 5%	(51.91)
			165 FOREST-MUSEUM	(61.55)
			CENTRAL 4 IN FIRE	(61.55)
			600 PINE AVE FIRE	(61.55)
			300 FOREST AVE	(61.55)
			582 LIGHTHSE IRRIG	(82.27)
			2100 SUNSET DRIVE	(82.27)
			882 LIGHTHSE PLANTE	(82.32)
			800 LIGHTHSE PLANTE	(82.32)
			792 LIGHTHSE IRRIG	(82.32)
			840 LIGHTHSE PLANTE	(82.35)
			850 LIGHTHSE PLANTE	(82.35)
			765 LIGHTHSE IRRIG	(82.51)
			308 16TH ST.	(82.51)
			748 LIGHTHSE IRRG	(82.51)
			611 CENTRAL AVE	152.57
			792 LIGHTHSE IRRIG	82.32
			643 HYDRANTS HYDT	44.54
			MECH 5%	51.91
			165 FOREST-MUSEUM	61.55
			CENTRAL 4 IN FIRE	61.55
			600 PINE AVE FIRE	61.55
			300 FOREST AVE	61.55
			582 LIGHTHSE IRRIG	82.27
			2100 SUNSET DRIVE	82.27
			882 LIGHTHSE PLANTE	82.32
			800 LIGHTHSE PLANTE	82.32
			840 LIGHTHSE PLANTE	82.35
			850 LIGHTHSE PLANTE	82.35
			765 LIGHTHSE IRRIG	82.51
			308 16TH ST.	82.51
			748 LIGHTHSE IRRG	82.51
			106 7TH ST PARK	82.58
			139 GRAND AVE	97.94
			304 16TH ST FIRE	98.29
			300 FOREST IRRIG	121.71
			515 JUNIPERO	626.94
			580 PINE	635.92
			616 OCEANVIEW IRRG	762.02
			150 FOREST-JEWELL P	798.83
			610 OCEANVW IRRIGPK	844.14
			863 OCEANVIEW IRRG	847.31
			707 OCEANVIEW-NAIAD	847.31
			391 OCEANVW-BERWICK	849.01
			304 16TH ST BDOM-FR	876.41
			930 SINEX	925.23
			550 CENTRAL	1,116.80
			1051 OCEANVIEW IRRG	1,173.26
	11/24/25	PERS	NOV 2025 UAL	395,585.00
	11/21/25	CALIFORNIA AMERICAN	643 HYDRANTS HYDT	44.54
			MECH 5%	51.91
			165 FOREST-MUSEUM	61.55
			CENTRAL 4 IN FIRE	61.55
			600 PINE AVE FIRE	61.55
			300 FOREST AVE	61.55
			582 LIGHTHSE IRRIG	82.27
			2100 SUNSET DRIVE	82.27
			882 LIGHTHSE PLANTE	82.32
			800 LIGHTHSE PLANTE	82.32
			792 LIGHTHSE IRRIG	82.32
			840 LIGHTHSE PLANTE	82.35

Fund	Check Date	Name	DESCRIPTION	Amount
			850 LIGHTHSE PLANTE	$ 82.35
			765 LIGHTHSE IRRIG	82.51
			308 16TH ST.	82.51
			611 CENTRAL AVE	(152.57)
			B & G 15%	(155.73)
			SUNSET-CORPYARD18%	(186.87)
			585 LAUREL	(220.43)
			1025 MORSE-PLATT PK	(221.08)
			130 LIGHTHOUSE IRRI	(221.29)
			600 PINE	(330.24)
			165 FOREST AVE FIR	(358.26)
			300 FOREST FIRE-50%	(407.85)
			300 FOREST FIRE-50%	(407.86)
			300 FOREST AVE	(516.05)
			980 PIEDMONT BALL P	(518.13)
			100 OCEANVW IRRIG	(518.13)
			196 OCEANVW IRRIG	(518.13)
			ST FUND 50%	(519.11)
			711 OCEANVIEW IRRG	(2,372.66)
			748 LIGHTHSE IRRG	82.51
			106 7TH ST PARK	82.58
			139 GRAND AVE	97.94
			304 16TH ST FIRE	98.29
			300 FOREST IRRIG	121.71
			611 CENTRAL AVE	152.57
			B & G 15%	155.73
			SUNSET-CORPYARD18%	186.87
			585 LAUREL	220.43
			1025 MORSE-PLATT PK	221.08
			130 LIGHTHOUSE IRRI	221.29
			600 PINE	330.24
			165 FOREST AVE FIR	358.26
			300 FOREST FIRE-50%	407.85
			300 FOREST FIRE-50%	407.86
			515 JUNIPERO	626.94
			580 PINE	635.92
			616 OCEANVIEW IRRG	762.02
			150 FOREST-JEWELL P	798.83
			610 OCEANVW IRRIGPK	844.14
			863 OCEANVIEW IRRG	847.31
			707 OCEANVIEW-NAIAD	847.31
			391 OCEANVW-BERWICK	849.01
			304 16TH ST BDOM-FR	876.41
			930 SINEX	925.23
			550 CENTRAL	1,116.80
			1051 OCEANVIEW IRRG	1,173.26
			620 OCEANVIEW/BATH	1,370.43
			616 OCEANVW-SWIM PL	1,549.06
			114 CALEDONIA PK	2,026.07
			230 17-MILE DRIVE	2,062.58
			643 HYDRANTS HYDT	(44.54)
			MECH 5%	(51.91)
			165 FOREST-MUSEUM	(61.55)
			CENTRAL 4 IN FIRE	(61.55)
			600 PINE AVE FIRE	(61.55)
			300 FOREST AVE	(61.55)
			582 LIGHTHSE IRRIG	(82.27)
			2100 SUNSET DRIVE	(82.27)
			882 LIGHTHSE PLANTE	(82.32)
			800 LIGHTHSE PLANTE	(82.32)
			792 LIGHTHSE IRRIG	(82.32)
			840 LIGHTHSE PLANTE	(82.35)
			850 LIGHTHSE PLANTE	(82.35)
			765 LIGHTHSE IRRIG	(82.51)
			308 16TH ST.	(82.51)
			748 LIGHTHSE IRRG	(82.51)
			300 FOREST AVE	516.05
			980 PIEDMONT BALL P	518.13
			100 OCEANVW IRRIG	518.13
			196 OCEANVW IRRIG	518.13
			ST FUND 50%	519.11
			711 OCEANVIEW IRRG	2,372.66

Fund	Check Date	Name	DESCRIPTION	Amount
			106 7TH ST PARK	$ (82.58)
			139 GRAND AVE	(97.94)
			304 16TH ST FIRE	(98.29)
			300 FOREST IRRIG	(121.71)
			515 JUNIPERO	(626.94)
			580 PINE	(635.92)
			616 OCEANVIEW IRRG	(762.02)
			150 FOREST-JEWELL P	(798.83)
			610 OCEANVW IRRIGPK	(844.14)
			863 OCEANVIEW IRRG	(847.31)
			707 OCEANVIEW-NAIAD	(847.31)
			391 OCEANVW-BERWICK	(849.01)
			304 16TH ST BDOM-FR	(876.41)
			930 SINEX	(925.23)
			550 CENTRAL	(1,116.80)
			1051 OCEANVIEW IRRG	(1,173.26)
			620 OCEANVIEW/BATH	(1,370.43)
			616 OCEANVW-SWIM PL	(1,549.06)
			114 CALEDONIA PK	(2,026.07)
			230 17-MILE DRIVE	(2,062.58)
			643 HYDRANTS HYDT	44.54
			MECH 5%	51.91
			165 FOREST-MUSEUM	61.55
			CENTRAL 4 IN FIRE	61.55
			600 PINE AVE FIRE	61.55
			300 FOREST AVE	61.55
			582 LIGHTHSE IRRIG	82.27
			2100 SUNSET DRIVE	82.27
			882 LIGHTHSE PLANTE	82.32
			800 LIGHTHSE PLANTE	82.32
			792 LIGHTHSE IRRIG	82.32
			840 LIGHTHSE PLANTE	82.35
			850 LIGHTHSE PLANTE	82.35
			765 LIGHTHSE IRRIG	82.51
			308 16TH ST.	82.51
			748 LIGHTHSE IRRG	82.51
			106 7TH ST PARK	82.58
			139 GRAND AVE	97.94
			304 16TH ST FIRE	98.29
			300 FOREST IRRIG	121.71
			611 CENTRAL AVE	152.57
			B & G 15%	155.73
			SUNSET-CORPYARD18%	186.87
			585 LAUREL	220.43
			1025 MORSE-PLATT PK	221.08
			130 LIGHTHOUSE IRRI	221.29
			600 PINE	330.24
			165 FOREST AVE FIR	358.26
			300 FOREST FIRE-50%	407.85
			300 FOREST FIRE-50%	407.86
			300 FOREST AVE	516.05
			980 PIEDMONT BALL P	518.13
			100 OCEANVW IRRIG	518.13
			196 OCEANVW IRRIG	518.13
			ST FUND 50%	519.11
			515 JUNIPERO	626.94
			580 PINE	635.92
			616 OCEANVIEW IRRG	762.02
			150 FOREST-JEWELL P	798.83
			610 OCEANVW IRRIGPK	844.14
			863 OCEANVIEW IRRG	847.31
			707 OCEANVIEW-NAIAD	847.31
			391 OCEANVW-BERWICK	849.01
			304 16TH ST BDOM-FR	876.41
			930 SINEX	925.23
			550 CENTRAL	1,116.80
			1051 OCEANVIEW IRRG	1,173.26
			620 OCEANVIEW/BATH	1,370.43
			616 OCEANVW-SWIM PL	1,549.06
			114 CALEDONIA PK	2,026.07
			230 17-MILE DRIVE	2,062.58
			711 OCEANVIEW IRRG	2,372.66

Check Register - Summary by Detail - November 2025

Fund	Check Date	Name	DESCRIPTION	Amount
		ACCENT CLEAN & SWEE	FY 25/26 STREET SWE	$ 18,810.00
		ALBION ENVIRONNMENT	ENVL MONITOR OCT	1,088.64
		ALENA RACHELLE WAGR	PMT FOR DANCE CLASS	1,323.00
		ALISSA MALAKAN	RFND CANCEL CLASS	90.00
		AMAZON CAPITAL SERV	REC OFFICE SUPPLIES	23.35
			EMP TRAIN DAY SUPPL	26.23
			MECH STOCK	29.49
			REC PROGRAM SUPPLIE	29.69
			PD OFFICE SUPPLIES	30.58
			REC PROGRAM SUPPLIE	79.71
			FD OFFICE SUPPLIES	577.76
			REC PROGRAM SUPPLIE	223.14
			EMP TRAIN DAY SUPPL	326.61
			FIN OFFICE SUPPLIES	(17.97)
			EMP TRAIN DAY SUPPL	(26.23)
			MECH STOCK	(29.49)
			REC PROGRAM SUPPLIE	(29.69)
			PD OFFICE SUPPLIES	(30.58)
			FIN OFFICE SUPPLIES	(36.04)
			LIB SUPPLIES	(43.13)
			REC PROGRAM SUPPLIE	(50.67)
			PD LAPTOP CHARGER	(52.65)
			EE TRAIN DAY SUPPLI	(65.14)
			REC PROGRAM SUPPLIE	(79.71)
			REC OFFICE SUPPLIES	(23.35)
			REC PROGRAM SUPPLIE	(223.14)
			EMP TRAIN DAY SUPPL	6.72
			REC PROGRAM SUPPLIE	(46.97)
			FIN OFFICE CREDIT S	(10.90)
			FIN OFFICE SUPPLIES	17.97
			FIN OFFICE SUPPLIES	36.04
			LIB SUPPLIES	43.13
			REC PROGRAM SUPPLIE	50.67
			PD LAPTOP CHARGER	52.65
			EE TRAIN DAY SUPPLI	65.14
			REC PROGRAM SUPPLIE	46.97
			FIN OFFICE CREDIT S	10.90
			EMP TRAIN DAY SUPPL	(6.72)
			EMP TRAIN DAY SUPPL	(326.61)
			FD OFFICE SUPPLIES	(577.76)
		AMERICAN SUPPLY COM	JANITORIAL SUPPLIES	5,200.86
		AT&T	LIGHTHOUSE INTERNET	122.34
		AT&T CALNET 3	LIBRARY INTERNET 33	252.19
			PD DATA LINES 8120	1,057.31
			ADMIN PHONE 3242	2,125.31
		ATKINSON, ANDELSON,	LEGAL SERVICES	348.60
		AXON ENTERPRISE, IN	PD BODY CAM EQUIPMT	620.27
			PD DOCKS / BAYS	620.28
			AXON LICENSE FEES	29,171.08
			AXON 10 TASER FEES	27,335.06
			PD SOFTWARE CREDIT	(2,347.14)
			PD SOFTWARE CREDIT	(1,460.00)
		BAKER & TAYLOR COMP	BOOKS & MATERIALS /	185.35
		BOUND TREE MEDICAL,	FD MEDICAL SUPPLIES	949.37
		CA DEPT OF JUSTICE	CM BACKGRND CHECKS	175.00
		CALTRONICS BUSINESS	REC KONICA COPIER	73.49
			KONICA COPIES FY26	94.35
			KONICA COPIES FY26	96.36
			KONICA COPIES FY26	138.82
			KONICA COPIES FY26	153.34
			KONICA COPIES FY26	494.93
			KONICA COPIES FY26	695.98
		CENTRALSQUARE TECHN	FINANCE SOFTWARE DE	5,211.10
		CODE PUBLISHING, IN	CTY CNCL MEMBERSHIP	539.00
		COYOTE VALLEY NURSE	B&G LANDSCAPE SUPPL	852.15
		CREATIVE SERVICES O	PD JR POLICE STICKE	558.95
		DANIELLE ELISCHER	RFND CREDIT ON ACCT	12.00
		DEMCO INC	LIB OFFICE SUPPLIES	461.73
		DIANNE LYLE	PMT FOR DANCE CLASS	399.00
		DROUGHT RESISTANT N	B&G LANDSCAPE SUPPL	47.13
		DWAN ELEVATOR CO	REC ELEVATOR REPAIR	993.01
			REC ELEVATOR REPAIR	4,492.23

Fund	Check Date	Name	DESCRIPTION	Amount
		ELIZABETH NICKNAM	RFND CANCEL CLASS	$ 90.00
		ENGINEERED FIRE SYS	FD PLAN REVIEW OCT	1,012.50
		GACHINA LANDSCAPE M	PARK MOWING SVC NOV	1,387.00
		GARDAWORLD	NOV SERVICE FEES	98.53
			OCT EXCESS FEES	46.51
		GEOGRAPHIC TECHNOLO	GIS SUPPORT SERVICE	357.00
		GRANITE CONSTRUCTIO	STREET SUPPLIES	472.09
		GROVE MARKET	REC PROGRAM SUPPLIE	81.58
		HARRIS & ASSOCIATES	CONTRACT PLANNING S	8,385.00
		HEATHER PARDINI	RFND CREDIT ON ACCT	12.00
		HEIHACHIRO TAKARABE	PMT FOR TAI CHI CLA	84.00
		PACIFIC SMOG	PD UNIT 1 & 7 REPAI	87.50
			B&G REPAIR UNIT 61	43.75
			PWA REPAIR UNIT 2	43.75
		IPS GROUP, INC	PD METER FEES	1,391.07
			PD METER FEES AUG	645.80
			PD METER FEES	1,525.77
		LANGUAGE LINE SERVI	PD LANGUAGE SERVICE	5.51
		LEAGUE OF CA CITIES	MEMBERSHIP CTY CNCL	300.00
		MONTEREY BAY PEST C	RODENT CONTROL FOR	135.00
			RODENT CONTROL FOR	175.00
			RODENT CONTROL FOR	180.00
		MONTEREY COUNTRY DA	RFND DAMAGE DEPOSIT	570.00
		MONTEREY PENINSULA	CH WINDOW CLEAN	2,600.00
		MONTEREY TIRE SERVI	B&G REPAIR UNIT 53	189.16
		NATIONAL PROCUREMEN	NPI MEMBERSHIP	150.00
		QUADIENT FINANCE US	POSTAGE SUPPLIES	221.51
			POSTAGE	1,000.00
		NOLAND, HAMERLY, ET	LEGAL SERVICES	931.00
		ODP BUSINESS SOLUTI	FIN OFFICE SUPPLIES	94.05
			CDD OFFICE SUPPLIES	26.76
			FIN OFFICE SUPPLIES	37.68
		PACIFIC GROVE UNIFI	RFND CCA UUT	7,199.55
		PACIFIC WEST WATER	ASD WATER SERVICE	42.85
			CDD WATER SERVICE	42.85
		PAPE MACHINERY, INC	STREET REPAIR UNIT	2,236.88
		PHILLIP ANDERSON	PARKING SALINAS HSN	10.00
		POTTER'S ELECTRONIC	LH BLDG REPAIRS	72.08
		PURE WATER	PW WATER SERVICE	22.90
			MECH WATER SERVICE	22.90
			B&G WATER SERVICE	22.90
			STREET WATER SERVIC	22.90
		RANA CREEK HABITAT	SANC LANDSCAPE SPPL	107.10
		PRIMO BRANDS	FD WATER SERVICE SE	324.90
			FD WATER SERVICE OC	318.91
			FD WATER SERVICE NO	41.99
			PD WATER SERVICE SE	147.86
		ROBERT HALF	FINANCE ACCOUNTANT	1,830.41
			IT SUPPORT TEMP	15,200.00
		DUNNIGAN PSYCHOLOGI	PD PSYCH EVALUATION	650.00
			PD PSYCH EVALUATION	750.00
		SAFETY-KLEEN SYSTEM	B&G VEHICLE SUPPLIE	65.42
			STREET VEHICLE SPPL	65.42
			PW VEHICLE SUPPLY	65.41
			MECH VEHICLE SUPPLI	65.42
		SALINAS VALLEY PROS	PD UNIFORMS	1,343.78
			PD UNIFORMS	524.39
		SARA DAVI	RFND CREDIT ON ACCT	12.00
		SPEAKWRITE	PD TRANSCRPTN SVCS	664.69
		LEHR	PD VEHICLE OUTFIT	214.13
			PD VEHICLE OUTFIT	85.75
			PD VEHICLE OUTFIT	4,456.29
		STURDY OIL COMPANY	STREET FUEL OCT	1,403.19
			B&G FUEL OCT	2,806.39
			PD FUEL OCT	4,841.99
			A/R FUEL OCT	5,198.09
			REC FUEL OCT	62.73
		TOPE'S TREE SERVICE	CONTRACT TREE SVC O	21,055.00
		VESTIS SERVICES, LL	PD LINEN SERVICE	182.31
		BRIAN WHITSON	JANITORIAL SERVICES	380.00
			MONTHLY MUSEUM JANI	2,100.00
		SWIFT CAR WASH	PD CAR WASH DEC	320.00

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Fund	Check Date	Name	DESCRIPTION	Amount
08 - MUSEUM IMPROVEMENT FUND		PRIME FLOORING CO	MUSEUM STAIR REPAIR	$ 295.00
10 - HOSPITALITY IMPRVMT DIST.	11/07/25	SEE MONTEREY	MCTID JULY-SEPT 202	146,185.92
		PACIFIC GROVE CHAMB	HID JULY-SEPT 2025	87,538.69
11 - LIBRARY BOOK FUND	11/21/25	AMAZON CAPITAL SERV	LIB BOOKS & MATERIA	238.57
			LIB BOOKS & MATERIA	447.73
			LIB BOOKS & MATERIA	371.22
			LIB BOOKS & MATERIA	24.02
			LIB BOOKS & MATERIA	18.35
			LIB BOOKS & MATERIA	21.93
			LIB BOOKS & MATERIA	8.73
			LIB BOOKS & MATERIA	643.16
			LIB BOOKS & MATERIA	(643.16)
			LIB BOOKS & MATERIA	(371.22)
			LIB BOOKS & MATERIA	(447.73)
			LIB BOOKS & MATERIA	(238.57)
			LIB BOOKS & MATERIA	(24.02)
			LIB BOOKS & MATERIA	(18.35)
			LIB BOOKS & MATERIA	(21.93)
			LIB BOOKS & MATERIA	(8.73)
		BAKER & TAYLOR COMP	BOOKS & MATERIALS /	1,704.49
		CENGAGE LEARNING/GA	LIB BOOKS & MATERIA	31.45
			LIB BOOKS & MATERIA	27.09
			LIB BOOKS & MATERIA	27.97
			LIB BOOKS & MATERIA	345.99
		MIDWEST TAPE	LIB BOOKS & MATERIA	151.83
			LIB BOOKS & MATERIA	271.70
		OVERDRIVE, INC.	LIB BOOKS & MATERIA	8.97
17 - LOCAL STREETS AND ROADS	11/10/25	THE MONTEREY COUNTY	CRACK/SLURRY SEAL A	66.47
18 - GAS TAX FUND	11/07/25	4LEAF	FY 25/26 ON-CALL SE	1,856.00
	11/21/25	PACIFIC GAS & ELECT	FOREST AV SUNSET AV	58.41
			FOREST AV SUNSET AV	23.77
			FOREST AVE SUNSET A	49.60
			FOREST AVE SUNSET A	23.28
			19TH & SUNSET DR.	15.52
	11/20/25	CALIFORNIA AMERICAN	CEM 4%	(41.53)
			CEM 4%	41.53
	11/24/25	PERS	NOV 2025 UAL	2,373.42
	11/21/25	CALIFORNIA AMERICAN	CEM 4%	(41.53)
			CEM 4%	41.53
			CEM 4%	41.53
		CALTRANS	JUL-SEP SIGNAL LIGH	1,093.86
		PACIFIC GAS & ELECT	PW ELECTRIC 4482	8,943.22
		STURDY OIL COMPANY	GAS TAX FUEL OCT	1,403.19
24 - STILLWELL CHILDREN'S POOL	11/10/25	US BANK	D GHO POOL AED REPL	442.46
	11/21/25	AMERICAN SUPPLY COM	POOL SUPPLIES	776.01
27 - LIGHTHOUSE MAINT.& IMPV.	11/07/25	BELLA TERRA PUBLISH	LIGHTHOUSE MERCH	66.78
		ESCARRAGA'S LUXURY	LIGHTHOUSE CLEANING	480.00
		FEDERICO'S EMBROIDE	LIGHTHOUSE MERCH	980.00
		PACIFIC GROVE HARDW	LH REPAIR SUPPLIES	216.69
	11/10/25	US BANK	D GHO LH SIGNS	103.75
	11/21/25	PACIFIC GAS & ELECT	ASILOMAR BLVD PG LH	54.58
			ASILOMAR BLVD PG LH	121.05
	11/20/25	CALIFORNIA AMERICAN	90 ASILOMAR	(138.41)
			90 ASILOMAR	138.41
	11/21/25		90 ASILOMAR	138.41
			90 ASILOMAR	(138.41)
			90 ASILOMAR	138.41
		AMAZON CAPITAL SERV	LH XMAS EXT DECORAT	(139.17)
			LH XMAS EXT DECORAT	139.17
31 - OPERATING DONATIONS		AURUM CONSULTING EN	LIBRARY GEN SERVICE	3,610.00
34 - CDBG GRANT FUND		JIM GISH INC	CDD REHAB CHG ORDER	347.00
40 - POETRY PROMOTION FUND		CHRISTIANA PILAR GR	POETRY PROMOTION	100.00
		SARA MICHAS MARTIN	POETRY PROMOTION	100.00
63 - CAPITAL IMPROV PROJ FUND	11/07/25	ROOTER KING	PRIORITY STORMWATER	29,995.00
	11/10/25	THE MONTEREY COUNTY	SIDEWALK IMPRV AD	142.20
			CRACK /SLURRY SEAL	66.48
	11/21/25	MONTEREY PENINSULA	PEDESTRIAN SAFETY -	188,750.75
70 - EMP BENEFIT FUND	11/07/25	CLAREMONT BEHAVIORA	EAP NOV SERVICES	648.15
	11/14/25	P&A ADMINISTRATIVE	COBRA ANNUAL MIN 25	500.00
	11/04/25	PERS	ADMIN FEE	200.00
	11/14/25		ADMIN FEE	200.00
	11/03/25	CALPERS HEALTH	NOV 25 RET & CHANGE	18,458.65

Fund	Check Date	Name	DESCRIPTION	Amount
	11/21/25	PARS	PARS FEES AUGUST	$ 402.55
			PARS FEES SEPTEMBER	413.82
	11/26/25	STANDARD INSURANCE	DEC 2025 LIFE PREM	3,019.30
			NOV 2025 LIFE PREM	3,066.55
		VISION SERVICE PLAN	DEC 2025 SUPPLEMENT	13.97
71 - WORKERS COMP FUND	11/07/25	CALIFORNIA JPIA	WC TAIL CLAIMS	6,300.00
	11/24/25	PERS	NOV 2025 UAL	1,000.83
72 - LIABILITY INS FUND	11/07/25	CALIFORNIA JPIA	EXCESS LIABILITY PR	11,000.00
	11/24/25	PERS	NOV 2025 UAL	890.00
74 - LOCAL WATER PROJECT	11/07/25	PACIFIC GAS & ELECT	LWP ELEC 0792-1	11,358.58
	11/20/25	CALIFORNIA AMERICAN	1313 OCEAN VIEW BLV	2,698.89
			1313 OCEAN VIEW BLV	(2,698.89)
	11/21/25		1313 OCEAN VIEW BLV	2,698.89
			1313 OCEAN VIEW BLV	(2,698.89)
			1313 OCEAN VIEW BLV	2,698.89
		PERC WATER CORPORAT	LWP O&M SERVICES OC	36,607.69
75 - CEMETERY FUND	11/07/25	AMAZON CAPITAL SERV	CEMETERY SUPPLIES	97.22
		HAYWARD LUMBER COMP	CEM REPAIR SUPPLIES	82.90
		LLORIN-VELASQUEZ CO	FY 25/26 CEMETERY H	2,700.00
		MISSION UNIFORM SER	LINEN / UNIFORM CLE	445.02
		PACIFIC GROVE HARDW	CEM REPAIR SUPPLIES	64.43
		TURF STAR INC.	CEM TOOLS	59.24
	11/21/25	PACIFIC GAS & ELECT	CEMETERY - 1%	16.80
			CREST & RIPPLE	17.17
			CEMETERY	44.90
			CEMETERY - 1%	24.40
	11/20/25	CALIFORNIA AMERICAN	1254 DELMONTECEM70%	602.31
			1254 DELMONTECEM70%	(602.31)
			SEWER 8%	(83.06)
			SEWER 8%	83.06
	11/24/25	PERS	NOV 2025 UAL	4,105.92
	11/21/25	CALIFORNIA AMERICAN	1254 DELMONTECEM70%	(602.31)
			1254 DELMONTECEM70%	602.31
			SEWER 8%	(83.06)
			SEWER 8%	83.06
			1254 DELMONTECEM70%	602.31
			SEWER 8%	83.06
		C & N TRACTORS	CEM REPAIR UNIT 70	624.90
			CEM REPAIR UNIT 70	167.19
		HYDRAULIC TOOL SOLU	CEMETERY CASKET EXT	7,449.06
		TURF STAR INC.	CEM SUPPLIES	89.11
			CEM REPAIRS UNIT 71	343.86
			CEM REPAIRS UNIT 71	194.06
76 - SEWER FUND	11/07/25	DON CHAPIN CO., INC	SEWER LINE MAINTENA	538.72
			SEWER LINE MAINTENA	3,136.00
			SEWER LINE MAINTENA	4,245.92
		MISSION UNIFORM SER	LINEN / UNIFORM CLE	445.02
		MONTEREY ONE WATER	FOG PROGRAM 1ST QUA	18,817.22
		O'REILLY AUTO ENTER	SEWER REPAIR SUPPLI	356.27
	11/10/25	THE MONTEREY COUNTY	PUMP CRESPI POND AD	137.58
	11/21/25	PACIFIC GAS & ELECT	OCEANVIEW BLVD & 8T	6.80
			520 OCEAN VIEW BLVD	6.11
			PUMP RUSSELL SVC CT	13.75
			PUMP SUNSET ARENA	9.99
			1996 SUNSET DR.	66.10
			EARDLEY PUMP #1	66.19
			17TH & OCNVW	89.99
			1996 SUNSET DR.	19.95
			PUMP STATION	23.62
			520 OCEAN VIEW BLVD	22.70
			PUMP RUSSELL SVC CT	52.49
			471 OCEAN VIEW BL.	120.15
			PUMP SUNSET ARENA	179.01
			PUMP 17TH & OCNVW	208.66
			EARDLEY PUMP #1	158.14
			O V 9TH PUMP #2	889.91
			PUMP SUNSET ARENA	386.24
			471 OCEAN VIEW BL.	253.24
			360 OCEAN VIEW BLVD	428.56
	11/20/25	CALIFORNIA AMERICAN	100 OCEANVW IRRIG	(82.58)
			1273 CRESPI POND 50	(124.89)
			263 GROVE ACRES	(459.82)

Check Register - Summary by Detail - November 2025

Fund	Check Date	Name	DESCRIPTION	Amount
			1273 CRESPI POND 50	$ 124.89
			263 GROVE ACRES	459.82
			100 OCEANVW IRRIG	82.58
	11/24/25	PERS	NOV 2025 UAL	12,774.67
	11/21/25	CALIFORNIA AMERICAN	1273 CRESPI POND 50	124.89
			263 GROVE ACRES	459.82
			100 OCEANVW IRRIG	82.58
			100 OCEANVW IRRIG	(82.58)
			1273 CRESPI POND 50	(124.89)
			263 GROVE ACRES	(459.82)
			100 OCEANVW IRRIG	82.58
			263 GROVE ACRES	459.82
			1273 CRESPI POND 50	124.89
		BOWMAN CONSULTING G	PUMP STATION REPLAC	1,430.00
		CALIFORNIA TRUCK RE	SEWER UNIT 44 & 47	450.00
		STATE WATER RESOURC	ANNUAL FEE PHASE II	10,920.00
		DON CHAPIN CO., INC	SEWER LINE MAINTENA	1,300.32
			SEWER LINE MAINTENA	2,179.52
			SEWER LINE MAINTENA	3,687.04
			SEWER LINE MAINTENA	3,825.92
			SEWER LINE MAINTENA	3,894.24
			SEWER LINE MAINTENA	4,418.40
			SEWER LINE MAINTENA	4,521.44
			SEWER LINE MAINTENA	4,961.60
			SEWER LINE MAINTENA	5,168.80
		ICONIX WATERWORKS U	SEWER STOCK	1,318.79
		PAPE MACHINERY, INC	SEWER BACKHOE MAINT	573.52
		PURE WATER	SEWER WATER SERVICE	22.90
		SAFETY-KLEEN SYSTEM	SEWER VEHICLE SUPPL	65.42
		STURDY OIL COMPANY	SEWER FUEL OCT	879.51
		WALLACE GROUP	SCSMP 1, 6, 9 CIP24	9,882.20
77 - GOLF FUND		PACIFIC GAS & ELECT	1313 OCEAN VIEW BLV	43.64
			1313 OCEAN VIEW BLV	98.73
	11/20/25	CALIFORNIA AMERICAN	77 ASILOMAR GOLF HS	2,321.55
			1254 DELMONTEGOLF30	258.13
			1273 CRESPI POND 50	124.88
			77 ASILOMAR FIRE SV	98.29
			77 ASILOMAR GOLF HS	(2,321.55)
			1254 DELMONTEGOLF30	(258.13)
			1273 CRESPI POND 50	(124.88)
			77 ASILOMAR FIRE SV	(98.29)
	11/21/25		1254 DELMONTEGOLF30	(258.13)
			1273 CRESPI POND 50	(124.88)
			77 ASILOMAR FIRE SV	(98.29)
			77 ASILOMAR GOLF HS	(2,321.55)
			77 ASILOMAR GOLF HS	2,321.55
			1254 DELMONTEGOLF30	258.13
			1273 CRESPI POND 50	124.88
			77 ASILOMAR FIRE SV	98.29
			1254 DELMONTEGOLF30	258.13
			1273 CRESPI POND 50	124.88
			77 ASILOMAR FIRE SV	98.29
			77 ASILOMAR GOLF HS	2,321.55
Grand Total				$ 2,406,398.43

Check Register - Summary by Fund - December 2025

Fund		Transaction Amount
01 - General Fund Total	$	1,921,572.60
07 - Library Bldg & Equip Fund Total		250.00
11 - Library Book Fund Total		5,741.45
18 - Gas Tax Fund Total		38,430.87
20 - RSTP-(TAMC) Total		318,722.75
24 - Stillwell Children'S Pool Total		213.37
27 - Lighthouse Maint.& Impv. Total		5,039.98
34 - CDBG Grant Fund Total		24,336.35
40 - Poetry Promotion Fund Total		555.32
42 - Pub Safety Aug Fund Total		131,836.00
63 - Capital Improv Proj Fund Total		66,653.50
70 - Emp Benefit Fund Total		35,847.62
71 - Workers Comp Fund Total		24,152.89
72 - Liability Ins Fund Total		890.00
74 - Local Water Project Total		110,524.71
75 - Cemetery Fund Total		8,230.51
76 - Sewer Fund Total		272,744.96
77 - Golf Fund Total		12,757.06
78 - Sewer Lateral Loans Total		10,048.00
Grand Total	$	2,988,547.94

Check Register - Summary by Detail - December 2025

Fund	Check Date	Name	DESCRIPTION	Amount
01 - GENERAL FUND	12/01/25	AMAZON CAPITAL SERV	REC CREDIT PRGM SUP	$ (46.97)
			FIN OFFICE SUPPLIES	17.97
			REC OFFICE SUPPLIES	23.35
			EE TRAINING DAY	26.23
			MECH STOCK	29.49
			REC PROGRAM SUPPLIE	29.69
			PD OFFICE SUPPLIES	30.58
			FIN OFFICE SUPPLIES	36.04
			LIBRARY SUPPLIES	43.13
			REC PROGRAM SUPPLIE	50.67
			LAPTOP CHARGER	52.65
			EE TRAINING DAY	65.14
			REC PROGRAM SUPPLIE	79.71
			FIN OFFICE SUP CRED	(10.90)
			EE TRAINING DAY	6.72
			REC PROGRAM SUPPLIE	223.14
			EE TRAINING DAY	326.61
			FD OFFICE SUPPLIES	577.76
	12/05/25	4LEAF	FY 25/26 BUILDING S	76,702.04
		AMAZON CAPITAL SERV	OVERPAID INVOICES	(153.86)
			PD OFFICE SUPPLIES	16.38
			PW OFFICE SUPPLIES	46.55
			PD GUN CLEAN KIT	109.64
			FD OFFICE SUPPLIES	113.93
			LIB OFFICE SUPPLIES	68.49
			PD RANGE SUPPLIES	410.17
			PD REMOTE SPEAKER	549.12
		AMERICAN LOCK & KEY	PD KEYS DUPLICATION	106.54
		ANA RUELAS	PD TRAINING RUELAS	155.00
		AT&T CALNET 3	ADMIN PHONE 2539	31.84
			REC PHONE 096	31.84
			ADMIN INTERNET 3342	32.56
			CH GEN ALARM 3254	33.03
			ADMIN PHONE 2539	(31.84)
			REC PHONE 096	(31.84)
			ADMIN INTERNET 3342	(32.56)
			CH GEN ALARM 3254	(33.03)
		BURKE, WILLIAMS & S	CITY ATTY SERVICES	75,110.50
		CARINA ALEXANDER	PD TRAINING ALEXAND	479.54
		CLINT BOX	RFND CANCEL CLASS	16.00
		COMCAST	PW INTERNET 0389527	106.24
			REC INTERNET 021497	99.21
			PW INTERNET 0194117	228.74
			PD INTERNET 0387836	151.24
			CH INTERNET 0085844	153.24
			CH TV 0039031	14.08
		CPS HR CONSULTING	PD HIRING TEST	1,029.25
		CSC OF SALINAS	STREET AIR COMPRESS	84.93
		DARRYL PANG	PD POLYGRAPHS SEPT	375.00
			PD POLYGRAPH NOV	375.00
		DAWN DELFINO	FTO TRAINING	257.00
		DUDEK	DUDEK CORP - 209 CA	2,142.50
		ERIN ARAGON	RFND CANCEL CLASS	16.00
		ESTHER ENEA	RFND UPDATE FEE	9.32
		GEMMA PETERSON	PMT FOR YOGA CLASS	280.00
		HAYWARD LUMBER COMP	LIB REPAIR SUPPLIES	392.30
			STREET CREDIT SPPLY	(70.79)
			B&G REPAIR SUPPLIES	2,368.53
		IACP	PD IACP MEMBERSHIP	525.00
			PD IACP MEMBERSHIP	(525.00)
		JD REPAIRS INC	FD REPAIRS UNIT 641	13,918.25
			FD REPAIRS UNIT 641	584.71
		JENNIFER FUGITT	CALEA MILEAGE REIMB	125.86
		KIMBALL MIDWEST	MECH STOCK	922.64
		LIBRARICA LLC	CONTRACT SERVICES	298.50
		LIEBERT CASSIDY WHI	LEGAL SERVICES	727.50
			LEGAL SERVICES	9,009.50
		MAUREEN BOESE	RFND CANCEL CLASS	32.00
		MISSION LINEN SUPPL	FIRE DEPT LINEN UNI	293.62
		MISSION UNIFORM SER	LINEN / UNIFORM CLE	126.66
			LINEN / UNIFORM CLE	240.88
			LINEN / UNIFORM CLE	442.44

Fund	Check Date	Name	DESCRIPTION	Amount
			LINEN / UNIFORM CLE	$ 442.44
			LINEN / UNIFORM CLE	442.44
		MONTEREY BAY PEST C	RODENT CONTROL FOR	150.00
			RODENT CONTROL FOR	175.00
			RODENT CONTROL FOR	490.00
		MONTEREY COUNTY WEE	CDD PH-123 12TH	304.56
			CDD PH HE CC12.03.2	532.98
		MONTEREY REGIONAL W	FY24/25 SB 1383 IMP	21,178.00
			FY23/24 SB 1383 IMP	17,040.00
		MONTEREY TIRE SERVI	B&G REPAIR UNIT 58	157.31
			B&G UNIT 53	130.00
		CITY OF MONTEREY	FY26 FIRE SVCS DEC	286,394.00
		ODP BUSINESS SOLUTI	CDD OFFICE SUPPLIES	36.87
			CDD OFFICE SUPPLIES	3.34
			CDD OFFICE SUPPLIES	26.76
			CDD OFFICE SUPPLIES	52.82
			CDD OFFICE SUPPLIES	84.65
			CDD OFFICE SUPPLIES	76.96
		O'REILLY AUTO ENTER	B&G REPAIR SUPPLIES	977.47
			CEM REPAIR SUPPLIES	182.08
			PD REPAIR SUPPLIES	128.75
			MECH CREDIT REPAIRS	(14.30)
		PACIFIC CHESS ACADE	PMT CHESS CLASS	1,980.00
			PMT CHESS CLASS	(1,980.00)
		PACIFIC GAS & ELECT	REC ELEC OCT/NOV 09	8,939.83
			PW ADMIN ELEC 5508	1,829.15
			GOLF ST ELEC 3438	20.56
			REC ELECTRIC 4030	416.94
		POWERDMS, INC.	PD CALEA	668.75
		PROTELESIS	SOFTWARE SUPPORT	465.00
		PRIMO BRANDS	REC WATER SVC NOV	117.94
		BECKS SHOES AND REP	SAFETY BOOTS PORCHA	176.44
		REGIONAL GOVERNMENT	PAYROLL ADVISORY OC	641.30
		RINCON CONSULTANTS,	RINCON - HOUSING EL	22,405.82
		ROBERT ALLEN KIRVIN	PD BACKGROUNDS	1,816.95
		SANDRA KANDELL	LEAGUE OF CITIES SE	1,121.08
		SARA DAVI	RFND CANCEL CLASS	16.00
		SIGNWORKS	PD REPAIR UNIT 6	1,045.69
		SIR SPEEDY	CDD BUS CARDS	98.11
		SIRCHIE ACQUISITION	PD EVIDENCE SUPPLIE	47.49
		SOUTH BAY REGIONAL	PD SAFETY TRAINING	151.00
			PD ACADEMY TRAINING	481.00
		SPCA OF MONTEREY CO	PD ANIMAL SHELTER	1,960.00
		TOM'S SITE SERVICES	B&G TREE LIGHTING	600.83
		VALLEY SAW & GARDEN	STREET SUPPLIES	1,100.08
		VERITONE INC.	PD RIPA SOFTWARE	4,600.00
		VERIZON BUSINESS	PD PORT ACCESS	118.08
			PD PHONES	99.96
			CDD PHONES	133.79
			CMO PHONES	127.12
			REC PHONES	37.36
			IT PHONES	45.27
			PW PHONES	609.79
			PD DATA NOV	547.41
			LIB DATA	76.02
			ADMIN PHONES	164.12
			ADMIN DATA	70.81
			PW DATA	62.07
			FD PHONES	62.39
		WATSONVILLE FORD	PD REPAIR UNIT 1	683.33
			PD REPAIR UNIT 3	133.94
		WELLS FARGO VENDOR	KONICA LEASE FY25/2	169.21
			KONICA LEASE FY25/2	195.01
			KONICA LEASE FY25/2	216.78
			KONICA LEASE FY25/2	216.80
			KONICA LEASE FY25/2	216.80
			KONICA LEASE FY25/2	216.80
			KONICA LEASE FY25/2	232.67
		BRIAN WHITSON	JANITORIAL SERVICES	380.00
		ARIA MED	PD MEDICAL PRE EMPL	1,096.00
		AT&T	ADMIN PHONE 253	31.84
			REC PHONE 096	31.84

Fund	Check Date	Name	DESCRIPTION	Amount
		AT&T CALNET 3	ADMIN INTERNET 3342	$ 32.56
			CH GEN ALARM 3254	33.03
	12/12/25	AFLAC	DED:5200 AFLAC PREM	445.44
			DED:5201 AFLAC P/T	1,328.64
		CALIF LAW ENFORCMEN	DED:3200 LTD PD	640.00
		CALPERS HEALTH	DED:128 HEALTH EMP	584.43
			DED:4304 HLTH RETRO	1,374.65
			DED:118 HEALTH	1,456.76
			DED:3053 HEALTH FAM	1,519.52
			DED:109 HEALTH	668.15
			DED:3081 HEALTH EMP	987.69
			DED:116 HEALTH	1,120.58
			DED:137 TRIO 95076	1,166.58
			DED:112 HEALTH	1,168.86
			DED:106 HEALTH	1,670.14
			DED:111 HEALTH	1,737.18
			DED:104 HEALTH	2,241.16
			DED:2072 HEALTH	2,418.00
			DED:131 HEALTH	2,603.90
			DED:2071 HEALTH	2,657.50
			DED:3051 HEALTH EMP	2,922.15
			DED:108 HEALTH	4,342.36
			DED:103 HEALTH	6,723.48
			DED:132 HEALTH	6,770.16
			DED:130 HEALTH	8,462.74
			DED:105 HEALTH	10,197.32
			DED:2073 HEALTH FAM	10,594.50
		CITY OF PACIFIC GRO	DED:3301 AFLAC MED	1,570.11
		EFT	DED:*FM MEDICARE	11,781.53
			DED:*SCA STATE TAX	18,148.55
			DED:*FT FEDERAL TX	45,148.63
		PACIFIC GROVE CITY	DED:7000 ASSOC DUES	749.00
		MASS MUTUAL (457 PL	DED:3999 ROTH IRA	1,805.00
			DED:3999 ROTH IRA	(1,805.00)
			DED:4000 DEF COMP	(13,527.16)
			DED:4000 DEF COMP	13,527.16
		MTRY COUNTY DEPT OF	DED:0023 GARNISH	439.99
		PACIFIC GROVE MANAG	DED:7203 ASSOC DUES	35.00
		CITY OF PACIFIC GRO	DED:1009 WORK COMP	160.57
			DED:1006 WORK COMP	68.85
			DED:1005 WORK COMP	1,525.71
			DED:1010 WORK COMP	2,715.81
			DED:1003 WORK COMP	6,736.50
			DED:7510 PERS REIMB	56.58
			DED:200 DENTALEOER	310.25
			DED:2103 DENTAL FAM	1,395.70
			DED:2102 DENTAL+1EE	830.44
			DED:2101 DENTALEOEE	1,105.30
			DED:0005 SUTA	141.12
		PERS	DED:2003 PERS OTHER	173.96
			DED:0022 PERS SP MS	316.81
			DED:08 PERS OTHER	318.85
			DED:0009 PERS OTHER	662.16
			DED:0004 SURV BEN	88.35
			DED:0016 PERS-RETRO	104.37
			DED:0019 PERS RT SF	105.25
			DED:0025 PERS RT MS	23.70
			DED:0018 PERS SP SF	938.12
			DED:0006 PERS CITY	7,359.33
			DED:2000 PERS EMPLY	3,784.48
			DED:0002 PERS	2,855.78
			DED:2001 PERS	2,193.46
			DED:0021 PERS REG M	14,639.60
			DED:0020 PERS ER M3	15,386.05
			DED:0017 PERS RG SF	8,856.37
			DED:01 PERS	8,911.26
			DED:0011 PERS ER SF	10,072.56
			DED:07 PERS CITY	5,830.33
		POLICE OFFICERS ASS	DED:7205 ASSOC DUES	818.23
			DED:7204 ASSOC DUES	8.00
		LEGAL SHIELD	DED:6100 LEGAL SVC	15.88
			DED:6104 LEGAL SVC	29.30

Check Register - Summary by Detail - December 2025

Fund	Check Date	Name	DESCRIPTION	Amount
		STATE DISABILITY TA	DED:0026 SDI	$ 4,981.24
		STANDARD INSURANCE	DED:3500 LIFE INS	1,449.00
		TRANSAMERICA EMPLOY	DED:5202 TRANSAMERI	311.82
		UNION BANK OF CALIF	DED:4005 PARS-457	421.24
		VISION SERVICE PLAN	DED:2504 VISION FAM	199.92
			DED:2503 VISION+1EE	199.92
			DED:2502 VISIONEOEE	225.76
			DED:300 VISIONEOER	66.40
	12/10/25	PACIFIC CHESS ACADE	PMT CHESS CLASSES	1,386.00
	12/12/25	MASS MUTUAL (457 PL	PPE 12.6.25 ROTH IR	15,309.08
	12/11/25	US BANK	M KHASIMI MS 365 SF	0.70
			M MOGENSEN PARKING	2.00
			M KHASIMI EBOOK	10.00
			K CLARK REC SUBSCRP	12.00
			M MOGENSEN SUBSCRPT	18.00
			L LIVIAN POSTAGE	19.17
			M KHASIMI DOMAIN FE	20.99
			S ARRIOLA FED EX AT	23.79
			A CANALES POSTAGE	33.65
			A CANALES ALA MBRSH	46.00
			C DAY ACCDNTL PERSO	48.07
			L FRATI CSMFO MTG	50.00
			D GHO VOLUNTEER SNA	53.54
			F MARSH CSMFO MTG P	59.00
			S ARRIOLA CM SUBSCR	70.50
			S HOFFMAN OFFICE SU	92.26
			S ARRIOLA WORK LUNC	94.51
			D GHO REPAIR UNIT P	98.00
			S HOFFMAN SUBCRPTN	100.00
			J HALABI RING / APP	101.98
			S KANDELL CONF TRAV	140.30
			A CANALES PTRY PROM	156.00
			L LIVIAN SUBSCRIPTI	179.99
			PD 5084 DEPT STICKE	203.03
			S ARRIOLA CC MEALS	210.41
			S ARRIOLA BANNER RE	230.32
			M KHASIMI ESRI GIS	240.00
			L LIVIAN CC MEETING	273.59
			M MOGENSEN CC MTGS	278.15
			K CLARK REC PRGRMS	278.17
			L LIVIAN OFF SUPPLI	285.69
			L FRATI MEMBERSHIPS	300.00
			D GHO PRINTING / FE	322.10
			ARRIOLA CMO CC DINN	329.02
			PD 5092 ICS TRAININ	360.15
			D GHO STAFF EVENTS	442.03
			L FRATI STAFF SHIRT	473.16
			S ARRIOLA CMC TRAIN	500.00
			L FRATI EMPLYEE EVE	517.50
			PD 5092 EVENT / HIR	518.47
			J MEDAWAR CSMFO CON	625.00
			F MARSH CSMFO / GFO	655.00
			M KHASIMI REPAIR SU	667.39
			M KHASIMI ZOOM SFTW	702.15
			J HALABI CONF LOCC	775.00
			M MOGENSEN LOCC CON	775.00
			D GHO SUBSCRIPTIONS	794.00
			D GONZALES CONF UCD	960.00
			M KHASIMI LAPTOP	1,402.60
			PD 5092 UNIFORM PAT	1,466.11
	12/19/25	PERS	DEC 2025 UAL	395,585.00
	12/16/25	COUNTY OF MONTEREY	HSNG ELEMENT EIR NO	4,173.50
			HSNG ELEMENT EIR NO	(4,173.50)
	12/19/25	CALIFORNIA AMERICAN	643 HYDRANTS HYDT	44.54
			MECH 5%	48.74
			165 FOREST-MUSEUM	61.55
			CENTRAL 4 IN FIRE	61.55
			600 PINE AVE FIRE	61.55
			300 FOREST AVE	61.55
			2100 SUNSET DRIVE	81.11
			840 LIGHTHSE PLANTE	81.11
			850 LIGHTHSE PLANTE	81.11

Fund	Check Date	Name	DESCRIPTION	Amount
			882 LIGHTHSE PLANTE	$ 81.11
			106 7TH ST PARK	81.11
			308 16TH ST.	81.11
			748 LIGHTHSE IRRG	81.11
			800 LIGHTHSE PLANTE	81.11
			792 LIGHTHSE IRRIG	81.11
			582 LIGHTHSE IRRIG	81.11
			765 LIGHTHSE IRRIG	81.11
			B & G 15%	146.23
			611 CENTRAL AVE	151.42
			SUNSET-CORPYARD18%	175.48
			585 LAUREL	217.24
			1025 MORSE-PLATT PK	217.24
			130 LIGHTHOUSE IRRI	217.24
			304 16TH ST FIRE	98.29
			300 FOREST IRRIG	98.93
			139 GRAND AVE	101.27
			165 FOREST AVE FIR	319.13
			600 PINE	327.07
			300 FOREST FIRE-50%	336.67
			300 FOREST FIRE-50%	336.67
			ST FUND 50%	487.44
			300 FOREST AVE	508.51
			980 PIEDMONT BALL P	508.51
			196 OCEANVW IRRIG	508.51
			100 OCEANVW IRRIG	514.90
			150 FOREST-JEWELL P	566.04
			515 JUNIPERO	592.43
			610 OCEANVW IRRIGPK	623.93
			863 OCEANVIEW IRRG	834.02
			1051 OCEANVIEW IRRG	834.02
			391 OCEANVW-BERWICK	834.02
			707 OCEANVIEW-NAIAD	834.02
			304 16TH ST BDOM-FR	851.99
			930 SINEX	902.96
			550 CENTRAL	968.72
			620 OCEANVIEW/BATH	1,181.16
			616 OCEANVW-SWIM PL	1,574.44
			114 CALEDONIA PK	1,915.54
			580 PINE	610.41
			230 17-MILE DRIVE	2,165.17
			711 OCEANVIEW IRRG	2,253.37
			616 OCEANVIEW IRRG	3,371.78
		PACIFIC GAS & ELECT	LOVERS POINT	8.11
			17 MI DR BALLPARK	8.92
			BERWICK PARK	10.42
			COR MELROSE	11.40
			17 MI DR BALLPARK	11.41
			168 16TH ST	11.48
			CALEDONIA PK LIGHTS	12.19
			17 MI DR BALLPARK	0.02
			168 16TH ST	0.05
			CALEDONIA PK LIGHTS	0.65
			FOREST CENTRL SPR	2.75
			117 RECREATION ROOM	5.19
			PARKING LOT LIGHT	15.28
			FOREST CENTRL SPR	16.25
			CORP YARD DM & 5TH	17.03
			CORP YARD SUNSET DR	18.79
			PLATT PK SPRNKLR	20.16
			117 RECREATION ROOM	21.28
			1307 FORST SINEX SI	21.80
			GRAND AV & PK PL	24.64
			1307 FORST PINE SIG	26.57
			LOVERS POINT	27.66
			620 OCEAN VIEW POOL	31.08
			PHONE BOOTH-BERWICK	31.73
			PIEDMONT & MORELAND	34.35
			COR MELROSE	34.42
			PLATT PK SPRNKLR	50.83
			1307 FORST SINEX SI	55.50
			CITY COUNCIL - 3%	58.45

Fund	Check Date	Name	DESCRIPTION	Amount
			RECREATION - 3%	$ 58.45
			1307 FORST PINE SIG	64.53
			162 16TH STREET	73.36
			CITY COUNCIL - 3%	79.14
			RECREATION - 3%	79.14
			CONCESSION STAND	80.17
			101 CH -CEDD - 50%	70.09
			101 CH -FIN - 50%	70.10
			17 MI DR BALLPARK	112.35
			117 COMMUNITY CTR	123.79
			FINANCE - 7%	136.40
			CHAUTAUQUA HALL	138.15
			CHAUTAUQUA HALL	158.64
			OCEANVIEW & 17TH	159.82
			17TH ST & LAUREL	166.83
			FINANCE - 7%	184.67
			CEDD - 9.5%	185.09
			CITY MANAGER - 9.5%	185.09
			117 COMMUNITY CTR	286.08
			FIRE DEPT	291.51
			300 FOREST AVE	305.28
			165 FOREST AVE	322.66
			BEACH BOAT STORAGE	334.19
			POLICE DEPT	347.94
			FOREST 40 FT E/O LH	374.90
			17 MILE DRIVE	240.97
			CEDD - 9.5%	250.61
			CITY MANAGER - 9.5%	250.61
			300 16TH ST.	199.61
			PUBLIC LIBRARY	437.89
			FIRE DEPT - 24%	467.61
			117 COMMUNITY CTR	604.86
			550 CENTRAL AVE	621.66
			FIRE DEPT - 24%	633.12
			17TH ST & LAUREL	696.03
			FOREST & CENTRAL DR	727.74
			FOREST 40 FT E/O LH	762.86
			POLICE DEPT - 43%	837.79
			580 PINE AVE - LOAN	1,046.81
			POLICE DEPT - 43%	1,134.35
			FOREST & CENTRAL DR	1,305.38
			PUBLIC LIBRARY	1,313.89
		AMAZON CAPITAL SERV	LIB OFFICE SUPPLIES	8.62
			REC OTHER SUPPLIES	9.38
			REC OTHER SUPPLIES	10.91
			PW OFFICE SUPPLIES	10.91
			REC OTHER SUPPLIES	12.23
			REC OFFICE SUPPLIES	13.65
			REC OTHER SUPPLIES	14.52
			CMO OFFICE SUPPLIES	15.86
			LIB OFFICE SUPPLIES	18.35
			LIB OFFICE SUPPLIES	18.68
			REC OTHER SUPPLIES	18.76
			REC OFFICE SUPPLIES	20.36
			REC OTHER SUPPLIES	21.82
			REC PROGRAM SUPPLIE	21.96
			REC HOLIDAY SUPPLIE	25.62
			PW VOLUNTEER SUPPLI	28.58
			LIB OFFICE SUPPLIES	29.38
			LIB OFFICE SUPPLIES	29.53
			PD OFFICE SUPPLIES	30.58
			LIB OFFICE SUPPLIES	30.69
			REC PROGRAM SUPPLIE	31.00
			LIB OFFICE SUPPLIES	31.12
			FIN HOLIDAY SUPPLIE	32.42
			REC PROGRAM SUPPLIE	32.61
			REC OTHER SUPPLIES	38.40
			REC PROGRAM SUPPLIE	44.76
			CTY CNCL SUPPLIES	48.91
			B&G VOLUNTEER SUPPL	52.56
			LIB OFFICE SUPPLIES	53.52
			LIB OFFICE SUPPLIES	54.61

Fund	Check Date	Name	DESCRIPTION	Amount
			FIN OFFICE SUPPLIES	$ 68.94
			REC OFFICE SUPPLIES	88.46
			CMO MISC SUPPLIES	93.77
			REC PROGRAM SUPPLIE	126.44
			REC PROGRAM SUPPLIE	150.64
			LIB OFFICE SUPPLIES	200.47
			EE WALKTOBER	223.39
			REC PROGRAM SUPPLIE	224.16
			FIRE DEPT SUPPLIES	568.80
			FIRE DEPT SUPPLIES	838.20
			REC HOLIDAY SUPPLIE	1,069.54
			REC CREDIT SUPPLIES	(10.91)
			REC OTHER SUPPLIES	295.84
		4LEAF	FY 25/26 BUILDING S	5,677.36
		ACCENT CLEAN & SWEE	FY25/26 ST SWEEP NO	18,810.00
		ALTERNATOR STARTER	B&G REPAIR UNIT 52	317.06
			B&G REPAIR UNIT 52	(317.06)
		AMAZON CAPITAL SERV	REC PRIME MEMBERSHI	229.79
			PW PRIME MEMBERSHIP	110.64
			PD PRIME MEMBERSHIP	170.21
			LIB PRIME MEMBERSHI	178.72
			FIN PRIME MEMBERSHI	25.53
			FD PRIME MEMBERSHIP	59.57
			CMO PRIME MEMBERSHI	76.60
		AMERICAN LOCK & KEY	GOLF CLB RE-KEY SVC	787.51
		AMERICAN SUPPLY COM	JANITORIAL SUPPLIES	4,936.92
		AT&T CALNET 3	ADMIN PHONE 3242	2,159.36
			LIB INTERNET 3343	249.34
		BARBARA MORAIS	RFND CANCEL CLASS	10.00
		BOUND TREE MEDICAL,	FD MEDICAL SUPPLIES	2,222.51
		BURKE, WILLIAMS & S	CITY ATTY SERVICES	53,555.50
			CITY ATTY SERVCS NO	76,440.92
		CA DEPT OF JUSTICE	PD LIVESCANS	321.00
			PD LIVESCANS	211.00
			PD LIVESCANS	236.00
		CALTRONICS BUSINESS	REC KONICA LEASE	76.70
			KONICA COPIES FY26	62.07
			KONICA COPIES FY26	73.55
			KONICA COPIES FY26	113.66
			KONICA COPIES FY26	160.29
			KONICA COPIES FY26	444.71
			KONICA COPIES FY26	814.24
		CAPPO	FIN PROCUREMT TRAIN	117.00
		CAROLINE BROWN	RFND SCHEDULE CHANG	126.27
		CASEY DAY	PD LEADER TRAINING	300.00
		CENTRALSQUARE TECHN	FIN TRAINING SERVIC	1,215.00
			FINANCE SOFTWARE JA	5,211.10
		CHRISTINA SCHADE	RFND CHANGE SCHEDUL	115.92
		WM.J. CLARK TRUCKIN	DG SUPPLIES	2,987.53
		CMRTA	FIN MEMBERSHP RENEW	150.00
		CODE PUBLISHING, IN	CC WEB UPDATE NEW P	441.00
		COMCAST	CH INTERNET 0085844	157.99
			CH TV 0039031	14.08
		COUNTY OF MONTEREY	HOUSING EIR NOD	4,173.50
		CRAFT ELECTRIC COMP	LIGHT REPAIR LVR PT	884.97
		CRITICAL REACH	PD APBNET ANNUAL FE	440.00
		THE EMBLEM AUTHORIT	PD PATCHES	662.00
		ENGINEERED FIRE SYS	FD PLAN REVIEW NOV	945.00
		COASTAL FABRICATION	MEMORIAL BENCH LEGS	5,093.78
		FEDERAL EXPRESS COR	FIN EXPRESS CALPERS	42.35
		AT&T MOBILITY	PD CELL PHONES 5185	3,577.58
			LIB PHONES 1990	444.44
		FOREST HILL ACE HAR	LH XMAS DECOR TIMER	26.21
		GACHINA LANDSCAPE M	PARK MOWING DEC	1,387.00
		GARDAWORLD	NOV EXCESS FEES	62.01
		GEOGRAPHIC TECHNOLO	GIS SUPPORT SVCS AU	1,300.00
		WILEY JAMES GRIFFIN	PD BOOT REIMBURSEME	146.81
		GROVE MARKET	REC PROGRAM SUPPLIE	30.86
		HEIHACHIRO TAKARABE	PMT FOR TAI CHI CLA	63.00
		HOME DEPOT CREDIT S	CH XMAS TREE	98.30
		INTERNATIONAL BUSIN	PD DEVICE SUPPORT	63.21
		IPS GROUP, INC	PD METER FEES	1,116.14

Fund	Check Date	Name	DESCRIPTION	Amount
		KEVIN SHUM	PD BOOT REIMBURSEME	$ 55.69
		KIDWELL'S INC.	MEM BENCH PAINT	89.19
		SECURE SOLUTIONS	PD BACKGROUND CHKS	2,107.92
			PD BACKGROUND CHKS	2,077.10
		LOZANO SMITH	LEGAL SERVICES SEPT	442.00
			LEGAL SERVICES SEPT	10,812.00
		MATTHEW LOGAN	RFND PRGRM FEES	18.64
		MISSION UNIFORM SER	PW OUTERWEAR CREW	262.52
		MONTEREY BAY PEST C	RODENT CONTROL FOR	135.00
			RODENT CONTROL FOR	135.00
			RODENT CONTROL FOR	175.00
			RODENT CONTROL FOR	180.00
			RODENT CONTROL FOR	490.00
		MONTEREY COUNTY WEE	CC 2ND READ ORD	152.28
		MONTEREY ONE WATER	LIB SEWER TRTMT	243.96
			FD SEWER TRTMT	975.84
			REC SEWER TRTMT	1,463.76
			PD SEWER TRTMT	1,707.72
			MUSEUM SEWER TRTMT	487.92
			PW SEWER TRTMT	243.96
			B&G SEWER TRTMT	8,765.84
		ODP BUSINESS SOLUTI	FIN / ASD OFFICE SU	11.69
			CMO OFFICE SUPPLIES	7.64
		OLD REPUBLIC TITLE	TITLE RPRT 168 FORE	500.00
		PACIFIC WEST WATER	PD WATER SERVICE	523.74
			FIN / ASD WATER SVC	42.85
			CDD WATER SERVICE	42.85
		PATRICIA NOFZIGER	RFND CANCEL CLASS	30.00
		PIERRE SOKOLSKY	RFND CANCEL CLASS	10.00
		PURE WATER	PW WATER SERVICE DE	119.75
		PRIMO BRANDS	PD WATER SERVICE	318.77
		RINCON CONSULTANTS,	RINCON - HOUSING EL	27,619.79
		RYDIN DECAL	CMO PARKING PASSES	387.57
		VARAJIC CONSULTING	PMT LEGO CLASSES	882.00
		SENTRY ALARM SYSTEM	FD JAN-MAR 2026	106.50
		SLAKEY BROTHERS INC	B&G STOCK	284.05
			B&G STOCK	(284.05)
		STITCH WITCH	PD UNIFORM HATS	1,642.50
		STURDY OIL COMPANY	PD FUEL NOV	2,001.47
			STREET FUEL NOV	390.13
			A/R FUEL NOV	4,540.36
			B&G FUEL NOV	780.25
		SYMBOL ART	PD CHALLENGE COINS	2,516.72
		THE MONTEREY COUNTY	CDD PH HE CC SPECIA	660.19
			CRESPI POND LEGAL A	351.66
		TOPE'S TREE SERVICE	RFND PERMIT FEES	246.00
		UPS	PD POSTAGE SEPT	25.00
			PD POSTAGE NOV	10.93
			PD POSTAGE SEPT	2.48
		VESTIS SERVICES, LL	PD LINEN SVCS NOV	736.38
		WATSONVILLE FORD	PD REPAIR UNIT 1	642.63
			PD REPAIR UNIT 8	562.15
			PD REPAIR UNIT 8	286.75
			PD REPAIR UNIT PE 2	177.78
		BRIAN WHITSON	MONTHLY MUSEUM JANI	2,100.00
			JANITORIAL SERVICES	380.00
		SWIFT CAR WASH	PD CAR WASHES	320.00
		WILSON'S PLUMBING &	LOVERS PT REPAIRS	2,078.60
		ALTERNATOR STARTER	B&G REPAIR UNIT 52	317.06
		SLAKEY BROTHERS INC	B&G STOCK	284.05
		AT&T	LH INTERNET 3200212	122.34
	12/26/25	AFLAC	DED:5201 AFLAC P/T	1,328.64
			DED:5200 AFLAC PREM	445.44
		CALPERS HEALTH	DED:128 HEALTH EMP	584.43
			DED:4304 HLTH RETRO	(381.14)
			DED:3051 HEALTH EMP	2,922.15
			DED:104 HEALTH	2,241.16
			DED:2072 HEALTH	2,418.00
			DED:2071 HEALTH	2,657.50
			DED:108 HEALTH	4,342.36
			DED:103 HEALTH	6,723.48
			DED:132 HEALTH	6,770.16

Fund	Check Date	Name	DESCRIPTION	Amount
			DED:109 HEALTH	$ 668.15
			DED:3081 HEALTH EMP	987.69
			DED:116 HEALTH	1,120.58
			DED:137 TRIO 95076	1,166.58
			DED:112 HEALTH	1,168.86
			DED:131 HEALTH	1,301.95
			DED:118 HEALTH	1,456.76
			DED:3053 HEALTH FAM	1,519.52
			DED:106 HEALTH	1,670.14
			DED:111 HEALTH	1,737.18
			DED:105 HEALTH	10,197.32
			DED:2073 HEALTH FAM	10,594.50
			DED:130 HEALTH	9,113.72
		CITY OF PACIFIC GRO	DED:3301 AFLAC MED	1,569.11
		EFT	DED:*SCA STATE TAX	16,740.86
			DED:*FT FEDERAL TX	41,193.17
			DED:*FM MEDICARE	11,384.13
		PACIFIC GROVE CITY	DED:7000 ASSOC DUES	749.00
		MASS MUTUAL (457 PL	DED:3999 ROTH IRA	1,805.00
			DED:4000 DEF COMP	13,452.16
		MTRY COUNTY DEPT OF	DED:0023 GARNISH	439.99
		PACIFIC GROVE MANAG	DED:7203 ASSOC DUES	35.00
		CITY OF PACIFIC GRO	DED:1006 WORK COMP	70.46
			DED:1009 WORK COMP	181.72
			DED:1005 WORK COMP	1,584.09
			DED:1010 WORK COMP	2,750.31
			DED:1003 WORK COMP	6,239.56
			DED:7510 PERS REIMB	56.58
			DED:200 DENTALEOER	310.25
			DED:2103 DENTAL FAM	1,395.70
			DED:2102 DENTAL+1EE	766.56
			DED:2101 DENTALEOEE	1,136.88
			DED:0005 SUTA	141.12
		PERS	DED:2003 PERS OTHER	173.96
			DED:0004 SURV BEN	87.42
			DED:0022 PERS SP MS	212.31
			DED:0025 PERS RT MS	38.62
			DED:0019 PERS RT SF	(3.44)
			DED:0018 PERS SP SF	651.78
			DED:0009 PERS OTHER	483.82
			DED:08 PERS OTHER	318.85
			DED:2001 PERS	2,193.46
			DED:2000 PERS EMPLY	3,784.48
			DED:0002 PERS	2,855.78
			DED:0006 PERS CITY	6,784.94
			DED:01 PERS	8,944.21
			DED:07 PERS CITY	5,851.15
			DED:0021 PERS REG M	14,577.18
			DED:0020 PERS ER M3	15,229.90
			DED:0017 PERS RG SF	9,307.49
			DED:0011 PERS ER SF	10,129.60
		POLICE OFFICERS ASS	DED:7205 ASSOC DUES	820.74
		LEGAL SHIELD	DED:6100 LEGAL SVC	15.88
			DED:6104 LEGAL SVC	29.30
		STATE DISABILITY TA	DED:0026 SDI	4,982.63
		TRANSAMERICA EMPLOY	DED:5202 TRANSAMERI	311.82
		UNION BANK OF CALIF	DED:4005 PARS-457	692.32
		VISION SERVICE PLAN	DED:300 VISIONEOER	66.40
			DED:2502 VISIONEOEE	232.40
			DED:2503 VISION+1EE	185.64
			DED:2504 VISION FAM	199.92
	12/31/25	BIG BRAND TIRE AND	STREET REPAIR UNIT	460.14
		ALENA RACHELLE WAGR	PMT FOR DANCE CLASS	1,078.00
		AMAZON CAPITAL SERV	PW OFFICE SUPPLIES	99.98
			CDD OFFICE SUPPLIES	78.03
			LIB SUPPLIES	23.16
			FIN WALL CALENDAR	25.31
			PW MEM PLAQUE	33.86
			PD OFFICE SUPPLIES	62.97
			LIB OFFICE SUPPLIES	19.97
			MECH STOCK	22.39
		ANH MCCORMICK	RFND REQUESTED	157.50

Fund	Check Date	Name	DESCRIPTION	Amount
		ANNA BORNSTEIN	REIMB REGISTRATION	$ 305.00
		AT&T	REC PHONE 0960	31.54
			ADMIN PHONE 253	31.54
		CHARLOTTE ROBINSON	RFND PERMIT FEES	2,252.30
		CHRIS MERRELL	RFND PERMIT FEES	437.59
		COMCAST	PW INTERNET 0194117	228.86
			REC INTERNET 021497	102.49
			PW INTERNET 0389527	106.24
			PD INTERNET 0387836	151.24
		CHOMP	PD HOSPITAL FEES	54.00
		DENISE DUFFY & ASSO	MND CRESPI POND	837.00
			MND CRESPI POND	4,654.46
		DISASTER KLEENUP SP	PD BIOHAZARD CLEANU	1,012.52
		EWING IRRIGATION PR	IRRIGATION SUPPLIES	980.50
			IRRIGATION SUPPLIES	102.80
		FENG LIANG	RFND REQUESTED	63.00
		HARRIS & ASSOCIATES	CONTRACT PLANNING S	12,382.50
		HEATHER CONNER	RFND CANCEL CLASS	10.00
		HEIHACHIRO TAKARABE	PMT FOR TAI CHI CLA	49.00
		HINDERLITER, DE LLA	SALES TAX OCT-DEC	1,158.72
		HOMETEK	MEM BENCH WORK	330.00
		HOWARD'S UPHOLSTERY	PD REPAIR UNIT 5	356.50
		IPS GROUP, INC	PD METER FEES	91.39
			PD METER FEES	1,490.80
		JENNIFER FUGITT	REIMB MILEAGE CAPE	34.65
		JIONG YANG	RFND CANCEL CLASS	10.00
		LAURA IRELAND	RFND REQUESTED	115.92
		LIEBERT CASSIDY WHI	LEGAL SERVICES FEB	1,115.50
			LEGAL SERVICES FEB	1,210.00
			LEGAL SERVICES FEB	2,910.00
		LOZANO SMITH	LEGAL SERVICES SEPT	1,510.77
		MIDWEST LIBRARY SER	LIB SUPPLIES	30.59
		MOLLIE COLLYER	RFND CANCEL CLASS	10.00
		MONTEREY BAY PEST C	RODENT CONTROL FOR	135.00
			RODENT CONTROL FOR	175.00
		MONTEREY COUNTY WEE	CDD PH ORD AD	456.84
		NICOLE MANUGUERRA	RFND CANCEL CLASS	10.00
		ODP BUSINESS SOLUTI	CDD OFFICE SUPPLIES	15.74
		PACIFIC GAS & ELECT	REC ELECTRIC 4030	413.43
			PW ADMIN ELEC 5508	1,997.08
		PAGE & TURNBULL	CITY CNCL NOV SVCS	711.00
		PRIMO BRANDS	REC WATER SERVICE	92.99
		REBECCA HARDT	RFND CANCEL CLASS	10.00
		REGIONAL GOVERNMENT	PAYROLL ADVISORY SE	1,052.70
		SALINAS VALLEY PROS	PD UNIFORMS	2,943.05
		SENTRY ALARM SYSTEM	B&G CH ALARM	700.00
		SPCA OF MONTEREY CO	PD ANIMAL SERVICES	1,770.00
		THE MONTEREY COUNTY	CDD PH ORD AD	659.92
		TOPE'S TREE SERVICE	CONTRACT TREE SERVI	9,985.00
		TORO PETROLEUM CORP	FD DIESEL DEC	1,510.71
		TURF STAR INC.	PD REPAIR UNIT PE 2	922.06
		ULINE	B&G PRIVACY SCREENS	791.28
			REC DEPT SUPPLIES	226.84
		WATSONVILLE FORD	PD REPAIRS UNIT 1	642.63
			PD REPAIR UNIT 3	31.59
			STREET REPAIR UNIT	45.48
		WEX BANK	PD FUEL CARD	47.82
		WILSON'S PLUMBING &	GC LINE CLEAN OUT	910.74
		PROTELESIS	IT SOFTWARE SUPPORT	1,950.00
07 - LIBRARY BLDG & EQUIP FUND	12/19/25	DOUGLAS STEAKLEY PH	LOCAL HISTORY PRESN	250.00
11 - LIBRARY BOOK FUND	12/01/25	AMAZON CAPITAL SERV	LIB BOOKS & MATERIA	643.16
			LIB BOOKS & MATERIA	371.22
			LIB BOOKS & MATERIA	447.73
			LIB BOOKS & MATERIA	238.57
			LIB BOOKS & MATERIA	24.02
			LIB BOOKS & MATERIA	18.35
			LIB BOOKS & MATERIA	21.93
			LIB BOOKS & MATERIA	8.73
	12/05/25		LIB BOOKS & MATERIA	243.10
			LIB BOOKS & MATERIA	88.00
			LIB BOOKS & MATERIA	13.81
			LIB BOOKS & MATERIA	7.64

Fund	Check Date	Name	DESCRIPTION	Amount
			LIB BOOKS & MATERIA	$ 630.73
			LIB BOOKS & MATERIA	56.39
			LIB BOOKS & MATERIA	49.82
			LIB BOOKS & MATERIA	38.94
			LIB BOOKS & MATERIA	40.36
			LIB BOOKS & MATERIA	14.41
		CENGAGE LEARNING/GA	LIB BOOKS & MATERIA	24.46
		MIDWEST TAPE	LIB BOOKS & MATERIA	313.47
			LIB BOOKS & MATERIA	97.21
		THE PENWORTHY COMPA	LIB BOOKS & MATERIA	270.70
	12/19/25	AMAZON CAPITAL SERV	LIB BOOKS & MATERIA	505.90
			LIB BOOKS & MATERIA	5.67
			LIB BOOKS & MATERIA	6.09
			LIB BOOKS & MATERIA	277.41
			LIB BOOKS & MATERIA	94.91
			LIB BOOKS & MATERIA	117.79
			LIB BOOKS & MATERIA	55.52
			LIB BOOKS & MATERIA	25.11
			LIB BOOKS & MATERIA	13.48
			LIB BOOKS/ MATL CRD	(55.52)
		CENGAGE LEARNING/GA	LIB BOOKS & MATERIA	415.88
		INGRAM LIBRARY SERV	LIB BOOKS & MATERIA	22.11
	12/31/25	AMAZON CAPITAL SERV	LIB BOOKS & MATERIA	34.19
			LIB BOOKS & MATERIA	16.34
			LIB BOOKS & MATERIA	14.41
		INGRAM LIBRARY SERV	LIB BOOKS & MATERIA	79.13
		MIDWEST LIBRARY SER	LIB BOOKS & MATERIA	286.45
		MIDWEST TAPE	LIB BOOKS & MATERIA	163.83
18 - GAS TAX FUND	12/05/25	4LEAF	FY 25/26 ON-CALL TR	24,869.44
		BEAR ELECTRICAL SOL	TRAFFIC SIGNAL OCT	250.00
			TRAFFIC SIGNAL MAIN	1,120.00
	12/19/25	PERS	DEC 2025 UAL	2,373.42
		CALIFORNIA AMERICAN	CEM 4%	39.00
		PACIFIC GAS & ELECT	FOREST AV SUNSET AV	27.26
			FOREST AVE SUNSET A	25.13
			19TH & SUNSET DR.	17.07
			FOREST AV SUNSET AV	66.03
			FOREST AVE SUNSET A	53.72
		STURDY OIL COMPANY	GAS TAX FUEL NOV	390.12
	12/31/25	BEAR ELECTRICAL SOL	NOV TRAFFIC SIGN MA	250.00
		PACIFIC GAS & ELECT	PW ELECTRIC 4482	8,949.68
20 - RSTP-(TAMC)	12/05/25	GHD INC.	INTERSECTION IMPRVM	1,662.00
	12/19/25		INTERSECTION IMPRVM	1,249.75
	12/31/25	MONTEREY PENINSULA	PEDESTRIAN SAFETY -	315,811.00
24 - STILLWELL CHILDREN'S POOL	12/19/25	AMERICAN SUPPLY COM	POOL SUPPLIES	213.37
27 - LIGHTHOUSE MAINT.& IMPV.	12/01/25	AMAZON CAPITAL SERV	LH XMAS DECORATIONS	139.17
	12/05/25	BIG SUR HANDWORKS	CREDIT DAMAGED MERC	(28.00)
			LH MERCHANDISE	1,672.00
		A JUSTICE DESIGN	LH DOCENT APPAREL	210.45
		AMAZON CAPITAL SERV	PW OFFICE SUPPLIES	159.53
		AT&T CALNET 3	LH PHONE	(32.40)
			LH PHONE	32.40
		ESCARRAGA'S LUXURY	LH CLEANING	480.00
		HIKE AMERICA	LH MERCHANDISE	501.25
		PACIFIC BLUE TILE,	LH MERCHANDISE	272.87
		AT&T CALNET 3	LH PHONE 3247	32.40
	12/11/25	US BANK	D GHO LH DECORATION	142.01
	12/19/25	CALIFORNIA AMERICAN	90 ASILOMAR	114.74
		PACIFIC GAS & ELECT	ASILOMAR BLVD PG LH	69.87
			ASILOMAR BLVD PG LH	152.83
		GOLDEN GATE NATIONA	LH MERCHANDISE	114.15
		MONTEREY ONE WATER	LH SEWER TRTMT	243.96
		KATHERINE HEALEY	LH MERCH / MS MORRI	130.00
	12/31/25	A JUSTICE DESIGN	LH DOCENT APPAREL	312.97
		AMAZON CAPITAL SERV	LH MERCH BALANCE	70.40
		AT&T CALNET 3	LH PHONE 3247	31.88
		JENNIFER LANGFORD	REIMB HOLIDAY FOOD	217.50
			REIMB HOLIDAY FOOD	(217.50)
			REIMB HOLIDAY FOOD	217.50
34 - CDBG GRANT FUND	12/16/25	JIM GISH INC	807 MARINO PINES DI	20,000.00
	12/31/25		REHAB LOAN PMT	4,336.35
40 - POETRY PROMOTION FUND	12/19/25	MONTEREY ONE WATER	POET SEWER TRTMT	355.32

Check Register - Summary by Detail - December 2025

Fund	Check Date	Name	DESCRIPTION	Amount
	12/31/25	CAROLYN B FLYNN	POETRY PROMOTION	$ 100.00
		MARGARET PAUL	POETRY PROMOTION	100.00
42 - PUB SAFETY AUG FUND	12/05/25	MONTEREY COUNTY EME	DISPATCH SERVICES &	131,836.00
63 - CAPITAL IMPROV PROJ FUND	12/31/25	MONTEREY PENINSULA	PEDESTRIAN SAFETY -	25,144.00
		NEILL ENGINEERS COR	FY25/26 CIP ENGINEE	652.00
			FY25/26 CIP ENGINEE	836.00
			FY25/26 CIP ENGINEE	1,672.00
			FY25/26 CIP ENGINEE	4,736.00
			FY25/26 CIP ENGINEE	6,699.00
			FY25/26 CIP ENGINEE	6,955.50
			FY25/26 CIP ENGINEE	19,959.00
70 - EMP BENEFIT FUND	12/03/25	CALPERS HEALTH	DEC 25 RET & CHANGE	9,819.23
		EMPLOYMENT DEVELOPM	1ST QTR 2025 UI CLA	4,728.97
		STANDARD INSURANCE	OCT 2025 DENTAL	7,816.68
			NOV 2025 DENTAL	7,752.08
	12/05/25	CLAREMONT BEHAVIORA	EAP DEC SERVICES	648.15
	12/19/25	PARS	PARS FEES OCT	421.26
	12/26/25	CALPERS HEALTH	JAN 2026 RET & CHAN	4,661.25
71 - WORKERS COMP FUND	12/05/25	CA DEPT OF INDUSTRI	WORK COMP FY25/26	23,152.06
	12/19/25	PERS	DEC 2025 UAL	1,000.83
72 - LIABILITY INS FUND			DEC 2025 UAL	890.00
74 - LOCAL WATER PROJECT	12/05/25	STATE WATER RESOURC	LWP ANNUAL PERMIT F	11,678.00
			LWP ANNUAL FEE	1,500.00
		PACIFIC GAS & ELECT	LWP ELECTRIC 0792	8,039.64
	12/19/25	CALIFORNIA AMERICAN	1313 OCEAN VIEW BLV	4,351.58
		MONTEREY ONE WATER	LWP SEWER TRTMT	46,737.68
		PERC WATER CORPORAT	LWP O&M SERVICES FY	37,567.81
	12/31/25	MOTOR CONTROLS INC.	LWP MODEM SVCS	650.00
75 - CEMETERY FUND	12/05/25	HAYWARD LUMBER COMP	CEM CREDIT SUPPLIES	(23.69)
		KIMBALL MIDWEST	CEM REPAIR UNIT 71	73.39
		LLORIN-VELASQUEZ CO	FY 25/26 CEMETERY N	2,700.00
		MISSION UNIFORM SER	LINEN / UNIFORM CLE	442.44
		TURF STAR INC.	CEM REPAIR UNIT 71D	84.54
	12/19/25	PERS	DEC 2025 UAL	4,105.92
		CALIFORNIA AMERICAN	SEWER 8%	77.99
			1254 DELMONTECEM70%	595.29
		PACIFIC GAS & ELECT	CEMETERY - 1%	19.48
			CEMETERY - 1%	26.38
			CREST & RIPPLE	38.89
			CEMETERY	89.88
76 - SEWER FUND	12/05/25	AT&T CALNET 3	PW SEWER PHONE 139	31.84
			PW SEWER PHONE 293	31.84
			PW SEWER PHONE 057	31.84
			PW SEWER PHONE 126	31.84
			PW SEWER PHONE 057	(31.84)
			PW SEWER PHONE 126	(31.84)
			PW SEWER PHONE 139	(31.84)
			PW SEWER PHONE 293	(31.84)
		STATE WATER RESOURC	CITY DISCHARGE FEE	3,945.00
		DON CHAPIN CO., INC	SEWER LINE MAINTENA	2,373.28
			SEWER LINE MAINTENA	2,772.00
			SEWER LINE MAINTENA	2,876.16
			SEWER LINE MAINTENA	3,412.64
		MISSION UNIFORM SER	LINEN / UNIFORM CLE	442.44
		MONTEREY ONE WATER	LIFT STATION MAINTE	42,757.88
		O'REILLY AUTO ENTER	SEWER REPAIR SUPPLI	26.08
		PACIFIC GAS & ELECT	SEWER ELECTRIC 4175	31.52
			PW SEWER ELEC 5126	3,536.76
		PAPE MACHINERY, INC	SEWER REPAIR UNIT 1	292.36
		AT&T	PW SEWER PHONE 057	31.84
			PW SEWER PHONE 126	31.84
			PW SEWER PHONE 139	31.84
			PW SEWER PHONE 293	31.84
	12/19/25	PERS	DEC 2025 UAL	12,774.67
		CALIFORNIA AMERICAN	100 OCEANVW IRRIG	81.11
			263 GROVE ACRES	341.87
			1273 CRESPI POND 50	270.02
		PACIFIC GAS & ELECT	PUMP STATION	27.19
			1996 SUNSET DR.	21.29
			520 OCEAN VIEW BLVD	25.74
			PUMP RUSSELL SVC CT	15.30
			520 OCEAN VIEW BLVD	7.10

Check Register - Summary by Detail - December 2025

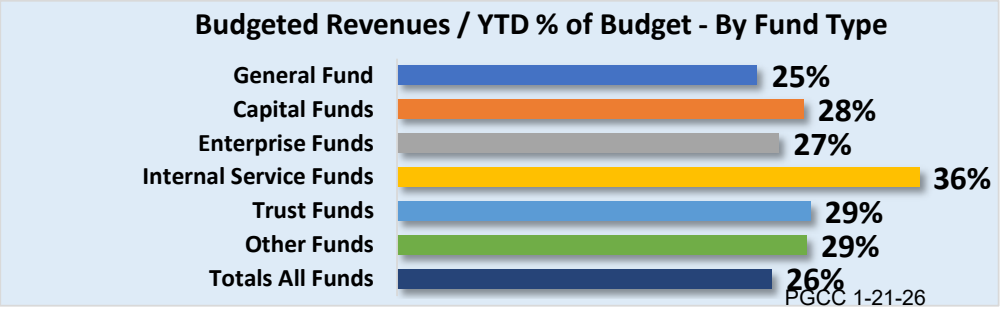
Fund	Check Date	Name	DESCRIPTION	Amount
			OCEANVIEW BLVD & 8T	$ 8.05
			PUMP SUNSET ARENA	14.52
			1996 SUNSET DR.	71.39
			EARDLEY PUMP #1	85.38
			PUMP RUSSELL SVC CT	58.15
			471 OCEAN VIEW BL.	125.27
			EARDLEY PUMP #1	199.51
			PUMP SUNSET ARENA	432.37
			O V 9TH PUMP #2	1,012.21
			360 OCEAN VIEW BLVD	487.89
			PUMP SUNSET ARENA	200.65
			PUMP 17TH & OCNVW	236.25
			471 OCEAN VIEW BL.	264.62
			17TH & OCNVW	107.46
		FIELD OF DREAMS DES	PW CREW BEANIES	624.91
		MISSION UNIFORM SER	SEWER UNIFORM ACEVE	27.00
		STURDY OIL COMPANY	SEWER FUEL NOV	522.32
		WALLACE GROUP	SCSMP 1, 6, 9 CIP24	152,847.77
		WATSONVILLE FORD	SEWER REPAIR UNIT 4	266.99
	12/31/25	AT&T	PW SEWER PHONE 057	31.54
			PW SEWER PHONE 293	31.54
			PW SEWER PHONE 139	31.54
			PW SEWER PHONE 126	31.54
		CHEVROLET OF WATSON	SEWER REPAIR UNIT 4	447.36
		DON CHAPIN CO., INC	SEWER LINE MAINTENA	2,820.16
			SEWER LINE MAINTENA	2,950.00
			SEWER LINE MAINTENA	2,950.00
			SEWER LINE MAINTENA	2,950.00
			SEWER LINE MAINTENA	2,950.00
			SEWER LINE MAINTENA	3,532.48
			SEWER LINE MAINTENA	3,661.28
			SEWER LINE MAINTENA	4,578.56
			SEWER LINE MAINTENA	4,897.76
			SEWER LINE MAINTENA	5,130.72
		NEILL ENGINEERS COR	ADMIN ENGINEERING S	1,000.00
			ADMIN ENGINEERING S	1,000.00
77 - GOLF FUND	12/05/25	LA CREME HOSPITALIT	DEPOSIT RETURN	10,000.00
	12/19/25	CALIFORNIA AMERICAN	1254 DELMONTEGOLF30	255.13
			1273 CRESPI POND 50	270.01
			77 ASILOMAR GOLF HS	1,987.83
			77 ASILOMAR FIRE SV	98.29
		PACIFIC GAS & ELECT	1313 OCEAN VIEW BLV	44.46
			1313 OCEAN VIEW BLV	101.34
78 - SEWER LATERAL LOANS	12/31/25	OLD REPUBLIC TITLE	LATERAL LOAN CLOSIN	1,389.00
		ROOTER KING	965 HEACOCK AVE	8,611.00
			965 HEACOCK AVE	48.00
Grand Total				$ 2,988,547.94

Revenues by Fund - FY 2025-26 (Unaudited)
Through November 2025
42% of Budget Year Complete

Fund	Revenues				Working Capital	
	Revised Budget	YTD	YTD % of Budget	Prior YTD	Projected Change for Fiscal Year	Projected Ending Reserves *
Main Fund - Fund 01	$ 32,729,400	$ 8,368,405	26%	$ 7,778,843	$ (1,969,722)	$ 15,480,866
Other Funds Included	1,027,610	106,974	10%	10,321	(110,640)	61,089
General Fund	**33,757,010**	**8,475,379**	**25%**	**7,789,164**	**(2,080,362)**	**15,541,955**
Capital Projects	$ 506,682	$ 143,555	28%	$ 217,587	(143,318)	2,244,375
Capital Funds	**506,682**	**143,555**	**28%**	**217,587**	**(143,318)**	**2,244,375**
Local Water Project	1,288,746	750,044	58%	779,117	263,641	(127,082)
Cemetery	580,902	192,931	33%	280,634	(267,207)	766,398
Sewer	4,099,809	747,099	18%	230,292	154,540	10,265,039
Golf	956,538	154,015	16%	185,848	(70,144)	881,890
Sewer Lateral Loans	3,908	1,466	38%	3,007	3,908	185,482
Enterprise Funds	**6,929,903**	**1,845,555**	**27%**	**1,478,898**	**84,738**	**11,971,727**
Employee Benefit	316,299	99,771	32%	84,766	3,599	65,661
Worker's Compensation	925,299	427,395	46%	234,312	8,351	614,952
Liability Insurance	753,944	200,557	27%	191,843	(128,223)	930,712
Internal Service Funds	**1,995,542**	**727,723**	**36%**	**510,921**	**(116,273)**	**1,611,326**
Library	13,141	4,827	37%	10,187	13,141	610,620
Cemetery	121,734	36,358	30%	61,667	121,734	2,411,891
Yount	8,000	-	0%	22,640	-	807,008
Trust Funds	**142,875**	**41,185**	**29%**	**94,494**	**134,875**	**3,829,519**
Library / Poetry	101,677	60,337	59%	63,096	14,277	332,397
Museum	8,073	2,329	29%	5,905	8,073	306,456
Public Safety	821,890	153,801	19%	249,612	(120,319)	458,245
Housing	48,956	17,236	35%	12,194	(107,927)	555,633
Streets	1,619,540	306,701	19%	291,552	(289,743)	1,656,268
Lighthouse	126,917	50,948	40%	56,363	(4,991)	219,181
Community Development/CDBG	41,957	9,962	24%	14,587	(241,444)	477,797
ARPA	-	-	0%	17,121	-	73,216
Downtown/Hospitality Districts	561,700	262,559	47%	287,948	-	58,804
Cable Franchise / Other	62,750	105,673	168%	90,146	(105,253)	265,021
Other Funds	**3,393,460**	**969,546**	**29%**	**1,088,524**	**(847,327)**	**4,403,018**
Totals All Funds	**$ 46,725,472**	**$ 12,202,943**	**26%**	**$ 11,179,588**	**$ (2,967,667)**	**$ 39,601,920**

* Excludes Proposed Adjustments and Rollovers

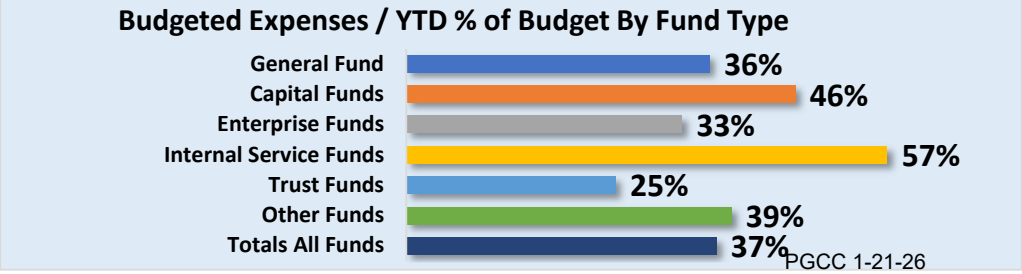
Analysis: Q1 Revenues are slightly lower than budget primarily due to low Property, Sales, and Franchise Tax receipts, as well as lower receipts for Sewer and Streets Funds. See analysis of General Fund Revenues for more detailed explanation.



Expenses by Fund - FY 2025-26 (Unaudited)
Through November 2025
42% of Budget Year Complete

Fund	Expenses					
	Revised Budget	YTD	YTD % of Projected	Purchase Orders	YTD % with POs	Prior YTD
Main Fund - Fund 01	$ 34,699,122	$ 12,961,001	37%	$ (12,961,001)	0%	$ 13,408,322
Other Funds Included	1,138,250	2,401	0%	11,000	1%	12,790
General Fund	**35,837,372**	**12,963,402**	**36%**	**(12,950,001)**	**0%**	**13,421,112**
Capital Projects	$ 650,000	$ 301,740	46%	$ -	46%	$ 292,743
Capital Funds	**650,000**	**301,740**	**46%**	**-**	**46%**	**292,743**
Local Water Project	1,025,105	348,667	34%	309,787	64%	832,047
Cemetery	848,109	348,042	41%	24,544	44%	285,061
Sewer	3,945,269	940,288	24%	2,332,952	83%	1,563,309
Golf	1,026,682	616,448	60%	-	60%	401,484
Sewer Lateral Loans	-	-	0%	-	0%	-
Enterprise Funds	**6,845,165**	**2,253,445**	**33%**	**2,667,283**	**72%**	**3,081,901**
Employee Benefit	312,700	144,769	46%	-	46%	182,904
Worker's Compensation	916,948	443,907	48%	-	48%	566,511
Liability Insurance	882,167	623,565	71%	5,446	71%	606,837
Internal Service Funds	**2,111,815**	**1,212,241**	**57%**	**5,446**	**58%**	**1,356,252**
Library	-	-	0%	-	0%	-
Cemetery	-	-	0%	-	0%	-
Yount	8,000	2,000	25%	-	25%	1,211
Trust Funds	**8,000**	**2,000**	**25%**	**-**	**25%**	**1,211**
Library / Poetry	87,400	33,853	39%	13,033	54%	18,634
Museum	-	40,749	200%	-	200%	33,768
Public Safety	942,209	315,543	33%	260,669	61%	325,324
Housing	156,883	38,801	25%	-	25%	47,891
Streets	1,909,283	503,935	26%	633,773	60%	442,920
Lighthouse	131,908	42,352	32%	-	32%	47,720
Community Development/CDBG	283,401	405,837	143%	39,000	157%	11,015
ARPA	-	-	0%	-	0%	129,154
Downtown/Hospitality Districts	561,700	263,387	47%	-	47%	185,977
Cable Franchise / Other	168,003	51	0%	2,200	1%	89,260
Other Funds	**4,240,787**	**1,644,508**	**39%**	**948,675**	**61%**	**1,331,663**
Totals All Funds	**$ 49,693,139**	**$ 18,377,336**	**37%**	**$ (9,328,597)**	**18%**	**$ 19,484,882**

Analysis: Q1 Expenses are in line with budget. Individually significant items are as follows:
Museum: There was no budget for the current year. Expenditures are for emergency repairs.
Community Development: There were two CDBG loans, for approximately $200k each, recorded in the year. It was budgeted for Community Development to expend all of their grant awards by FY26 Year End. This increase is due to awards not spent in FY25.



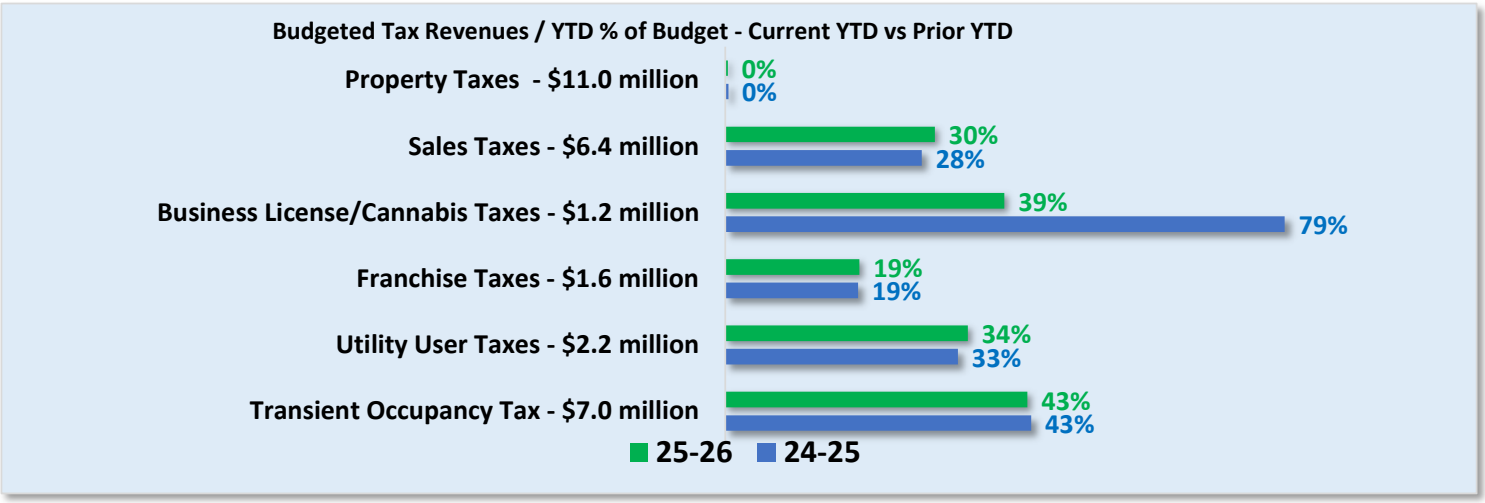
General Fund Revenues - FY 2025-26 (Unaudited)
Through November 2025
42% of Budget Year Complete

Revenue Account	Revised Budget	YTD Revenues	YTD % of Budget	Year End Projection	Prior YTD Revenues	Prior YTD % of PY Actual
Property Taxes	$ 11,022,700	$ 40,355	0%	11,022,700	45,629	0%
Sales Taxes	6,353,575	1,874,725	30%	6,353,575	1,759,863	28%
Business License/Cannabis Taxes	1,181,790	464,166	39%	1,181,790	234,855	79%
Franchise Taxes	1,603,400	302,330	19%	1,603,400	289,149	19%
Utility User Taxes	2,183,500	745,510	34%	2,183,500	797,043	33%
Transient Occupancy Tax	6,965,984	2,962,438	43%	6,965,984	2,985,749	43%
Litter Abatement	210,000	58,625	28%	210,000	54,407	26%
Construction Permits	932,200	483,269	52%	932,200	314,659	31%
Zoning Enforcement	206,000	187,879	91%	206,000	66,898	31%
Plan Check Fees	606,700	226,640	37%	606,700	277,844	50%
Parking Meters	351,200	153,462	44%	351,200	159,636	44%
Water Entitlements	287,600	57,619	20%	287,600	256,460	16%
Interest Earned	843,002	444,564	53%	843,002	516,368	99%
Investment Market Value Gain/Loss	-	212,390	200%	108,000	698,932	200%
Indirect Cost Reimbursement	578,600	138,000	24%	578,600	138,000	25%
Total Major Revenues	**33,326,251**	**8,351,972**	**25%**	**33,434,251**	**8,595,492**	**26%**
Total General Fund Revenues	**33,757,010**	**8,475,379**	**25%**	**33,866,000**	**23,736,086**	**71%**

FY 2023-24 Tax Revenues	Property Taxes	Sales Taxes	BL/Other	Franchise	Hotel Taxes	Utility
	10,135,764	5,975,031	697,772	1,635,968	6,730,240	2,118,068

Analysis: P5 Revenue is slightly lower than budget primarily due to:
1. Low Property Tax receipts, which are billed twice a year plus supplemental,
2. Low Franchise Tax receipts, as quarterly payments have not yet been made,
3. Low Water Entitlements, as payments are received on a sporadic basis,
4. Low Indirect Cost Reimbursement, as transfer is made on a quarterly basis,
5. Low Litter Abatement receipts, as payments are received quarterly,

And was offset by:
1. Interest Earned and Investment Market Value Gain/(Loss), which is not a budgeted item due to unpredictable nature of markets,
2. Zoning Enforcement, as current YTD receipts are higher than prior three years at this same time. Zoning enforcement revenue is unpredictable in nature,
3. Construction Permits, as payments are received on a sporadic basis.



CITY OF PACIFIC GROVE

300 Forest Avenue, Pacific Grove, California 93950

AGENDA REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Matthew Mogensen, City Manager

MEETING DATE: January 21, 2026

SUBJECT: Quarterly Update to 2025-2027 Community Goals and Workplan

CEQA: Does not constitute a Project per California Environmental Quality Act Guidelines Section 15378

RECOMMENDATION

Receive and file the 2025-2027 Community Goals and Workplan Matrix Quarterly Update.

DISCUSSION

The 2025-2027 Community Goals and Workplan and Matrix was developed through a series of meetings with the City Council. On February 26, 2025 the City Council received a status report on the 23-2025 Community Goals and Workplan, and reviewed the current challenges and opportunities facing the City. At the March 5, 2025, City Council Meeting, the Council received the Mid-year Financial Report that detailed the expenditures and revenues at the halfway point of the current fiscal year. The Council also received a summary of the input provided by the City's Board, Commission, Committees, and Task Force for consideration in the development of the Council's goals. At successive City Council meetings, the Council finalized the four Focus Areas, provided value policy statements, approved supporting goals and finalized the Supporting Tasks portion of the Workplan for use in the budget preparation for the next two fiscal years.

The 2025-2027 Community Goals and Workplan Matrix contained in Attachment 1 is the second quarterly update of the 2-year cycle. The Matrix provides targets for quarters in which each tasks will be completed. These targets were set based on the known workload, steps that will be required to complete task, precursor tasks, budget availability and other information factors. As we move through the 2-year cycle there are expected to be adjustments to the target completion quarters which might include moving a completion up or back.

The changes and updates provided through the first two quarters on the Matrix are provided in either green (complete) or yellow (status is updated). Major accomplishments through the first two quarters include:

- Developed a plan to address long-term pension liability through a PERS Trust account the City can start funding with a portion unspent funds at year end and additional funds once the pension bond is paid off in 2029.
- Updated the City’s reserve fund policies to allocate reserves towards pensions and capital needs.
- Discussed needs and a plan through a poll to ask the public if they would support new revenues to the City through various sources.

- Presented the major components of a 5-year capital improvement and replacement program. This plan will continue to be built out over the coming years.
- The fire department conducted defensible spaces inspections in the high fire severity zones for residents.
- Brought a new water allocation policy to the Council that approved a large allocation for affordable housing, economic development incentives and future city facilities while still providing for general residential needs.
- Business license process has been analyzed and improvements made to streamline the experience for businesses and staff work.

In addition to these accomplishments, staff has made progress on the majority of the other Workplan items, which is noted in the comments column of the attached matrix.

OPTIONS

Discuss and take an alternative action.

FINANCIAL IMPACT:

Any direct financial impact associated with the Supporting Tasks of the Workplan have been allocated previously by the City Council through the budget or will require a future City Council budget allocation to complete.

FOCUSED PRIORITY AREA: Not Applicable.

Attachments

Workplan Items Matrix

2025/2026 Community Goals and Workplan Matrix

PRIORITY AREA: 1. Fiscal Sustainability

POLICY VALUE STATEMENT: Pacific Grove manages the City's financial resources to ensure the long-term delivery of municipal services

Goal	Supporting Task	Lead Division/ Support	FY 2025/26 Q1 9/30	FY 2025/26 Q2 12/31	FY 2025/26 Q3 3/30	FY 2025/26 Q4 6/30	FY 2026/27 Q1 9/30	FY 2026/27 Q2 12/31	FY 2026/27 Q3 3/30	FY 2026/27 Q4 6/30	Complete	Notes
1.1 Identify a program to reduce unfunded liabilities	Develop a plan to reduce our long-term pension obligations	AS		x								Approved by Council at the 11/19 Council Mtg.
	Secure funding to repay the debt service for the water reclamation facility	PW, AS				x						Will be addressed through extension of golf contract. Scheduled for December 3rd council meeting
	Develop options to fund long-term storm drain infrastructure needs	PW, AS						x				In process with "New Revenue Sources" Task
1.2 Review and revise reserve policies to meet equipment and facility needs	Update the City Council Financial and Budgetary Policies to revise the City's reserve fund policies and present to the City Council	AS		x								Approved by Council at the 10/15 Council Mtg.
	Create Capital Replacement Funds to plan for regular maintenance and replacement of vehicles, facilities, equipment, infrastructure and park amenities, and present to the City Council	AS, PW, CM				x						Presented to Council in November 2025, Initial Plan approved by Council at 11/19 council mtg.
1.3 Identify and reduce expenditures and enhance revenues	Review low/no cost recovery programs for effectiveness and recommend improvements	All Depts				x						Reviewing Recreation Programs currently
	Identify potential new revenue sources and present to the City Council	AS & CM lead		x								Identified as part of report to council on 11/19
	Implement risk management assessments findings and recommendations to reduce workers compensation and liability claim exposures	AS & CM			x							Findings not yet received

PRIORITY AREA: 2. Infrastructure

POLICY VALUE STATEMENT: Pacific Grove prioritizes the provision of facility, human, and technology infrastructure that enhances the quality of life for residents and businesses

Goal	Supporting Task	Lead Division/ Support	FY 2025/26 Quarter of Q1 9/30	Q2 12/31	Q3 3/30	Q4 6/30	FY 2026/27 Quarter of Q1 9/30	Q2 12/31	Q3 3/30	Q4 6/30	Complete	Notes
2.1 Complete a five-year capital improvement program to address the completion of priority public facility projects (sidewalks, streets, water, wastewater, parks)	Develop and present a 5-year CIP plan to the City Council	AS, PW		x								Presented to Council in November 2025, Initial Plan approved by Council at 11/19 council mtg.
	Develop a new asset management database	AS, PW			x							New Assessments recently completed. Analyzing Data that will be included in the database
	Present updates to City Council Policy 700-4 regarding sidewalk repairs and installation, to include a plan for City property and a sidewalk repair process for private property owners	PW, CD			x							Reviewing Policy 700-4
2.2 Invest in technology and workforce systems	Develop RFP and select vendor for new Enterprise Resource System	AS						x				
	Develop a business continuity plan for IT infrastructure and electronic databases	AS				x						
	Develop a plan to develop and retain key staff members	CM				x						In process of developing programs to enhance and promote a positive work environment.
2.3 Address critical physical infrastructure needs	Develop a safe route to school plan and present to the City Council	PW					x					Speaking with PGUSD and TAMC
	Create a downtown streetscape improvement plan	PW, CD, CM					x					
	Release a sewer master plan RFP	PW								x		

PRIORITY AREA: 3. Environmental Stewardship

POLICY VALUE STATEMENT: Pacific Grove cares for and protects its natural resources and amenities

Goal	Supporting Task	Lead Division/ Support	FY 2025/26 Quarter of Q1 9/30	Q2 12/31	Q3 3/30	Q4 6/30	FY 2026/27 Quarter of Q1 9/30	Q2 12/31	Q3 3/30	Q4 6/30	Complete	Notes
3.1 Complete Climate Action and	Present a Climate Action and Adaptation Plan to the City Council for approval	PW			x							Draft plan ready for public review December 2025. Anticipated BNRC review January 2026 and Council review Feb or March 2026

3.1 Complete Climate Action and Adaptation Efforts	Provide fire safety inspection services for residents living near George Washington Park and in High Fire Severity Zones	Fire		x								Monterey Fire to complete
	Complete a George Washington Park Master Plan	PW, CD				x						On target for Q 4 Presntation to BNRC, Council Q1 of FY 26-27
3.2 Protect and Preserve the Natural Resources of Pacific Grove	Complete the comprehensive update to Title 12 of the municipal code; revisions to focus on replanting compliance and tree appeal process; to be presented to the City Council for approval	PW			x							Q3 FY 25-26
	Assess Wildlife Protection efforts in the City that can be achieved, within available resources and present feasible measures to the City Council for consideration	PD, PW				x						Under review by PD
PRIORITY AREA: 4. Community Development												
POLICY VALUE STATEMENT: Pacific Grove strategically implements programs to promote housing and economic opportunities												
			FY 2025/26 Quarter of				**FY 2026/27 Quarter of**					
Goal	**Supporting Task**	**Lead Division/ Support**	**Q1 9/30**	**Q2 12/31**	**Q3 3/30**	**Q4 6/30**	**Q1 9/30**	**Q2 12/31**	**Q3 3/30**	**Q4 6/30**	**Complete**	**Notes**
4.1 Explore options for an affordable housing project and partner opportunities	Present findings and staff recommendations to City Council for direction regarding unpermitted ADUs	CD			x							Researching options
	Identify a preferred affordable housing project location	CD				x						
4.2 Review all Permit processes to eliminate barriers to housing and economic development	Evaluate the City's current and future water allocations and facilitate a City Council discussion on the prioritization of water credits	CD, CM		x								Complete - Allocations Adopted by City Council October 25'
	Review business license process and implement efficiency measures	CD, CM		x								DCM assessing and making adjustments to imporove the processing of business licenses
	Evaluate timelines and permit processes for commercial and residential permits and implement efficiency measures where feasible	CD, PW, PD				x						Analysis underway - A team of CDD Staff Members has been organized and is evaluating permit processes. Staff is also moving forward with development of an ordinance that combines the ARB and HRC.
A.S. = Administrative Services	P.D. = Police Department											
C.D = Community Development	FIRE = Fire											
C.M. = City Manager	LIB. = Library											
P.W. = Public Works	REC = Recreation											

CITY OF PACIFIC GROVE
300 Forest Avenue, Pacific Grove, California 93950

AGENDA REPORT

TO: Honorable Mayor and Members of the City Council
FROM: Matthew Mogensen, City Manager
MEETING DATE: January 21, 2026
SUBJECT: Report on the December 10, 2026 City/PGUSD Joint Staff Meeting
CEQA: Does not constitute a Project per California Environmental Quality Act Guidelines Section 15378

RECOMMENDATION
Receive and File a Summary Meeting Update regarding a December 10, 2026 City/PGUSD Joint Staff Meeting

DISCUSSION
On December 10, 2026, City and PGUSD staff met to discuss matters of importance and coordination between the City and PGUSD. Present at the meeting was Superintendent Adamson, Assistant Superintendent Jorn, Public Works Director/Deputy City Manager Gho, Chief Day, Deputy City Manager Halabi, and City Manager Mogensen.

Below is a summary of the items discussed, and feedback received.

A. Robert H. Down Elementary School Traffic (Pine Avenue)

The City, led by Public Works Director/Deputy City Manager Gho, has been working with a contract engineer to design a safer vehicular/pedestrian environment in from of Rober H. Down Elementary. At the last Joint Subcommittee meeting on August 25, 2025, staff presented a concept plan that was designed to create semi-permanent student drop off/pick up lanes on Pine Avenue in front of the school. The concept plan was presented for comments but was not yet vetted by a traffic engineer.
Since the last Joint Meeting, Director/Deputy City Manager Gho has consulted with the City's contract Traffic Engineer to fine tune the plan. In the end the traffic engineer did not find the concept changes to be favorable and provided Director/Deputy City Manager Gho with an alternative safety improvement plan for Pine Avenue in front of Robert H. Down elementary. His new plan, see Attachment No. 1, was presented for comment to PGUSD staff. This updated plan does not eliminate a travel lane like the prior plan. Instead, it utilizes red and green curbs immediately in front of the Elementary School and prevents U-turns across all travel lanes. At this time no comments have been received regarding this plan.

B. Joint Use Agreement Activities

Recreation Program Manager Katie Clark presented the upcoming collaborations that will take place

with PGUSD over the academic year under the existing Joint Use Agreement (see Attachment No. 2). This reciprocal relationship results in both entities enjoying the use of facilities for activities they manage at the others' facilities. Both agencies were happy with the level of usage for the facilities included.

C. E-bikes

City staff, including the Chief of Police and City Manager, informed PGUSD staff that the City is working to create an e-bike ordinance to regular speeds of e-bikes as well as the safe usage of e-bikes on City streets and trails. In addition, it was discussed that the in-person trainings and discussions that Chief Day was having with PGUSD employees and students was having an impact and are well received. PGUSD staff was happy to hear of these efforts and encourage the City to continue with the work.

D. Future Meetings

The next meeting of PGUSD and the City will take place in March and include the Mayor and Board President, in addition to City and PGUSD staff.

OPTIONS

N/A

FINANCIAL IMPACT:

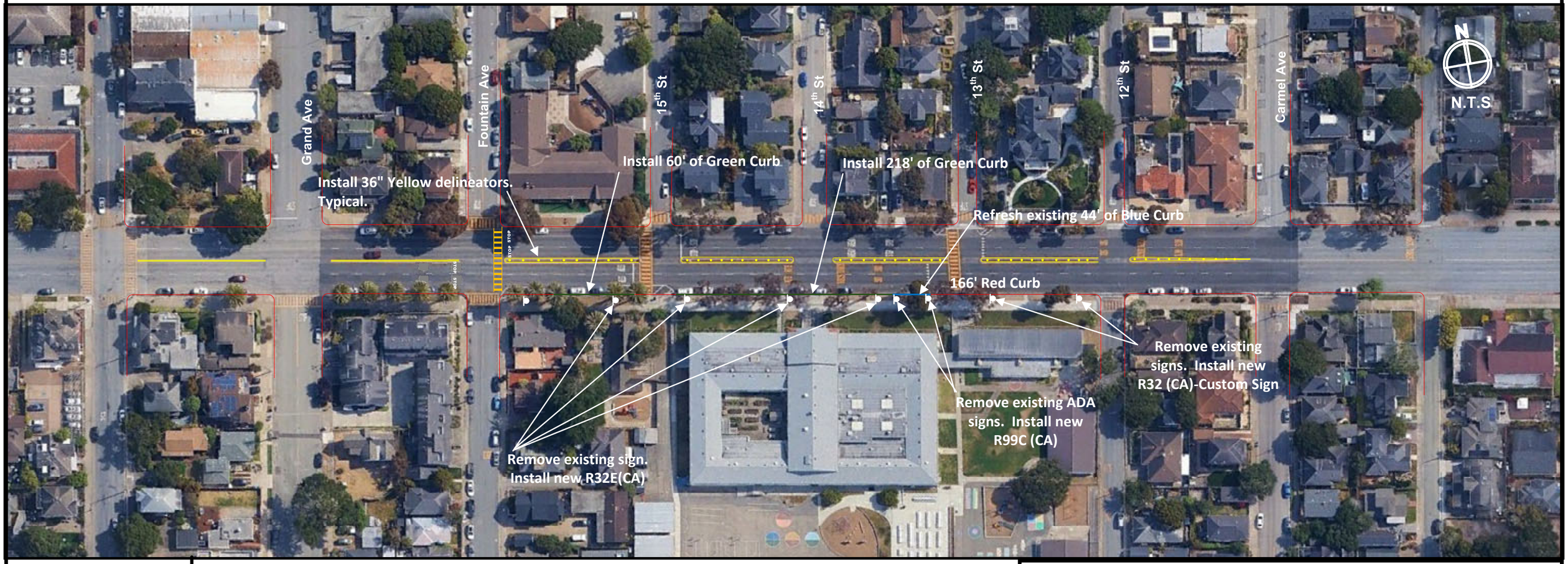
There is no additional fiscal impact related to this item.

FOCUSED PRIORITY AREA: Not Applicable.

Attachments

Robert Down School
Joint Use Agreement

Robert Down Elementary School



Legend:

- Post & Sign
- 36" flexible yellow delineator. Spacing to be determined in field.

Notes:

All pavement messages, lane line, center lines and center island striping are existing.

New Signage



R32E (CA)



R32(CA)
Custom Sign



R99C (CA)

City of Pacific Grove
Robert Down Elementary School

CONCEPTUAL LAYOUT – – NOT TO SCALE

School Drop Off and Pick Up

Prepared by: Adolfo Gonzalez **Date: November 14,** 2025

4LEAF, INC.
CONSTRUCTION MANAGEMENT • PLAN CHECK
INSPECTION • PLANNING • CODE ENFORCEMENT

Collaborations - Academic School Year 25-26 (August 2025 to July 2026)

Examples of City use of PGUSD Facilities

- RHD field – Youth Soccer League
- PGHS & PGMS Gymnasiums – Youth Basketball League (and free Hoops Shoot Event)
- PGHS football field – Jr. Soccer Program
- PGHS track/football field – Track & Field Program
- PGHS Pool – Lifeguard certification class
- RHD Field – School Break Camps (use field to play large scale outdoor games)

Examples of PGUSD use of City Facilities

- Morris Dill Tennis Courts – PGMS tennis team
- Muni Field – PGHS JV & Varsity Softball teams
- Buses – PGUSD buses stored & operated out of the PW yard
- Chautauqua Hall – PGHS Winter Ball
- Chautauqua Hall – PG Adult School Ballroom Dance Class
- Youth Center – PGMS Soccer Team Celebration Dinner
- City sponsored event – Walk with PRIDE fundraiser for PGUSD classrooms
- City sponsored event – Butterfly Parade

Other collaborations

- City Tree Lighting – RHD & FG Choirs
- ELOP Adventure Camp – planned for Summer 2026
- PGUSD – helped promote Sensory Friendly Santa Event & School Break Camps
- PGUSD – posts flyers, bulletins, notices for youth related programs and services
- PG Rec at back-to-school nights, Middle School Round Up, career fairs, etc.

CITY OF PACIFIC GROVE

300 Forest Avenue, Pacific Grove, California 93950

AGENDA REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Nick Smith, Mayor

MEETING DATE: January 21, 2026

SUBJECT: Appointments to City Boards, Committees, Commissions, and Task Force

CEQA: Does not constitute a Project per California Environmental Quality Act Guidelines Section 15378

RECOMMENDATION

Approve appointments to City Boards, Committees, Commissions, and Task Force.

DISCUSSION

City committees play an important role in our city government. We are fortunate to have many highly qualified residents willing to serve on our committees.

I've used information gleaned from many sources to select these appointments: applications, resumes, personal contacts, observations, and feedback from City staff and residents. I've taken into consideration demonstrated commitment to the City and fit to the committee's mission.

Terms for committee positions are 4 years for Charter committees and 2 years for Ordinance committees. Incumbents are not automatically reappointed. Terms of office begin February 1 and end January 31 of the respective year. Mayoral appointments to City committees must be confirmed by Council (City Charter, Art. 26).

Appointments for confirmation are as follows:

Charter committees

- Planning Commission - Eugene Loh, Machell Sterbick

Ordinance committees

- Architectural Review Board - Sarah Boyle, Patrick Dennis Carr
- Beautification & Natural Resources Commission - Jennifer Gorman, Karen Gunby, Patrick Nevis
- Historic Resources Committee - Jean Anton, Steve Covell, Kate Disney, Glynnis Greening
- Task Force on DEI - Kim Bui, Bruce Doneux, Donna Fisher
- Traffic Safety Commission - Annie Berlin, Peter Berridge, Jason Collins, Anthony Greening

OPTIONS

Not applicable.

FINANCIAL IMPACT:
There is no fiscal impact.

GOAL ALIGNMENT: Not Applicable.

Attachments

Redacted Appointed Applications

CITY OF PACIFIC GROVE
www.ci.pacific-grove.ca.us

Application for Appointment to a Public Board, Commission, or Committee

Persons interested in being appointed to serve on a board, commission, or committee of the City of Pacific Grove are invited to complete the following application.

Name:
Eugene Loh

Street Address:
[redacted]

City:	**State:**	**ZIP Code:**
Pacific Grove	CA	93950

Residence Telephone Number:	**Work Telephone Number:**	**E-Mail Address:**
[redacted]	same	[redacted]

Name of Board, Commission, or Committee on which you would like to serve:
Planning Commission

Brief Description of Background and Qualifications (Additional Information May Be Attached on Separate Sheets): ATTACHMENT OF A RESUME IS DESIRABLE.

I have lived full time in Pacific Grove for 30 years, mostly as a homeowner but I have also rented twice. My three children all went K-12 in PGUSD. My social connections in town started largely from parenting and church, but have grown from there.

A few friends who have served in the official governance of our town suggested I serve in that way. They see in me someone who is thoughtful, community-minded, and analytical. I work as a software engineer and have a physics PhD. That background is unusual for the Planning Commission, but it indicates that I enjoy the intellectual challenges of immersing myself in new subjects and can reach complex and sound decisions that I can explain to others.

I want to combine my nostalgia (for PG, familiar neighbors, and the natural beauty of our town) with a desire to help us grow (to maintain vibrancy and become more affordable for young families).

Nonetheless, a seat on the Planning Commission is not a vehicle for personal activism. It is a responsibility to help the Mayor and Council face a number of constraints, factor in desires and values of current residents, and help chart a course forward. Just this week, the Council voted on the Housing Element, and many of my neighbors (near Sites 38-41) were against the upzoning in our neighborhood. I was not. It was yet another exercise in talking with people with whom I disagree, remembering our long-standing friendships and respect for one another, listening carefully for subtleties, and asking questions. (A friend has told me a few times that I am the most sincerely curious person she knows.)

My (now grown) children and I are urban land use and transit enthusiasts. We walk cities and talk about their layout, walkability, and parking. Our family chat has links to blog posts from Strong Towns, Ray Delahanty's CityNerd, and Not Just Bikes. My daughter is a Jane Jacobs fan. My eldest child participated on the City of Campbell Bicycle and Pedestrian Advisory Committee during the short time he lived there. Henry Graber's Paved Paradise is one of my favorite books.

The physical development of our town should be guided by the existing character of our town, and with my decades of residency here, my webs of friendships, and my curiosity in others, I have and will grow my sense of who we are. That development should also account for our future, so that the home of the Butterfly Parade doesn't become an enclave of uninhabited, investment, "second homes." And such development must conform to external professional and legal standards; while those standards are better known by professional staff and consultants, they must be understood by the volunteers of the Planning Commission, who will then advise the Council. I feel I am well suited to play such roles.

I hereby certify that I am a registered voter of the City of Pacific Grove (not required for EDC appointees)

Signature of Applicant: [redacted] **Date:** 12/22/25

USE ONLY

Appointed to: _____

Date of Appointment: _____ ***Expiration:*** _____

Date of Reappointment: _____ ***End of Term:*** _____

Date Certification of Appreciation Awarded: _____

CITY OF PACIFIC GROVE

www.cityofpacificgrove.org

Application for Appointment to a Public Board, Commission, or Committee

Persons interested in being appointed to serve on a board, commission, or committee of the City of Pacific Grove are invited to complete the following application.

Name:
Machell Sterbick

Street Address: [redacted]

City:	**State:**	**ZIP Code:**
Pacific Grove	CA	93950

Residence Telephone Number:	**Work Telephone Number:**	**E-Mail Address:**
[redacted]	SAME	[redacted]

Name of Board, Commission, or Committee on which you would like to serve:
Architectural Review or Planning Commission

Brief Description of Background and Qualifications (Additional Information May Be Attached on Separate Sheets and Attachment of Resume is Desirable):

I have lived on the Peninsula since 1994. I studied Interior Architecture at UC Davis and received my BS. While at Davis, I interned with the State at what used to be the CIWMB (California Integrated Waste Management Board). I have been working in the local Design and Building Industry since 2003. Both of my children went through the PG school system. I currently co-own a design/build residential construction firm. I served on the NARI Monterey County Board for 6 years in different capacities. I am passionate about this area and would like to both give back to my community as well as help shape its future.

I hereby certify that I am a registered voter of the City of Pacific Grove (not required for EDC appointees.

Signature of Applicant: [redacted] **Date:** 12.19.25

FOR CITY USE ONLY App _____ **Date of**

Appointment: _____ **Expiration:** _____ **Date of**
Reappointment: _____ **End of Term:** _____ **Date**
Certification of Appreciation Awarded: _____

Machell Sterbick

[redacted] Pacific Grove, CA 93950 [redacted]

Education

Monterey Peninsula College, Monterey, CA
June 2001 AA University Studies

University of California at Davis, Davis CA
March 2004 BS Design/Interior Architecture

Experience

J.E.M. Crafted Homes LLC | Carmel, CA

Co-Owner/Design Manager/Project Manager 09/25-Present

Co-Owner:

Client sales and marketing, sub contractor management, administrative duties as needed

Design Manager/Lead Designer:

Build and maintain strong client, sub-contractor and vendor relationships, work with clients to create schematic and final designs, create job scope, work with draftsperson to create permit and construction documents, specify all materials for project, send projects out to bid, present final budget to clients, sign up and schedule sub contractors, attend site meetings, follow project from concept to completion to ensure all details are properly executed

Project Manager:

Review and approve sub-contractor and vendor quotes, schedule sub-contractors, write and obtain client approval for change orders, update project schedules, place all finish material orders, prepare agendas and attend site meetings, inspect project at completion and create punch list, maintain positive client relationship throughout project

Carmel Building & Design | Carmel, CA

Lead Designer/Design Department Manager/Project Manager 02/14-10/25

Lead Designer:

Build and maintain strong client, sub-contractor and vendor relationships, work with clients to create schematic and final designs, create job scope, work with draftsperson to create permit and construction documents, specify all materials for project, send projects out to bid, present final budget to clients, sign up and schedule sub contractors, attend site meetings, follow project from concept to completion to ensure all details are properly executed

Design Department Manager:

Perform all duties of the Lead Designer, manage design staff(design associate and draftsperson), create and track design schedules, track design department KPI's, oversee completion checks on construction documents, review design agreements by sales department, run weekly design department meetings, assign design staff to projects, hire and fire design department personnel, hold performance reviews with design staff, mentor and create goal setting plans for design staff, participate on Company leadership team, review and approve design staff time cards

Project Manager:

Review and approve sub-contractor and vendor quotes, schedule sub-contractors, write and obtain client approval for change orders, update project schedules, place all finish material orders, prepare agendas and attend site meetings, inspect project at completion and create punch list, maintain positive client relationship throughout project

Monterey County Business Council | Seaside, CA

Director of Competitive Clusters 03/11-05/12

Manage cluster groups representing the six different economic sectors of Monterey County. Responsible for all aspects of cluster meetings, event planning, project implementation and reporting to County.

Kitchen Studio of Monterey Peninsula | Seaside, CA

Designer 04/05 – 03/11

Responsible for design work and cabinetry sales, material specification and job site management.

Qualifications

I have been involved with the local design/build industry for over 20 years, developing strong relationships and providing excellent customer service. I have working knowledge of office programs, auto cad and hand drafting skills. I take pride in my ability to connect with each client, understand their vision and bring their dream to life.

CITY OF PACIFIC GROVE

www.cityofpacificgrove.org

Application for Appointment to a Public Board, Commission, or Committee

Persons interested in being appointed to serve on a board, commission, or committee of the City of Pacific Grove are invited to complete the following application.

Name: Sarah Boyle

Street Address: [redacted]

City: Pacific Grove | **State:** CA | **ZIP Code:** 93950

Residence Telephone Number: [redacted] | **Work Telephone Number:** | **E-Mail Address:** [redacted]

Name of Board, Commission, or Committee on which you would like to serve: ARB

Brief Description of Background and Qualifications (Additional Information May Be Attached on Separate Sheets and Attachment of Resume is Desirable): I would like to renew my appointment to the ARB. I have served on the ARB for many terms in the past. I am an interior designer with knowledge of architecture as well as the Architectural Review Guidelines. I believe my experience would be well suited for the ARB.

Thank you, Sarah Boyle

I hereby certify that I am a registered voter of the City of Pacific Grove (not required for EDC appointees.

Signature of Applicant: Sarah Boyle (e-signature) **Date:** 12/29/2025

FOR CITY USE ONLY Appointed to: _____ Date of

Appointment: _____ **Expiration:** _____ Date of

Reappointment: _____ **End of Term:** _____ Date

Certification of Appreciation Awarded: _____

CITY OF PACIFIC GROVE

www.cityofpacificgrove.org

Application for Appointment to a Public Board, Commission, or Committee

Persons interested in being appointed to serve on a board, commission, or committee of the City of Pacific Grove are invited to complete the following application.

Name: Patrick Dennis Carr

Street Address: [redacted]

City: Pacific Grove | **State:** CA | **ZIP Code:** 93950

Residence Telephone Number: [redacted] **Number:** [redacted]

Name of Board, Commission, or Committee on which you would like to serve:
Architectural Review Board

1992–1998
Chief Technical Officer • Carr Technologies Group, Inc. Washington, DC

1999–2008

Chief Technical Officer • Housing Made Simple • Fairfax, Virginia

2008–Present

Chief Technical Officer • Housing Made Simple • Monterey California

Consulting, Business Development, Construction Inspections, Hazardous Materials Testing, Estimating and Specifications for residential and light commercial projects. Project management, residential and commercial

2013-Present- Blackhawk Energy Research Website: Black Hawk Capital Ventures | Home

[redacted]

Date: 10/21/2025

FOR CITY USE ONLY Appointed to: _____ **Date of Appointment:** _____

Expiration: _____ **Date of End of Term:** _____

Reappointment: _____

Certification of Appreciation Awarded: _____ **Date**

CITY OF PACIFIC GROVE

www.cityofpacificgrove.org

Application for Appointment to a Public Board, Commission, or Committee

Persons interested in being appointed to serve on a board, commission, or committee of the City of Pacific Grove are invited to complete the following application.

Name:
Jennifer Gorman

[redacted]

City: Pacific Grove | **State:** CA | **ZIP Code:** 93950

Residence Telephone Number: [redacted] | **Work Telephone Number:** | **E-Mail Address:** [redacted]

Name of Board, Commission, or Committee on which you would like to serve:
Beautification and Natural Resources Commission (BNRC)

Brief Description of Background and Qualifications (Additional Information May Be Attached on Separate Sheets and Attachment of Resume Is Desirable):

I am interested in continuing my service on the Beautification and Natural Resources Commission (BNRC) for a second a term. It has been a privilege to work with dedicated community members, volunteers, and staff to support the Council in protecting and preserving Pacific Grove's natural resources.

Environmental stewardship is an ongoing priority for the community and Council, and a core value of mine. Serving as Vice Chair and as an active member of the Climate Action and Adaptation Brown Act Subcommittee, my understanding of the efforts and progress made by the City and other groups, and the challenges still facing our city and planet, has only deepened. Working alongside community stakeholders to provide feedback for the City's Climate Action and Adaptation Plan that will be brought to Council for consideration in the coming months will have a wide range of positive impacts on the community as a whole, including environmental, economic, social, and health benefits.

My ongoing dedication to environmental stewardship has included participating in community climate action workshops, annual Arbor Day tree-planting events and other replanting and maintenance efforts to support local reforestation and beautification, coastal cleanup initiatives with Save Our Shores to promote ocean conservation and public awareness about ocean pollution, local trash clean-ups to improve green spaces to benefit visitors and wildlife, Perkins Park shoreline weeding efforts to reduce invasive weeds and enhance appearance, as well as outreach activities. During my tenure, I have supported native, pollinator, and drought-tolerant plant beautification landscaping projects, wildlife protection signage including the sleeping harbor seal "quiet zone" signs along the coastline, the city's acceptance of the Dancing Monarchs outdoor art sculpture donation, and community wildfire safety measures.

Thank you for considering my application for reappointment to further advance the City's goals.

I hereby certify that I am a registered voter of the City of Pacific Grove (not required for EDC appointees.

Signature of Applicant: [redacted] | **Date:** December 5, 2025

FOR CITY USE ONLY

Appointment: _____ **Date of**
Reappointment: _____ **Expiration:** _____ **Date of**
Certification of Appreciation Awarded: _____ **End of Term:** _____ **Date**

CITY OF PACIFIC GROVE

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Application for Appointment to a Public Board, Commission, or Committee

2025 DEC -3 A 10:37

Persons interested in being appointed to serve on a board, commission, or committee of the City of Pacific Grove are invited to complete the following application.

Name: Karen L. Gunby

Street Address: [redacted]

City: Pacific Grove **State:** CA **ZIP Code:** 93950

[redacted] **Work Telephone Number:** **E-Mail Address:** [redacted]

Name of Board, Commission, or Committee on which you would like to serve: Beautification and Natural Resources Committee

Brief Description of Background and Qualifications (Additional Information May Be Attached on Separate Sheets and Attachment of Resume is Desirable):

For years I was a beach keeper for save Our Shores. We held monthy cleanup in Monterey County.

I also worked with Sustainable PG cleaning Lovers Point for one year.

Recently I worked with David Gho to reinstall butt tanks along parts of the rec trail.

I hereby certify that I am a registered voter of the City of Pacific Grove (not required for EDC appointees.

Signature of Applicant: [redacted] **Date:** Dec. 1, 2025

FOR CITY USE ONLY

Appointment: _____ **Expiration:** _____ **Date of**

Reappointment: _____ **End of Term:** _____ **Date of**

Certification of Appreciation Awarded: _____

CITY OF PACIFIC GROVE

www.cityofpacificgrove.org

Application for Appointment to a Public Board, Commission, or Committee

Persons interested in being appointed to serve on a board, commission, or committee of the City of Pacific Grove are invited to complete the following application.

2025 DEC 19 P 2:03

Name:
Patrick G. Nevis

Street Address:
[redacted]

City:	**State:**	**ZIP Code:**
Pacific Grove	CA	93950

Residence Telephone Number:	**Work Telephone Number:**	**E-Mail Address:**
[redacted]	[redacted]	[redacted]

Name of Board, Commission, or Committee on which you would like to serve:
[redacted], Traffic Safety, Architectural Review Bd, or BNRC

Brief Description of Background and Qualifications (Additional Information May Be Attached on Separate Sheets and Attachment of Resume is Desirable):

As a resident for nearly 10 years, I'm interested in helping out with improving the safety and beautification of Pacific Grove. The attached resume provides some background of my experience in working with organizations and companies seeking to plan and build in an environmentally conscientious manner. There are any one of four commissions and committees on which I could be helpful, as noted above.

I appreciate your consideration and hope to be able to be of service our community as I was on the Economic Development Commission.

I hereby certify that I am a registered voter of the City of Pacific Grove (not required for EDC appointees.

Signature of Applic [redacted] **Date:** 12/19/25

FOR CITY USE ONL [redacted]

Appointment: _____ **Date of**
Reappointment: _____ **Expiration:** _____ **Date of**
Certification of Appreciation Awarded: _____ **End of Term:** _____ **Date**

Patrick G. Nevis

[redacted]

Nevis EnviroConsulting – Current work
Project Manager and CEQA document preparation outside of Monterey County – advise businesses on CEQA and permit compliance; prepare environmental documents.

Economic Development Commission
Served Pacific Grove as Chair of the short-lived EDC.

California Office of Business and Economic Development, Governor's Office
Senior Permit Specialist, Office of Permit Assistance – agriculture, forest management, rural economic development, project permitting; CEQA and planning advisor for private development projects.

City of Stockton
Director, Economic Development Department; worked on proposed projects on planning and CEQA issues.

California Trade and Commerce Agency
Several positions including Director, Office of Permit Assistance advising businesses regarding land use and CEQA issues; and Director, Military Base Reuse Program including land use and CEQA issues.

California Air Resources Board
Bay Area Air Quality Management District Liaison for the Executive Office; assisted Bay in air quality planning and the development of the Bay Area Regional Plan; Associate Planner, CEQA Unit, Planning Department; reviewed CEQA documents; prepared comments as a Responsible Agency; provided expert testimony in CEQA court case on behalf of the Board.

City of West Sacramento
Worked for Planning Department on CEQA and planning issues.

Brown and Caldwell Consulting
Senior Environmental Project Manager for numerous multi-million dollar private and public projects including a $250 million rocket propellent facility, a new solid waste facility and a ski resort.

California Department of Conservation
Senior Environmental Planner, Executive Office, advising the Director and Deputy Director on environmental and planning issues; CEQA Manager, Division of Oil and Gas; reviewed and processed EIRs prepared on behalf of the Division.

California Legislative Analyst's Office
Assistant Legislative Analyst for legislation concerning CEQA, and operations and budgeting of the Governor's Office of Planning and Research, the State Water Resources Control Board, the Department Water Resources.

California Environmental Consultants
President/project manager for numerous private and public environmental and planning projects.

Education:
Multiple and single subject California teaching credentials
M.A. – Political Science - Drew University, Madison, New Jersey
B.A. – Political Science – University of the Pacific, Stockton, California
A.A. – San Joaquin Delta College, Stockton, California

CITY OF PACIFIC GROVE

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RECEIVED

Application for Appointment to a Public Board, Commission, or Committee

2025 OCT 22 PM 3:15

CITY OF PACIFIC GROVE

Persons interested in being appointed to serve on a board, commission, or committee of the City of Pacific Grove are invited to complete the following application.

Name:
Jean Anton

Street Address:
[redacted]

City:	**State:**	**ZIP Code:**
Pacific Grove	CA	93950

Residence Telephone Number:	**Work Telephone Number:**	**E-Mail Address:**
[redacted]		[redacted]

Name of Board, Commission, or Committee on which you would like to serve:
Historic Resources Committee

Brief Description of Background and Qualifications (Additional Information May Be Attached on Separate Sheets and Attachment of Resume is Desirable):

I would like to serve another term on the HRC and I have been chosen to represent the Heritage Society of PG.

I have been a resident of Pacific Grove since 1968.

I hereby certify that I am a registered voter of the City of Pacific Grove (not required for EDC appointees.

Signature of Applicant:	**Date:**
[redacted]	22 Oct 2025

FOR CITY USE ONLY

Appointment: _____ **Expiration:** _____ **Date of**

Reappointment: _____ **End of Term:** _____ **Date of**

Certification of Appreciation Awarded: _____

CITY OF PACIFIC GROVE
www.cityofpacificgrove.org

Application for Appointment to a Public Board, Commission, or Committee

Persons interested in being appointed to serve on a board, commission, or committee of the City of Pacific Grove are invited to complete the following application.

Name: STEVE COVELL

Street Address: [redacted]

City P.G. **State:** CA **ZIP Code:** 93950

Residence Telephone Number: [redacted] **Work Telephone Number:** [redacted] **E-Mail Address:** [redacted]

Name of Board, Commission, or Committee on which you would like to serve: HRC

Brief Description of Background and Qualifications (Additional Information May Be Attached on Separate Sheets and Attachment of Resume is Desirable):

I HAVE LIVED IN PACIFIC GROVE SINCE 1962 AND HAVE BEEN A BUILDING CONTRACTOR SINCE 1982. HAVING BUILT SEVERAL NEW HOMES MY PREFERECE IS IN HISTORICAL RESTORATIONS.
I HAVE SERVED ON THE ARB, PLANNING COMMISSION AND THE HRC.

I hereby certify that I am a registered voter of the City of Pacific Grove (not required for EDC appointees.

Signature of Applicant [redacted] **Date:** 12/29/2025

FOR CITY USE ONLY Appointed to: _____ **Date of Appointment:** _____ **Expiration:** _____ **Date of Reappointment:** _____ **End of Term:** _____ **Date.**
Certification of Appreciation Awarded: _____

CITY OF PACIFIC GROVE

www.cityofpacificgrove.org

Application for Appointment to a Public Board, Commission, or Committee

Persons interested in being appointed to serve on a board, commission, or committee of the City of Pacific Grove are invited to complete the following application.

Name:
Kate Disney

Street Address:
[redacted]

	State:	**ZIP Code:**
Pacific Grove	CA	93950

Residence Telephone Number:	**Work Telephone Number:**	**E-Mail Address:**
[redacted]	n/a	[redacted]

Name of Board, Commission, or Committee on which you would like to serve:
Architectural Review Board / Historic Resources Committee

Brief Description of Background and Qualifications (Additional Information May Be Attached on Separate Sheets and Attachment of Resume is Desirable):

I served on the Planning Commission in the City of Los Altos from 1998 to 2006 and then from 2022 to 2024. I am interested in serving on a commission where commissioners can effect change and influence outcomes by working in collaboration with the city's staff to ensure decisions are consistent and representative of our shared values.

I am very interested in preserving the scale, character, and sense of place that makes Pacific Grove special and unique. As development occurs, we need to ensure that new projects do not negatively impact the neighbors and the greater community. I believe an effective ARB and Planning Dept. can actually guide applicants towards projects that enhance property values while protecting neighbors and the livability of our city.

I believe an important element to a project is landscaping and tree canopy. If development requires the removal of trees, we need to consider the replacement of trees with suitable species that define the character of Pacific Grove.

Development requires the balance of the owners right to develop vs. the impact to the community. Our ordinances and guidelines should be prescriptive and clear such that complying with them will result in a project that needs minimal to no mitigation to protect neighbors.

P.S. I recently submitted a voter registration application for PG.

I hereby certify that I am a registered voter of the City of Pacific Grove (not required for EDC appointees.

Signature of Applicant	**Date:**
[redacted]	12/30/2025

FOR CITY USE ONLY

Appointment: _____ **Expiration:** _____ **Date of**
Reappointment: _____ **End of Term:** _____ **Date of**
Certification of Appreciation Awarded: _____

Kate Disney
Curriculum Vitae

Educational Background:

BS in ***Electrical Engineering***, with Honors
University of California, Davis
Member of *Tau Beta Pi Honor Society*

MS in ***Computer Engineering***
University of California, Santa Barbara

Current Occupation and Employment History:

2019 – May 2025:	President West Valley Mission Federation of Teachers (WVMFT, AFT 6554) WVMFT is the faculty union in the West Valley Mission Community College District. WVMFT represents and bargains for over 750 faculty members.
1990 – 2019:	Engineering Faculty Serving as chair of the department Mission College Santa Clara, CA
2012 – 2016:	STEM Articulation and Transfer Specialist Title III U.S. Dept of Education STEM grant Cabrillo College Aptos, CA
2011 – 2018:	Chair for the Faculty Discipline Review Group (FDRG) tasked with coordinating statewide efforts to develop a Transfer Model Curriculum per legislated through SB-1440. FDRG also created statewide model course outlines for most common lower-division engineering courses. Appointed by the Calif. Community College Academic Senate.

2015 - 2017:	Co-Principal Investigator National Science Foundation grant- **Scholars Program for Engineering College Students (SPECS)** # 1456035 Responsibilities are co-managing this scholarship program, facilitating workshops, and report writing.
2010 – 2012:	Co-Principal Investigator National Science Foundation grant- **Technological Literacy: Assessment and Measurement of Learning Gains** # 1121464 Co-Facilitated a workshop in Washington DC in July 2012 to develop standard assessments and concept inventories for introductory or general education engineering courses.
2008 – 2010:	Senior Personnel National Science Foundation grant- **EFFECTIVE: Exploring a Framework for Evaluating Courses on Technology in Various Environments** # 0736615
2007 – 2012:	Co-Principal Investigator for a National Science Foundation grant- **Improving Introduction to Engineering by Combining Insights from Non-Engineers with Portable Equipment** # 0633277
2007 – 2010:	External Evaluator for a National Science Foundation grant- **MEMS, Nanotechnology and the Silicon Run Series** **(A Science Film by Ruth Carranza of *Silicon Run Productions*)** #0703002
1993-1994:	Principal Investigator for a National Science Foundation grant- **Designing a Portable Technical Literacy Course For use in California** #9254172
1991 -Present:	Engineering Department Chair Mission College
1993- 1995:	Natural Science Division Chair Mission College

1991-1996:	Member of Mission College Curriculum Committee
1990 – Present:	Member of the Engineering Liaison Council (ELC). Statewide organization comprised of engineering deans and faculty.
Fall 1993 to Spring 1995:	Community College Segment Chair of the Engineering Liaison Committee (ELC)
1992 – 1996:	Taught and developed Mission College contract education course about "Matching Networks for Plasma Vapor Deposition Chambers" for *Applied Materials*, Santa Clara, CA
1987 – 1989:	Senior Software Engineer and Manager Digital Sound Corporation Santa Barbara, CA Managed five firmware engineering interns.
1985 – 1987:	Applications Engineer Product Specialist for multi-chip microprocessor Fairchild Semiconductor Cupertino, CA

Involvement in Community Activities and Civic Organizations:

2022 – Nov. 2024:	Planning Commissioner for the City of Los Altos
Fall 2017 to Present:	Serving on Executive Board of AFT6554 as the faculty representative from Mission College. Participated in Fall 2017 and Spring 2018 negotiations.
Summers 2012 and 2013:	Taught hands-on engineering lab in the Summer and 2012 bridge program at Cabrillo College designed for low-income and/or Latinx students interested in STEM.
1998 – 2006:	Planning Commissioner for the City of Los Altos, Chair of the Planning Commission in 2003, Vice-Chair of the Los Altos Planning Commission in 2002 and 2006

2015-2016:	Board Member of Canopy, Palo Alto, CA
2010 – 2011:	Assisted in modifying an engineering lab designed for non-engineering students now available at RAFT (Resource Area for Teachers), San Jose, CA
2007 – 2012:	Co-leader in Girl Scout Troop #61427
December 1997 – June 1998:	North Entry Specific Plan Advisory Committee, Committee Member. Committee developed a Specific-Plan to supplement City's General Plan.
Summer 1996:	Hosted a summer science conference at Mission College for high school girls. This conference was sponsored by the Girl Scouts of America and Society of Women Engineers.
Ongoing:	Peer reviewer for National Science Foundation (NSF)
2020:	Actively involved in civic issues, e.g. "Yes on Measure C" in city of Los Altos. Contributed to ballot initiative by providing ballot statement, collecting signatures, and canvassing neighborhoods.

Publications (partial list):

Disney, K., Vitkovits S., Pam, R.
"*Designing a Portable Technical Literacy Course for Use in California*"
ASEE/IEEE Frontiers in Education Conference 1995, Atlanta, GA

Krupczak, J., Simpson, T., Bertsch, V., Disney, K., Garmire, E.
"A Framework for Developing Courses on Technology and Engineering for All Students"
ASEE Frontiers in Education Conference 2008, Pittsburgh, PA

Disney, K., Krupczak, J.
"Laboratory Projects Appropriate for Non-Engineers and Freshman Engineering Students"
ASEE/PSW- 2009 Conference Program

Krupczak, J., Disney, K., VanderStoep, S.
"Using Insights from Non-Engineers to Help Develop Laboratory Projects"

ASEE Frontiers in Education Conference 2009, Austin, TX

Krupczak, J., Simpson, T., Bertsch, V., Disney, K., Garmire, E.
"Development of an Organizational Infrastrature to Facilitate the Creation of Courses on Technology and Engineering for Non-Engineers"
ASEE Frontiers in Education Conference 2009, Austin, TX

Enriquez, A., Disney, K., Dunmire, E.
"The Dismantling of the Engineering Education Pipeline."
Proceedings: 2010 American Society of Engineering Education Zone IV Meeting. Reno, NV, March 25-27, 2010, 88-100

Krupczak, J., Disney, K.
"Laboratory Projects Appropriate for Non-Engineers and Introduction to Engineering"
Proceedings: 2011 ASEE Frontiers in Education Conference 2011, Vancouver, BC

Awards:

Outstanding Community College Educator for 2010
Awarded by the American Society of Engineering Education,
Pacific Southwest Section

College Courses Taught (partial):

- Intro to Engineering (using tools such as Word, Excel, and Matlab)
- How Everyday Technology Works (GE course for non-STEM students)
- Circuit Analysis
- Circuit Analysis Lab
- Statics
- Engineering Materials
- Intro to C Programming Language
- Problem Solving with the C++ Programming Language (for Engineers) using **Arduino**
- Algebra

Additional College Courses Developed:

- Engineering Abroad (Service Learning Course)
- Introduction to GIS (Geographic Information Systems)
- Remote Sensing

References:

JoAnn Panzardi – Professor of Engineering
[redacted], CA

Clement Lam – Math, Science, and Engineering Dean
[redacted]

Nick Langhoff - Professor of Engineering
[redacted]

Bob E. Camors Jr. – Attorney (Former engineering student of Mission College)
[redacted]

CITY OF PACIFIC GROVE

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Application for Appointment to a Public Board, Commission, or Committee

Persons interested in being appointed to serve on a board, commission, or committee of the City of Pacific Grove are invited to complete the following application.

Name: GLYNIS GREENING

Street Address: [redacted]

City: PACIFIC GROVE **State:** CA **ZIP Code:** 93950

Residence Telephone Number: [redacted] **Work Telephone Number:** [redacted] **E-Mail Address:** [redacted]

Name of Board, Commission, or Committee on which you would like to serve:
HRC

Brief Description of Background and Qualifications (Additional Information May Be Attached on Separate Sheets and Attachment of Resume is Desirable):

PRESENTLY ON THE COMMITTEE. HAVE SERVED FOR TWO YEARS.

2025 OCT 27 A 9:11

I hereby certify that I am a registered voter of the City of Pacific Grove (not required for EDC appointees.

Signature of Applicant: [redacted] **Date:** 10-27-2025

FOR CITY USE ONLY

Appointment: _____ **Expiration:** _____ **Date of**

Reappointment: _____ **End of Term:** _____ **Date of**

Certification of Appreciation Awarded: _____

CITY OF PACIFIC GROVE
www.cityofpacificgrove.org

Application for Appointment to a Public Board, Commission, or Committee

Persons interested in being appointed to serve on a board, commission, or committee of the City of Pacific Grove are invited to complete the following application.

Name:
Kim Ly Bui

Street Address: [redacted]

City:	**State:**	**ZIP Code:**
Pacific Grove	CA	93950

Residence Telephone Number:	**Work Telephone Number:**	**E-Mail Address:**
[redacted]	N/A	[redacted]

Name of Board, Commission, or Committee on which you would like to serve:
Task Force on Diversity, Equity and Inclusion

Brief Description of Background and Qualifications (Additional Information May Be Attached on Separate Sheets and Attachment of Resume is Desirable):

As a 45-year resident of Pacific Grove, a retired local government administrator, dedicated public servant, and Vietnamese-American daughter of an immigrant, I bring a unique set of qualifications to my application.

I was appointed to the inaugural Task force in 2021 and to the standing Task Force in 2023. I was elected Chair in 2023, 2024 and 2025.

I am an advocate for representation and participation at all levels of government, for increasing community engagement and opportunities for all, especially underrepresented communities. I've seen that bringing together people of all ages, with differing backgrounds and life experiences, creates the strongest environment for success.

If re-appointed to the Task force on Diversity, Equity and Inclusion I will continue to diligently and respectfully bring my background, skills and life experiences to this important work.

I hereby certify that I am a registered voter of the City of Pacific Grove (not required for EDC appointees.

Signature of A [redacted] **Date:** 12/30/2025

FOR CITY USE

Appointment: _____ **Date of**
Expiration: _____ **Date of**
Reappointment: _____
End of Term: _____ **Date**
Certification of Appreciation Awarded: _____

Kim Ly Bui

[redacted]

EDUCATION

San Jose State University

Master's of library and information science (MLIS)

University of California at Santa Cruz

Bachelor of Arts in Literature/Creative Writing

PROFESSIONAL AND VOLUNTEER EXPERIENCE

City of Monterey , Monterey, CA **2010-2017**
Community Services Director

- Supervised 110 FTE: $24 million annual budget
- Direct oversight of Conference Center, Harbor & Marina, City Museums & Public Art, Library (2010-2014), Parking, Recreation; one administrative board and two appointed commissions

City of Monterey, Monterey, CA **2004-2014**
Library, Museums & Cultural Arts Director

- Supervised 28 FTE, $2.6 million annual budget
- Responsible for city library, archives, museums, public art, monuments; direct oversight of community-based programs, services and initiatives

City of Pacific Grove, Pacific Grove, CA **2021-2025**
Task Force on Diversity, Equity and Inclusion

- Chair 2023, 2024, 2025; Secretary & Member 2022, 2021
- Community volunteer with City advisory Board

Pacific Grove Public Library Friends and Foundation, Pacific Grove, CA

- President 2023, 2024, 2025
- President of the Friends of the Pacific Grove Public Library 2018-2022
- Community volunteer with 501c3 nonprofit

SKILLS

Leadership, communication, collaboration; experienced facilitator, committed to public service, community, equity, diversity, inclusion, social justice. Conversant with Ralph M Brown Act.

CITY OF PACIFIC GROVE 2025 OCT 20 A 7:26

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Application for Appointment to a Public Board, Commission, or Committee

Persons interested in being appointed to serve on a board, commission, or committee of the City of Pacific Grove are invited to complete the following application.

Name: BRUCE DONEUX

Street Address: [redacted]

City: PACIFIC GROVE **State:** CA **ZIP Code:** 93950

Res [redacted] **Work Telephone Number:** [redacted]

Name of Board, Commission, or Committee on which you would like to serve: D.E.I TASK FORCE

Brief Description of Background and Qualifications (Additional Information May Be Attached on Separate Sheets and Attachment of Resume is Desirable):

ACTIVE IN FOLLOWING GROUPS:

1. MONTEREY COUNTY MENS ALTERNATIVE TO VIOLENCE
2. BREAKTHROUGH MENS COMMUNITY
3. NATIONAL COALITION BUILDING INSTITUTE.
4. WHITES FOR RACIAL EQUITY
5. RAPID RESPONSE SOLIDARITY NETWORK

I hereby certify that I am a registered voter of the City of Pacific Grove (not required for EDC appointees.

Signature of Applicant: [redacted] **Date:** 10/17/2025

FOR CITY USE ONLY Appointed to: _____ **Date of Appointment:** _____ **Expiration:** _____ **Date of Reappointment:** _____ **End of Term:** _____ **Date**

Certification of Appreciation Awarded: _____

CITY OF PACIFIC GROVE

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Application for Appointment to a Public Board, Commission, or Committee

Persons interested in being appointed to serve on a board, commission, or committee of the City of Pacific Grove are invited to complete the following application.

Name:
Donna Fisher

Street Address:
[redacted]

City:	**State:**	**ZIP Code:**
Pacific Grove	CA	93950

Residence Telephone Number:	**Work Telephone Number:**	**E-Mail Address:**
[redacted]	[redacted]	

Commission, or Committee on which you would

Planning, beautification, arts, DEI

Brief Description of Background and Qualifications (Additional Information May Be Attached on Separate Sheets and Attachment of Resume is Desirable):

I hereby certify that I am a registered voter of the City of Pacific Grove (not required for EDC appointees.

Signature of Applicant: [redacted]	**Date:** 12/30/25

FOR CITY USE ONLY Appointed to: _____ **Date of**

Appointment: _____ **Expiration:** _____ **Date of**

Reappointment: _____ **End of Term:** _____ **Date**

Certification of Appreciation Awarded: _____

Donna M. Fisher, MPA
[redacted]

Applying for a consultative role with your company.

EMPLOYMENT HISTORY

SRI Senior Living
Seagrass Village of Port Orange
2024-2025
Director of Sales

- Increased census through prospect-centered sales.

ACHA CORE-certified Assisted Living Administrator -Current

PLD Consulting
2020-2024
President and Founder
Coaching and advising:NOI gains. Alzheimer's Services and programming. Sales process analysis and optimization. Mystery shops. Operational efficiency analysis and implementation planning.Training-onsite and online. Culture implementation strategy. Manage bench strength and succession planning. Change management. P & L analysis and improvement planning. Labor management strategy.

Carmel Unified School District
September 2021-2024
Guest Teacher-Carmel Unified School District-Carmel, California

- Grades K-12

Sunrise Senior Living – McLean, Virginia
October 2020-July 2021
Sales Specialist/Sherpa – Sunrise Villas
October 2020 – July, 2021

- Responsible for sales functions for multiple communities as assigned in the Villas portfolio.
- Road warrior.

Director of Sales-Sunrise Monterey

- Recognized as a lead sales team member, moving in up to 10 residents a month, during Covid restricted era.

EDUStaff – Livingston County, Michigan
Guest Teacher
2018-2020

- GuestTeacher

San Joaquin County Operated Schools and Programs (COSP)
One Charter- Career Readiness Academy, Alternative Education-Stockton, CA
Teacher
2014-2016

- Taught US History, World History, Economics, US Government, Art, and Career Readiness in an alternative high school (grades 10-12).

Atria Senior Living Group - Louisville, KY
Assisted Living, Memory Care, Independent Senior Living Provider
Divisional Director of Memory Care Operations
2013-2014

- Consulting role provided memory Care operations, training, programming support for California Northern Division Life Guidance neighborhoods. Other states and divisions as requested.
- Selected to create and deliver memory care sales training for Life Guidance team and community sales directors.
- Raised Quality Enhancement scores in region by 20% support through training and coaching, and hands-on collaboration with department teams.
- Achieved 100% compliance in Life Guidance neighborhoods.

Westmont Senior Living of Brentwood - Brentwood, CA
Assisted Living and Memory Care Services Provider
Executive Director
2012-2013

- Selected to lead transition with new management group
- Led and reinvented sales and marketing efforts, resulting in 25% increase in occupancy
- Wrote and executed all training programs as required by California state regulations and company policy.
- Extreme Change management
- Maintained 100% compliance during tenure.

Cortona Park Senior Living at Brentwood - Brentwood, CA
Assisted Living Provider

Executive Director/Administrator/Chief Marketing Officer
2007-2011

- Led efforts to open 120 unit assisted living community from construction. Budget of $35,000,000. Project completed on time.
- Created public relations efforts to draw attention to new senior community - 100% occupancy achieved one year ahead of projections.
- Hand-picked and trained effective and efficient management team - 90% retention over five years.
- *100% regulatory compliance throughout tenure*
- *Trained and coached sales team - ranked first in sales in division; third nationally, of 600 communities.*
- Effective financial management - exceeded annual NOI by 805%; ranked first company-wide.
- Designed and delivered training programs for all staff positions - 91% customer satisfaction.
- Led ownership group search for new management company.
- Change manager

Altcare, Inc.
The Creeks Alzheimer's and Dementia Care Centers - Berkeley, CA
Oak Creek, Cedar Creek, Willow Creek
Alzheimer's and Memory Care Provider
Vice President of Sales and Marketing
2002-2006

- Promoted to oversee sales and marketing efforts for three memory care communities.
- Increased annual revenue by 25%.
- Built occupancy to 100% with a waiting list within 60 days.
- Exceeded projected monthly census budget by 15%.
- Networked with diverse community members, including medical professionals - increased referral relationships and company visibility - resulting in company becoming the "go-to" provider.
- Coached, encouraged, counseled, supervised and trained community level sales and marketing staff - resulting in long-term census stability.
- Conducted community-level marketing and sales function where necessary - created cohesive and can-do team of sales professionals.

Altcare, Inc. Berkeley, CA
Oak Creek Alzheimer's and Dementia Care Center

Director of Community Relations
2002-2006

- Responsible for sales and marketing efforts for 38 bed stand-alone Alzheimer's community.
- Achieved 100% occupancy, sustained throughout tenure.
- Conducted comparative market and SWOT analysis.
- Wrote advertisements for senior care directories.
- Facilitated monthly support group and staff training - resulting in 95% family/resident satisfaction.
-

Education

Golden Gate University-Ageno School of Business
Master's Public Administration MPA

San Jose State University
BA Political Science Minor European History

- Named outstanding graduating senior.

CITY OF PACIFIC GROVE
www.cityofpacificgrove.org

Application for Appointment to a Public Board, Commission, or Committee

Persons interested in being appointed to serve on a board, commission, or committee of the City of Pacific Grove are invited to complete the following application.

Name:
Annie Berlin

Street Address: [redacted]

City:	State:	ZIP Code:
Pacific Grove	CA	93950

Residence Telephone Number:	Work Telephone Number:	E-Mail Address:
[redacted]		

Name of Board, Commission, or Committee on which you would like to serve:
Traffic Safety Commission

Brief Description of Background and Qualifications (Additional Information May Be Attached on Separate Sheets and Attachment of Resume is Desirable):

I live at the corner of Forest and Spruce which as you know is very busy, and quite frankly, dangerous. With the number of small children walking and riding bikes to and from school and our elderly community walking downtown, I feel as though the City has a responsibility to explore a series of options in order to protect the community.
While I have not served on any of the committees in Pacific Grove, I am a former Congressional staffer in Washington, DC serving the 16th Congressional District in Palo Alto.
Finally what I would like to add is, I served on a committee in Palo Alto, CA for the re-build of Packard Children's Hospital as a community volunteer to better understand best practices for children's hospitals around the country and how to apply them locally.

I hereby certify that I am a registered voter of the City of Pacific Grove (not required for EDC appointees.

Signature of [redacted] **Date:** 12/19/2025

FOR CITY USE ONLY Appointed to: _____ **Date of Appointment:** _____ **Expiration:** _____ **Date of Reappointment:** _____ **End of Term:** _____ **Date Certification of Appreciation Awarded:** _____

Annie Berlin, MPH

[redacted]
Pacific Grove, CA 95050 [redacted]

SUMMARY

A seasoned communications executive with over 30 years experience in the technology, community-based and healthcare industries. Seeking a communications position in a community-based organization. Specific experience includes:

- Strategic Communications
- Marketing Communications
- Media and Public Relations
- Government Affairs/Advocacy
- Community Relations
- Crisis Management
- Project Management
- Sponsorship Development
- Strategic Partnership Planning
- Budget / Financial Analysis

EXPERIENCE

***Principal,* Berlin Communications, Pacific Grove, CA** **Current**

Marketing and communications for healthcare, academic and community-based organizations. Developed strategic messaging and communications plans, program development and public relations and implemented a wide range of communications strategies for the following clients including: Prematurity Research Centers, March of Dimes, Seneca Family of Agencies, Opportunity Fund, Charles Armstrong School, Stanford's Ronald McDonald House, Sacred Heart Schools–Atherton, Centers for Disease Control and Prevention (CDC), and George Mark Children's House, Children's Health Council (CHC) and Rapidai to name a few. Samples can be reviewed at www.berlincommunications.com. Some programs are nationwide, some regional to the State of California, and others are local to their communities.

Experience in secondary schools extends to college medical school campuses including: Stanford, Washington University in St Louis, University of Chicago, Northwestern, Duke, University of Pennsylvania and Imperial College in London.

***Vice President of Resource Development,* George Mark Children's House, San Leandro, CA** **2008**

Reported to Executive Director, maintained External Affairs responsibility. Developed a new position to augment the current organizational structure by leading development and senior management teams towards larger initiatives. Increased resources to enhance alternative forms of revenue through creation and negotiation of strategic partnerships. Created a national coalition of freestanding facilities for children with life-limiting illnesses to enhance opportunities for joint fundraising and collaboration. Worked with internal teams, external partners, and foundations to create larger, more broad-based opportunities for core programs to advance the overall mission for a national entitlement program for children with life-limiting illnesses.

***Director of Communications & External Affairs,* George Mark Children's House, San Leandro, CA** **2003 to 2007**

Reported to the Executive Director, managed all communications including, direct mail, public relations, community relations, speakers' bureau, annual report, newsletter and enewsletter programs, web site development, other digital mediums, and on-line fundraising capabilities. Managed government relations and crisis management for two sites. Developed and managed budget, worked with employees, board of directors, advisory council, external partners, event and volunteer committees. Managed staff of three and a team of outside consultants. Acted as media representative for the House, as well as delivered presentations for statewide and national efforts for public policy legislation. In addition, spent the first six months building patient census by conducting community outreach to local hospitals.

Worked on AB1745 for a CA waiver with a matching Medicaid benefits for children with life-threatening illnesses with state and national legislators. In the process of developing a national spokesperson, constituting a set of national and international opinion leaders and interest groups to advocate for pediatric hospice and respite benefits in support of AB1745.

Participated in raising $3,100,000 for House programs. Of that figure, personally raised $1,800,000 in 2006. Helped develop program giving strategies to achieve $4,900,000 in 2007. Created and presented endowment solicitation for $500,000. Restructured Advisory Council and created the development committee of the Board of Directors.

Unit Clerk, Packard Children's Hospital at Stanford ***2002-2003***

Created EHRs for incoming patients and infants. Tracked physician workflow, updated boards, provided support for nursing staff in the following departments: Labor and Delivery, NICU, Intermediate ICU and Transitional Nursery.

***President,* Berlin Communications, Palo Alto, CA** **1994 to 2002**

Marketing communications and business development for technology and consumer products and services. Developed, managed and supervised a staff of 18. Identified and managed developing businesses for Global Fortune 100 companies in Europe, Japan, and Latin America. Clients included Bearing Point, Cisco Systems, Netscape, Novell, Oracle, and HP. Worked with national agencies and organized company wide communications strategies that included advertising and media, public relations, web site and collateral development, direct marketing and product introduction and corporate identity. Company billings were $6,500,000.

***Manager, Worldwide Demand Generation Programs,* Synoptics, Santa Clara, CA** **1990 to 1994**

Reported to the Vice President of Marketing, managed comprehensive demand generation for worldwide programs in U.S, Europe, Asia and ROW (Rest of World). Supervised and managed external resources for 25 people and managed worldwide budgets in excess of $15,000,000. Introduced worldwide call centers to support product and demand generation programs in each country. All programs interfaced and supported local public relations and demand programs. Recruited, hired and managed U.S. and worldwide agencies.

***Independent Consultant*, Palo Alto, CA** **1985 to 1990**

Developed internal and external marketing communications programs for technology companies. Organized direct mail and collateral programs that included product, service, and internal human resources campaigns. Worked with internal client staffs to successfully create, market, and budget marketing programs. Clients included Micro Focus, CacheFlow, Growth Networks, Visual Networks, and J Walter Thompson.

***Account Supervisor*, Foote, Cone, Belding, San Francisco, CA** **1983 to 1985**

Reported to the Vice President of Account Management, supervised the account management staff of 7; creative staff of 4, media staff of 2, and production staff of 1 in support of the worldwide advertising and media campaigns for National Semiconductor. Organized worldwide agency structure in the United States, Europe, Japan and Asia. Annual billings in excess of $20,000,000.

***Program Manager*, Signetics Corporation, Sunnyvale, CA** **1979 to 1983**

Reported the Director of Marketing Communications, developed product line programs for marketing communications efforts worldwide for the Linear product division. Managed budget of $1,500,000 and incorporated product line products and programs into corporate-wide marketing and advertising campaigns.

***Staff Assistant*, Congressman Paul N. "Pete" McCloskey, Washington, DC.** **1977 to 1979**

Reported to the Chief of Staff, focused on research in support of legislative agenda for Merchant Marine and Fisheries Subcommittee. Maintained constituent database for District 16 and supported district Town Hall Meetings.

EDUCATION

***Masters in Public Health*, School of Public Health and Community Medicine, University of Washington**, Seattle, WA **2003—2006**
Concentration: Maternal and Child Health
Thesis: Pediatric Palliative Care: Caregivers' Perceptions of Child's Quality of Life and the Family Impact After Receiving Respite Care.

***BS Journalism*, School of Communications, James Madison University, Harrisonburg, Virginia** **1973—197**

VOLUNTEER Experience

Packard Children's Hospital at Stanford, Palo Alto, CA	**1992-2012**
Ronald McDonald House at Stanford, Palo Alto, CA	**2006-2010**
ER Volunteer, Community Hospital of the Monterey Peninsula (Special Program Developed for EMTs and Nursing Students)	**2013-2021**
Board Chair, Coastal Kids Home Care, Salinas, CA	**2016-2022**

Hospice Giving Foundation, Board Member	**2023-**
Volunteer, Community Hospital of the Monterey Peninsula, Palliative Care	**2024**

CITY OF PACIFIC GROVE

www.cityofpacificgrove.org

Application for Appointment to a Public Board, Commission, or Committee

Persons interested in being appointed to serve on a board, commission, or committee of the City of Pacific Grove are invited to complete the following application.

Name:
Peter Berridge

[redacted]

City:	**State:**	**ZIP Code:**
Pacific Grove	CA	93950

[redacted] **Number:** | **Work Telephone Number:** [redacted] | **E-Mail Address:** [redacted]

Name of Board, Commission, or Committee on which you would like to serve:
Traffic Safety Commission

Brief Description of Background and Qualifications (Additional Information May Be Attached on Separate Sheets and Attachment of Resume is Desirable):

As an engaged citizen of Pacific Grove; father of a 9-year old child who walks and bikes around Pacific Grove; avid walker and cyclist; Vice President of the Monterey Off Road Cycling Association (501C3); former professional cyclist; lifelong advocate for outdoor recreation; advocate for downtown Pacific Grove businesses; and employee of a local public agency that serves five regional counties (Central Coast Community Energy); I believe I have the experience, well-rounded perspectives, and clear understanding of due public process and local government operations that would make me a valuable contributor to the City of Pacific Grove Traffic Safety Commission.

Having lived, walked, and ridden my bicycle in Pacific Grove for ten years now, I have developed a keen sense of the city's traffic and pedestrian infrastructure. As an engaged citizen and parent, I have had many informal conversations with other citizens about traffic safety concerns, potential infrastructure needs, and possible solutions. As an employee of a local public agency, I am accustomed to addressing public comments at board meetings and to incorporating public input into important decisions. I recognize that boards and commissions cannot be a solution to all problems and perceived issues, but when goals are clear and priorities can inform an intentional strategy, boards and commissions can make impactful progress within their defined scope.

Throughout my career, I have always worked in a communications, community engagement, and public relations capacity. I am very excited about the opportunity to apply my personal interests and professional skills toward the betterment of my own community.

I hereby certify that I am a registered voter of the City of Pacific Grove (not required for EDC appointees.

Signature of Applicant: [redacted]	**Date:12/7/25**

FOR CITY USE ONLY Appointed to: _____ **Date of**

Appointment: _____ **Expiration:** _____ **Date of**

Reappointment: _____ **End of Term:** _____ **Date**

Certification of Appreciation Awarded: _____

Peter Berridge | [redacted] Pacific Grove, CA 93950 | [redacted]

CAREER HIGHLIGHTS

Throughout my career in marketing and communications, I have had the good fortune of working for local startups, public agencies, and global Fortune 500 corporations. With roots in the outdoor industry, my work has also spanned the organic food and renewable energy sectors. Bringing brand values to life through storytelling, experiential marketing, and strategic communications initiatives incorporates my greatest potential and my purest passions – especially when my work is purpose driven in support of community, sustainability, equity, and outdoor adventure. The diverse perspectives and aptitudes this experience has provided me are the unique traits I employ to help any organization achieve its goals.

SKILLS HIGHLIGHTS

- Digital and field marketing
- Copywriting and content creation
- Marketing & communications strategy
- Media relations
- Event production
- Project and team management

PROFESSIONAL EXPERIENCE

Communications Manager

Central Coast Community Energy, Monterey, CA, 2018 – Present

• As one of four staff prior to launch, set short/long-term goals and directed all marketing and communications functions related to customer enrollment, awareness, and program participation
• Developed strategies and campaigns and served as agency's chief writer, editor, and storyteller
• Managed all online and offline advertising, public relations, social media, and related asset creation
• Through 2023 maintained 95% enrollment rate and increased program participation by 300%
• Deployed strategies to garner community, industry, and political support for energy policy initiatives
• Developed, managed, and mentored a dynamic bilingual Communications & Outreach team of six
• Authored messaging architecture, talking points, and specific messaging for distinct audiences
• Identified opportunities to enhance agency's standing among trade organizations, community organizations, environmental advocacy groups, social justice organizations, and local governments
• Supported sales, account services, and power supply teams as part of expanding service area from three to five Central Coast counties, becoming the largest community choice energy agency in California
• Led agency rebrand and website redesign, refining brand position, message, and value proposition to better align with expanded service area and updated power procurement strategy

Copywriter & Field Marketing Manager (Contractor)

Catch Creative – Formerly InHouse Creative, Healdsburg, CA, 2016 – 2017

• Fulfilled copywriting needs for a variety of emerging brands in organic food and beverage segment
• Performed timely deep dives into client company values and culture, business performance and objectives, competitive landscape, and market opportunities to inform marketing strategy
• Provided strategic direction, designed product sampling and promotional brand experiences for events, retail, and trade shows
• Created foundational marketing and communications assets for new and established brands as well as clients going through rebrand process

• Successfully managed overlapping long-term projects to completion while delivering on time-sensitive day-to-day needs from internal team and clients

Field Marketing Manager

Clif Bar & Company, Emeryville, CA, 2005 – 2016

• Established marketing strategy and tactics to support a diverse portfolio of brands by strengthening connections with loyalists while raising awareness among newcomers
• Successfully spearheaded entry into new category/sport by leveraging consumer insights, collaborating across departments, testing, building athlete roster, and negotiating strategic partnerships
• Pioneered a first for Clif Bar by engineering onsite video production at events, significantly increasing ROI through content generation and improved event asset management
• Leveraged athlete roster and brokered cost-effective UCI World Cup sponsorship to support new international marketing and sales opportunities and drive content creation
• Utilized online and offline spaces to successfully integrate products, proprietary programs, and athletes to uphold marketing goals and objectives through creative and impactful activation
• Reinvented Clif Bar's presence annually at world-renowned events, resulting in new and unique consumer experiences and upholding category leadership and authenticity in a crowded marketplace
• Conceptualized consumer-facing messages and tag lines designed to support multiple brands and programs, adding consistency and efficiency to brand message
• Successfully negotiated international and domestic contracts, proactively managed a fluid budget and resources, and remained flexible on path to exceeding expectations
• Distinguished myself as a recognizable face of the company through articulate speaking, commitment to opportunistic marketing, and a clear understanding of PR and broadcast opportunities
• Recruited, trained, and managed a team of 100+ brand ambassadors

Public Relations Coordinator

Clif Bar & Company, Berkeley, CA, Sep 2004 – Dec 2004

• Aligned pitch opportunities with brand and program initiatives, company values, and product launches
• Coordinated product placement and seeding
• Assisted with copy writing, briefs, and press release distribution
• Coordinated with outside agency partners
• Promoted to Field Marketing Manager

Account Manager (Contractor)

Outside PR & Sports Marketing, Sausalito, CA, 2002 – 2003

• Authored features, blog posts, and news shorts for client websites and partner publications
• Created compelling storylines to highlight clients' brands, businesses, and products
• Wrote press releases and fielded media inquiries
• Distributed press releases and pitched storylines to native and non-endemic media
• Assisted clients with strategy and development of marketing and communications plans

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EDUCATION

• B.A. English, University of Colorado Boulder, 1997
• B.S. Kinesiology, University of Colorado Boulder, 1997

CITY OF PACIFIC GROVE

www.cityofpacificgrove.org

Application for Appointment to a Public Board, Commission, or Committee

Persons interested in being appointed to serve on a board, commission, or committee of the City of Pacific Grove are invited to complete the following application.

Name:
Jason Collin

Street Address:
[redacted]

City:	**State:**	**ZIP Code:**
Pacific Grove	CA	93950

Residence Telephone Number:	**Work Telephone Number:**	**E-Mail Address:**
[redacted]	[redacted]	[redacted]

Name of Board, Commission, or Committee on which you would like to serve:
Traffic Safety Commission

Brief Description of Background and Qualifications (Additional Information May Be Attached on Separate Sheets and Attachment of Resume is Desirable):

I am a local small business owner and professional photographer based in Pacific Grove, where I am actively involved in the community through service, volunteer work, and local organizations. I am a member of the Pacific Grove Rotary Club and serve as an Ambassador for the Pacific Grove Chamber of Commerce, regularly participating in and documenting community events, civic gatherings, and public celebrations throughout the city. These roles have given me broad exposure to how residents, visitors, businesses, and the city interact within public spaces.

In addition to my professional background, I am an avid cyclist and frequent pedestrian in Pacific Grove, using city streets, bike lanes, sidewalks, and crosswalks on a regular basis. This gives me firsthand experience with traffic flow, pedestrian safety, cyclist visibility, and areas where improvements could benefit all road users. I approach safety from a practical, community-focused perspective, balancing the needs of drivers, cyclists, pedestrians, and local businesses.

I am interested in serving on the Traffic Safety Commission because I care deeply about Pacific Grove's livability, walkability, and overall safety. I bring a thoughtful, observant mindset, a strong sense of civic responsibility, and a collaborative approach to problem-solving, and I would be honored to contribute my time and perspective to improving traffic safety throughout our city. Thank you, Jason Collin

I hereby certify that I am a registered voter of the City of Pacific Grove (not required for EDC appointees.

Signature of Applicant: [redacted]	**Date:** 12-30-2025

FOR CITY USE ONLY App _____ **Date of**

Appointment: _____ **Expiration:** _____ **Date of**

Reappointment: _____ **End of Term:** _____ **Date**

Certification of Appreciation Awarded: _____

CITY OF PACIFIC GROVE
www.cityofpacificgrove.org

Application for Appointment to a Public Board, Commission, or Committee

Persons interested in being appointed to serve on a board, commission, or committee of the City of Pacific Grove are invited to complete the following application.

Name: ANTHONY GREENING

Street Address: [redacted]

City: PACIFIC GROVE | **State:** CA | **ZIP Code:** 93950

[redacted]

Name of Board, Commission, or Committee on which you would like to serve:
TRAFFIC SAFETY COMMISSION

Brief Description of Background and Qualifications (Additional information May Be Attached on Separate Sheets and Attachment of Resume is Desirable):

CURRENTLY ON THE TRAFFIC SAFETY COMMISSION
HAVE SERVED FOR TWO YEARS.

2025 OCT 27 A 9:11

I hereby certify that I am a registered voter of the City of Pacific Grove (not required for EDC appointees.

Signature: [redacted] **Date:** 10-27-2026

FOR CITY USE ONLY

Appointment: _____ **Date of Appointment:** _____ **Date of Reappointment:** _____ **End of Term:** _____ **Date**

Certification of Appreciation Awarded: _____

CITY OF PACIFIC GROVE
300 Forest Avenue, Pacific Grove, California 93950

AGENDA REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Daniel Gho, Public Works Director/Deputy City Manager

MEETING DATE: January 21, 2026

SUBJECT: Pacific Grove Golf Links Amendment #2, CourseCo

CEQA: Does not constitute a Project per California Environmental Quality Act Guidelines Section 15378

RECOMMENDATION

1. Authorize the execution of Amendment #2, amending the lease agreement for the maintenance and operations of Pacific Grove Golf Links, between the City of Pacific Grove and CourseCo.
2. Alternatively, discuss and take other action related to this item.

DISCUSSION

The City of Pacific Grove's municipal golf course, Pacific Grove Golf Links (PGGL), has served the community of Pacific Grove and the Monterey Peninsula since 1932. PGGL provides the Pacific Grove community, residents and visitors alike, with a high quality, relatively affordable recreation experience on a well-designed and maintained golf course facility. The golf course is an 18-hole regulation length layout offering two distinct nine hole routings. The portion of the golf course with the front nine holes, developed in 1932, winds through the inland forested areas of Pacific Grove. The portion with the back nine holes, developed in 1960, sits on a spectacular oceanfront site reminiscent of the wind-swept dunes of traditional Scottish golf links.

PGGL was managed, operated, and maintained by the City until October 2014, when the City elected to lease operation of the municipal golf course to a private sector professional management company CourseCo Inc. CourseCo Inc. then formed a special purpose entity to lease the golf course. The current Golf Course Lease between City and Pacific Grove Golf, LLC, an affiliate of CourseCo, Inc., as "Tenant," dated February 19, 2014 ("Original Lease") expires in 2029, although Tenant's one remaining 5-year option could extend the lease agreement to 2034.

Pacific Grove Golf Links was irrigated with potable water from California American Water until the City completed construction of the environmentally sustainable Pacific Grove Local Water Project (LWP) in 2016. The LWP treats wastewater and generates recycled water to be used for irrigation purposes. The LWP is a separate enterprise fund than the PGGL. Rates set for the costs of the water produced by the LWP should be set to account for the operations, maintenance and debt service costs for the LWP facilities. Setting rates as less than the level needed to realize the true cost recovery results in deficits in the LWP fund.

In 2016, Tenant and the City executed an amendment to the Original Lease to address water payments and usage, considering the availability of water from the LWP ("Amendment #1"). The Original Lease and Amendment #1 (collectively, the "Lease") had specific language regarding water expenditures. The caps included a maximum cost to Tenant of $443,332 (increasing 2% annually) for water for the first 27,200,000 gallons used. The cap assumed a $0.016 per gallon cost and a typical annual water usage of 26,000,000 gallons. Water costs exceeding the cost cap are to be paid by the Golf Course Fund. This risk that the Golf Course Fund would need to absorb water costs if usage surpassed the cap was offset by a lease rate term that generated higher than typical revenues to the golf fund under a management agreement.

The Lease set caps related to water prior to the inflationary period of July 1st to June 30th. As a result of the increased costs of goods and services that LWP uses to produce recycled water, LWP's cost to provide PGGL one gallon of water has increased from $0.016 in 2016 to $0.041 today. This cost increase for LWP recycled water has caused the annual irrigation costs for the golf course to rise from $405,368 in 2020 to $1,124,944 in 2025. As a result of the increase in the costs of recycled water and the caps under the current terms of the Lease, the Golf Course Fund absorbed approximately $438,808 in water costs in 2025.

With the rising cost to operate the LWP and deliver the recycled water, City staff realized that adjustments needed to be made to the water provisions of Amendment #1 as the LWP and golf fund continued to run even or in the red.

In the past, the City and Tenant have discussed water rates and potential adjustments to ensure the City and Tenant prosper at the PGGL. Knowing adjustments needed to be made, City staff reached out to Tenant in March of 2025 to again discuss potential adjustments, primarily the removal of the water expenditures and usage cap language.

Following discussion with Tenant and careful fiscal analysis and projections, staff have developed revised terms for City Council's consideration to address the issues discussed here. Amendment # 2, included as Attachment No. 1, contains the terms described in the table below that compare the existing terms with proposed terms and resulting fiscal impact. The Amendment #2 terms are acceptable to Tenant.

In order for Tenant to absorb higher water costs while maintaining green fees that are cost effective and sufficient funds to fulfill Tenant's maintenance obligations, Tenant's team has proposed adjustments to the current lease structure. Tenant has also expressed a desire to contribute more to the Capital Improvements Fund in return for a longer lease term. Amendment #2 provides a longer lease term by exercising the current option from 2029- 2034 and adding an option to extend for an additional 10-years to conclude in 2044 and a 4-year 11-month extension ending in 2049 which will only commence if both parties agree. Tenant's proposed additional investments include a $1 million contribution to the Capital Improvements Fund by 2029 to fund additional cart paths, irrigation improvements and other needed improvements and an additional $550,000 contribution in 2044.

Amendment #2 focuses on 4 main points - Rent (Base Rent and Percentage Rent), Lease Term, Water, and Capital Contributions. The chart below highlights the major changes noted in Amendment #2.

Amendment #2 General Terms.

	Current	Proposed	Net Change

Base Rent	**Originally $300,000 annually** **Base increase of $5,000 annually** **Currently $340,000 annually**	**Maintain current Base Rent through 10/01/2030** **10/01/2030 annual base rent resets to $250,000 with a uniform monthly rate** **Increases at an annual rate of 3.25%**	**2026 – 2049:** **Estimated reduction of $1,585,000**
Percentage Rent	**65% over Gross Golf Revenue Baseline** **Baseline increases by CPI annually** **Current baseline is $3,249,320 for Calendar Year 2024**	**17.5% over Gross Golf Revenue Baseline** **Current baseline is $3,249,320** **Effective 10/01/2025**	**2025 – 2049:** **Estimated reduction of $12,767,000**
Lease Term	**Initial 10-year lease commenced 10/01/2014** **Currently in 1st 5-year option until 09/30/2029** **2nd year option 10/01/2029 – 09/30/2034 not currently executed**	**Execute 5-Year Option to Extend, 10/01/2029 – 09/30/2034 (2nd extension)** **Add an option to extend for an additional 10-Year term, 10/01/2034 – 09/30/2044 (3rd extension)** **Add one 4 year and 11 month 10/1/2044-8/31/2049 extension if both parties agree (4 th extension)**	**Potential change in the term Expiration Date** **From** **09/30/2029** **To** **08/31/2049**
Water	**Annual billable cap of $443,332 for the 1st 27,200,000 gallons** **Cap grows annually 2%** **Current annual billable cap of $499,264** **Minimum water fee $375,000** **City reimburses**	**No Annual billable cap on gallons used** **Rate is $0.041 per gallon October 1, 2025 – December 31, 2028** **3.25% annual increase beginning in 2029**	**2026 – 2049:** **Estimated savings of $18,461,000**

	amounts paid over the cap		
Capital Improvement	**1.5% of Gross Revenue annual contribution from Tenant and City**	**1.5% of Gross Revenue annual contribution from Tenant and City** **$1,000,000 contribution from Tenant by the third anniversary of Amendment #2 signing** **$550,000 contribution prior to execution of 4th extension**	**2026 – 2049:** **Increase of $1,550,000 in Capital Improvements**

In addition to the changes noted above, both parties must negotiate in good faith to develop a new water rate in the event the outlined LWP water rates have a 10% (plus or minus) variance from the Actual cost to the outlined billable rate.

Additionally, in the event LWP is unable to provide water to the golf course, the Tenant will be responsible for obtaining water and will remain responsible for the full cost of water used, even if the water is potable.

Finally, Amendment #2 also adds language to ensure that Tenant would be responsible for payment of any and all property taxes assessed.

OPTIONS

Do not authorize the execution of Amendment No. 2.

FINANCIAL IMPACT:

The table below represents estimated payments to the City that will be deposited into the Golf Course Enterprise Fund over the duration of the proposed lease agreement.

Time Period	**Fiscal Impact as compared to the Current Lease**
FY 2026	↑ $232,000
FY 2027	↑ $202,000
FY 2026-2049	↑ $4,100,000

FOCUSED PRIORITY AREA: Financial Sustainability

Attachments

Amendment #2

Amendment #2 to Golf Course Lease

This Amendment #2 to Golf Course Lease ("**Amendment #2**") is dated for reference purposes as of _____, 2025 by and between City of Pacific Grove, a charter city ("**City**") and Pacific Grove Golf, LLC, a California limited liability company ("**Tenant**").

RECITALS

A. City and Tenant are parties to that certain Golf Course Lease dated February 19, 2014 ("**Original Lease**"), as amended by that certain Amendment #1 to Golf Course Lease dated December 6, 2016 by and between City and Tenant ("**Amendment #1**.")

B. By Amendment #1, City and Tenant confirmed that Tenant had exercised its first option to renew and extend the Term, such that the Term would be extended for a period of five (5) years and expire on September 30, 2029 ("**First Renewal Term**") and modified the Tenant's obligations with respect to costs associated with water usage.

C. The Parties desire to further amend the Original Lease to confirm that Tenant exercised its second option to renew and extend the Term, add an additional option to extend for another ten (10) years, and two (2) extensions for five (5) years each, and to memorialize the Parties' agreement with respect to water usage, rent, and contributions toward capital improvements costs.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing recitals and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, City and Tenant hereby agree as follows:

1. Recitals; Defined Term. The foregoing recitals are incorporated by reference into this Amendment #2. Capitalized terms used herein and not otherwise defined shall have the meanings given to such terms in the Original Lease, as amended by Amendment #1. The Original Lease, as amended by Amendment #1 and this Amendment #2, shall be hereafter referred to as the "**Lease**."

2. Amendment #2 Effective Date. The "**Amendment #2 Effective Date**" shall be the date that the last party signs this Amendment #2.

3. Second Renewal Term; Expiration Date . The Parties acknowledge and agree that Tenant has exercised the second option to extend the Term for a period of five (5) years commencing on the day following the last day of the First Renewal Term ("**Second Renewal Term**"), as described in Section 4.2 of the Lease. The Expiration Date shall be September 30, 2034.

4. Base Rent. The Base Rent shall be as described in Section 5.1 of the Lease until September 30, 2030. Thereafter, the Base Rent during the remainder of the Second Renewal Term shall be as shown in the table on the following page.

Time Period	Annual Rent	Monthly Rent
October 1, 2030- September 30, 2031	$250,000	$20,833.33
October 1, 2031 – September 30, 2032	$258,125.00	$21,510.42
October 1, 2032- September 30, 2033	$266,514.06	$22,209.51
October 1, 2033 – September 30, 2034	$275,175.77	$22,931.31

5. Percentage Rent.

5.1 Effective on October 1, 2025, the second sentence of Section 5.3(a) of the Lease is deleted and replaced with:

> "Percentage Rent shall be equal to 17.5% of the amount, if any, by which the Gross Golf Revenues during the Percentage Rent Period exceeds the Gross Golf Revenue Baseline."

5.2 Notwithstanding any other provision of this Lease to the contrary, the calculation of Percentage Rent for the 2025 calendar year (the "**2025 Percentage Rent Period**") shall be calculated and applied as a pro-rated calculation based on specific thresholds and percentage rates applicable to different portions of the 2025 Percentage Rent Period, as follows:

a. First Period. For the initial portion of the 2025 Percentage Rent Period commencing on January 1, 2025 and ending on September 30, 2025 (the "**First Period**"), the following shall apply:

(i) The Gross Revenue Baseline for the First Period (the "**First Period Baseline**") shall be a pro-rated amount equal to seventy-five percent (75%) of the annual Gross Golf Revenue Baseline specified in the Basic Lease Provisions.

(ii) Tenant shall pay Percentage Rent equal to sixty-five percent (65%) of the amount Gross Golf Revenues (as defined in this Lease) generated from the Leased Premises during the First Period exceed the First Period Baseline.

b. Second Period. For the remaining portion of the 2025 Percentage Rent Period commencing on October 1, 2025 and ending on December 31, 2025 (the "**Second Period**"), the following shall apply:

(i) The Gross Revenue Baseline for the Second Period (the "**Second Period Baseline**") shall be a pro-rated amount equal to twenty-five percent (25%) of the annual Gross Golf Revenue Baseline.

(ii) Tenant shall pay Percentage Rent equal to seventeen and one half percent (17.5%) of the amount Gross Golf Revenues generated from the Leased Premises during the Second Period exceed the Second Period Threshold.

6. Capital Improvement Fund Contribution During Second Renewal Term. Tenant shall contribute One Million Dollars ($1,000,000) to the Capital Improvement Fund prior to the third anniversary of the Amendment #2 Effective Date. The contribution described in this Section 6 shall be in addition to the quarterly contributions required under Section 8.3 of the Lease.

7. Water. Effective October 1, 2025, Tenant shall be solely responsible for the actual cost of water supplied to the Premises, whether such water is potable or sub-potable irrigation water, regardless of the amount of water supplied to the Premises, and regardless of whether City or California American Water provides such water. This Section 7 shall supersede Section 6.2 of the Lease.

7.1 Potable Water. Tenant acknowledges and agrees that either potable or sub-potable water are suitable for purposes of irrigating the Premises. During any time that City does not supply sub-potable water to the Premises, City shall not be in default as a result of City's election not to supply sub-potable water to the Premises. In such case, Tenant will be solely responsible for obtaining water potable service from California American Water and shall be solely responsible for the cost of any potable water supplied to the Premises.

7.2 Water Rates. City shall charge Tenant $0.041 per gallon for water City supplies to Tenant during the time period of October 1, 2025-December 31, 2028. Commencing January 1, 2029, the rate will increase by 3.25% each year.

7.3 Water Rate Variations. If the actual cost of water City supplies the Premises is ten percent (10%) more or less than the billing rate as determined in Section 7.2 of this Amendment #2, then the parties shall meet and confer in good faith to determine an appropriate increased or decreased rate.

8. Renewal Terms. Subject to the terms of this Section 8, Tenant shall have an option to extend the Term of this Lease for a period of ten (10) years. Subject to the terms of 8.2, the Parties thereafter may extend the Term of this Lease one (1) additional time for a period of four years, eleven months (4) years, (11) months (a "**Renewal Term**"). The extension of ten (10) years shall commence, if at all, on the day following the Expiration Date and end ten (10) years later ("**Third Renewal Term**"). If the Third Renewal Term does not commence, the Lease will terminate on the Expiration Date unless otherwise agreed by the parties in writing. The four-year, 11 month extension shall commence, if the Parties agree to such extension, upon the expiration of the Third Renewal Term and end four (4) years, eleven (11) months later ("**Fourth Renewal Term**"). Any reference to "**Term**" in this Lease shall include any Renewal Term that commences pursuant to this Section 8.

8.1 Third Renewal Term. Tenant shall exercise the option by providing City written notice no fewer than nine (9) months prior to the expiration of the Term. Tenant shall have no right to extend the Term if Tenant is then in default under this Lease or has been in

default at any time during the preceding twelve (12) month period, and the Third Renewal Term shall not commence if Tenant is in default under this Lease at the time that the Third Renewal Term would otherwise commence.

8.2 Fourth Renewal Term. Tenant may, in its sole and absolute discretion, notify City of its desire to extend the Term of the Lease. Tenant shall give notice, if at all, no fewer than nine (9) months prior to the expiration of the Term. City may consider Tenant's notice in its sole and absolute discretion. City's decision to extend or refuse to extend the Term for any reason, or no reason, shall be made in City's sole and absolute discretion. City need not consider Tenant's notice provided under this Section 8.2 of this Amendment #2 if Tenant is then in default under this Lease or has been in default at any time during the preceding twelve (12) month period. No Renewal Term shall commence if Tenant is in default under this Lease at the time that the Renewal Term would otherwise commence.

8.3 Section 4.2(a) and the last sentence of Section 4.2(b) of the Lease do not apply to the extensions described in this Section 8. If the Third Renewal Term commences, the Third Renewal Term shall be upon all of the terms and conditions of this Lease, except as provided in Section 8.3a of this Amendment #2. If both Parties agree to an extension with respect to the Fourth Renewal Term, the Fourth Renewal Term shall be upon all of the terms and conditions of this Lease, except as provided in Section 8.3b of this Amendment #2. The City Manager shall have authority to execute any amendment to the Lease that solely confirms the parties have agreed the Third Renewal Term or Fourth Renewal Term will commence and confirms the updated Expiration Date.

a. Third Renewal Term.

(i) Base Rent during the Third Renewal Term shall be as shown in the table below.

Time Period	Annual Rent	Monthly Rent
October 1, 2034- September 30, 2035	$284,118.98	$23,676.58
October 1, 2035 – September 30, 2036	$293,352.85	$24,446.07
October 1, 2036- September 30, 2037	$302,886.82	$25,240.57
October 1, 2037 – September 30, 2038	$312,730.64	$26,060.89
October 1, 2038 – September 30, 2039	$322,894.38	$26,907.87

Time Period	Annual Rent	Monthly Rent
October 1, 2039- September 30, 2040	$333,388.45	$27,782.37
October 1, 2040 – September 30, 2041	$344,223.58	$28,685.30
October 1, 2041- September 30, 2042	$355,410.84	$29,617.57
October 1, 2042 – September 30, 2043	$366,961.69	$30,580.14
October 1, 2043- September 30, 2044	$378,887.95	$31,574.00

b. Fourth Renewal Term.

(i) Base Rent during the Fourth Renewal Term shall be as shown in the table below.

Time Period	Annual Rent	Monthly Rent
October 1, 2044- September 30, 2045	$391,201.81	$32,600.15
October 1, 2045- September 30, 2046	$403,915.87	$33,659.66
October 1, 2046- September 30, 2047	$417,043.13	$34,753.59
October 1, 2047- September 30, 2048	$430,597.03	$35,883.09
October 1, 2048- August 31 2049	$407,542.14	$37,049.29

(ii) Capital Improvement Fund Contribution. Tenant shall contribute Five Hundred Fifty Thousand Dollars ($550,000) to the Capital Improvement Fund prior to October 1, 2044. The contribution described in this Section 0 shall be in addition to the quarterly contributions required under Section 8.3 of the Lease.

9. Taxes. Section 6.1 of the Lease shall be deleted in its entirety and replaced with the following:

"6.1 Taxes.

(a) Taxes Defined. "**Taxes**" means Property Taxes, Possessory Interest Taxes and Personal Taxes. Tenant's obligations for Taxes for the last full or partial year of the Term and for any prior unpaid Taxes shall survive the expiration or earlier termination of this Lease.

(b) Property Taxes. Although no Property Taxes are currently assessed, in the event they are assessed, whether due to a change in ownership or otherwise, Tenant shall be solely responsible for paying such Property Taxes. "**Property Taxes**" means and includes all of the following: all real property taxes, public infrastructure improvement assessments or any other assessments, levies, fees, exactions or charges, general and special, ordinary and extraordinary, unforeseen as well as foreseen (including fees "in lieu" of any such tax or assessment) which are assessed, levied, charged, conferred or imposed by any public authority upon the Land) or its operations, together with all taxes, assessments or other fees imposed by any public authority upon or measured by any Rent or other charges payable hereunder, including any gross receipts tax or excise tax levied by any governmental authority with respect to receipt of rental income, or upon, with respect to or by reason of the development, possession, leasing, operation, management, maintenance, alteration, repair, use or occupancy by Tenant of the Premises or any portion thereof, together with any tax imposed in substitution, partially or totally, of any tax previously included within the aforesaid definition or any additional tax the nature of which was previously included within the aforesaid definition. City shall deliver to Tenant copies of the assessment and tax bill from the applicable taxing authority.

(c) Possessory Interest Taxes. This Lease creates a possessory property interest in Tenant. Tenant's property interest may be subject to property taxation, and Tenant or the party in whom the possessory interest is vested shall be responsible for payment of any and all property taxes levied on the interest (collectively, "**Possessory Interest Taxes**").

(d) Personal Taxes. Tenant shall pay directly to the taxing authority all taxes and assessments levied upon the trade fixtures, alterations, additions, improvements, partitions, cabling, wiring, furniture, equipment, inventories and other personal property located and/or installed on the Premises by or on behalf of Tenant (individually and collectively "**Tenant's Property**") and any Tenant Improvements (collectively, "**Personal Taxes**").

(e) Payment of Taxes. Tenant shall pay all Taxes directly to the taxing authority. To the extent any such taxes are not separately assessed or billed to Tenant by the taxing authority, City shall deliver to Tenant copies of the assessment and tax bill. Tenant shall pay such amount directly to the taxing authority no later than ten (10) business days prior to the date on which such Taxes are due. Should Tenant fail to pay its Taxes, City

may elect to do so on Tenant's behalf within five (5) days of City's demand therefor. Tenant shall reimburse City for such Taxes and any penalties and fines, together with interest, from the date City tendered payment.

(f) No Liens. Tenant shall not allow or suffer a lien for any Taxes payable by Tenant hereunder to be imposed upon the Premises or upon any equipment or other property located thereon without promptly discharging the same. Tenant may have a reasonable opportunity to contest the validity and or amount of any such Taxes. Tenant shall indemnify City, the other Indemnified Parties, and the Premises from and against any Losses arising out of any proceeding or contest provided for hereunder.

(g) City makes no representations to Tenant regarding the likelihood that Taxes will be imposed or the amount of any Taxes that may be imposed by the County of Monterey or the State of California in connection with this Lease. Tenant acknowledges that it is not relying on for any tax advice related to the provisions of this Lease. Tenant waives and releases City from any and all claims arising from the tax consequences of the provisions of this Lease. Tenant acknowledges that it has been given an opportunity to consult, and represents that it has consulted, with tax and legal consultants it deems advisable in connection with the provisions of this Lease."

10. Ratification. Except as otherwise provided in this Amendment #2, the Original Lease as amended by Amendment #1 and this Amendment #2 is hereby ratified, confirmed and approved in all respects. In the event of any inconsistency between the provisions of this Amendment #2 and the provisions of the Original Lease or Amendment #1, the provisions of this Amendment #2 shall govern.

11. Duly Authorized. Each person executing this Amendment #2 on behalf of City and Tenant, respectively, represents and warrants that he or she is duly authorized to execute and deliver this Amendment #2 on behalf of such entity, and that such person's execution of this Amendment #2 binds the entity on whose behalf he or she is signing to its terms and conditions.

12. Entire Agreement. This Amendment #2 sets forth the entire understanding of the parties in connection with the subject matter hereof. There are no agreements between City and Tenant relating to the Lease other than those set forth in writing and signed by the parties. Neither party hereto has relied upon any understanding, representation or warranty not set forth herein, either oral or written, as an inducement to enter into this Amendment #2.

13. Counterparts; Electronic Signatures. This Amendment #2 may be executed in counterparts, each of which shall be deemed an original, and taken together shall constitute one and the same instrument. This Amendment #2 may be executed by facsimile, pdf or electronic signature(s).

IN WITNESS WHEREOF, the parties have executed this Amendment #2 as of the dates set forth below.

CITY OF PACIFIC GROVE, **a charter city**	**PACIFIC GROVE GOLF, LLC,** **a California limited liability company**
By: _____ Matthew Mogensen, City Manager	By: _____ _____, Its _____
Date: _____	Date: _____

CITY OF PACIFIC GROVE

300 Forest Avenue, Pacific Grove, California 93950

AGENDA REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Anna Bornstein, Associate Planner

MEETING DATE: January 21, 2026

SUBJECT: Architectural Review Board Meeting Minutes: November 12, 2025

CEQA: Does not constitute a Project per California Environmental Quality Act Guidelines Section 15378

RECOMMENDATION

Receive the minutes.

Attachments

ARB Minutes 11.12.2025

NOTICE OF MEETING

CITY OF PACIFIC GROVE

ARCHITECTURAL REVIEW BOARD MEETING MINUTES

SPECIAL MEETING AGENDA

Wednesday, November 12, 2025, 3:00 P.M.

Council Chamber – City Hall – 300 Forest Avenue, Pacific Grove, CA

AGENDA

1. **CALL TO ORDER & ROLL CALL**
Chair Brooks called the meeting to order at 3:00 pm. Also present in the chamber: Vice Chair Byrne, and Member Boyle
ABSENT: Secretary Huff, Member Sublett

2. **APPROVAL OF THE AGENDA**
ACTION: Upon a motion by Vice Chair Byrne and seconded by Member Boyle, the Board voted to approve the agenda.

Motion carried 3-0-2, by the following roll call vote:

AYES: Chair Brooks, Vice Chair Byrne, Member Boyle
NOES: None
ABSENT: Secretary Huff, Member Sublett

3. **BOARD AND STAFF ANNOUNCEMENTS (City-Related Items Only)**
None

4. **COUNCIL LIAISON ANNOUNCEMENTS**
None

5. **GENERAL PUBLIC COMMENT**
None

A. Written General Public Comment
None

CONSENT AGENDA

6. REPORTS FOR INFORMATION ONLY
None

7. REPORTS REQUIRING ACTION
None

A. Minutes of the October 14, 2025, Architectural Review Board Regular Meeting.

Reference: Anna Bornstein, Associate Planner

Recommended Action: Approve the minutes of the October 14, 2025, Regular Meeting of the Architectural Review Board.

CEQA: Does not constitute a Project per California Environmental Quality Act Guidelines Section 15378

ACTION: Upon a motion by Member Boyle and seconded by Vice Chair Byrne, the Board voted to approve the agenda.

Motion carried 3-0-2, by the following roll call vote:

AYES: Chair Brooks, Vice Chair Byrne, Member Boyle
NOES: None
ABSENT: Secretary Huff, Member Sublett

REGULAR AGENDA

8. **PUBLIC HEARINGS**

A. Sign Permit (SP) 25-0202 for 1219 Forest Avenue Suite A (APN 006-725-023-000)

Zoning District/General Plan Designation: C-FH / Forest Hill Commercial

Coastal Zone: No

Historic Resources Inventory: No

CEQA: Categorical Exemption, CEQA Guidelines Section 15301, Class I, Existing Facilities

Recommended Action: Approve Sign Permit 25-0202 subject to the recommended findings, conditions of approval, and Class 1 Categorical Exemption (CEQA Guidelines Section 15301, Existing Facilities).

Reference: Anna Bornstein, Associate Planner

ACTION: Upon a motion by Vice Chair Byrne and seconded by Member Boyle, the Board voted to approve the agenda.

Motion carried 3-0-2, by the following roll call vote:

AYES: Chair Brooks, Vice Chair Byrne, Member Boyle
NOES: None
ABSENT: Secretary Huff, Member Sublett

Anna Bornstein, Associate Planner, provided the staff presentation.
No applicant presentation was given.
No public comment was received.

B. Architectural Permit (AP) 25-0176 for 182 Central Avenue (APN 006-235-016)

Zoning District/General Plan Designation: R-4 / High Density Residential (19.8 du/ac)

Coastal Zone: Yes

Historic Resources Inventory: No

CEQA: Categorical Exemption, CEQA Guidelines Section 15301, Class I, Existing

Facilities

Recommended Action: Approve Architectural Permit 25-0176 subject to the recommended findings, conditions of approval, and Class 1 Categorical Exemption (CEQA Guidelines Section 15301, Existing Facilities).

Reference: Anna Bornstein, Associate Planner

Anna Bornstein, Associate Planner, provided the staff presentation.
The applicant presentation was provided by owner Roy Verely
Inge Lorentzen Daumer provided public comments.

ACTION: Upon a motion by Vice Chair Byrne and seconded by Member Boyle, the Board voted to approve the agenda.

Motion carried 3-0-2, by the following roll call vote:

AYES: Chair Brooks, Vice Chair Byrne, Member Boyle
NOES: None
ABSENT: Secretary Huff, Member Sublett

9. **CONTINUED AND ONGOING BUSINESS**
None

10. **NEW BUSINESS**
None

11. **PRESENTATIONS**
None

12. **NEXT MEETING - December 9, 2025**

13. **ADJOURNMENT – 3:15 p.m.**

CITY OF PACIFIC GROVE

300 Forest Avenue, Pacific Grove, California 93950

AGENDA REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Rachel Gaither, Library Director

MEETING DATE: January 21, 2026

SUBJECT: Library Board Meeting Minutes: November 4, 2025

CEQA: Does not constitute a Project per California Environmental Quality Act Guidelines Section 15378

RECOMMENDATION

Receive the minutes.

Attachments

LAB Regular Meeting Minutes November 2025

MEETING MINUTES

CITY OF PACIFIC GROVE

LIBRARY BOARD

REGULAR MEETING

Tuesday, November 4, 4:00 p.m.

Council Chamber – City Hall – 300 Forest Avenue, Pacific Grove, CA

CALL TO ORDER/ROLL CALL

The meeting was called to order at 4:01 p.m. by Chair Perez who conducted roll call with the following LAB Members present in person: Vice Chair Lucy Moore, Member Tom Oldham, Secretary Tama Olver, Chair Alycia Perez, Member Meganne Yeoman. Absent: None.

1. **APPROVAL OF AGENDA**

   Action: Upon motion by Member Oldham and seconded by Secretary Olver, the Board voted 5/0/0 to approve the agenda.

2. **PRESENTATIONS** – None

3. **COMMISSION AND STAFF ANNOUNCEMENTS (City-Related Items Only)**

   The Board received announcements from Director Gaither.

4. **COUNCIL LIAISON ANNOUNCEMENTS**

   The Board received announcements from City Council Liaison McDonnell.

5. **GENERAL PUBLIC COMMENT/WRITTEN PUBLIC COMMENT**

   There were no general public or written comments to receive.

6. **APPROVAL OF THE MINUTES**

   September 2 Regular Meeting Library Board Special Meeting Minutes.

   Action: Upon motion by Member Oldham and seconded by Vice Chair Moore the Board voted 5/0/0 to approve the minutes with correction of Member Yeoman's name.

REGULAR AGENDA

7. **UNFINISHED AND ONGOING BUSINESS**

   A. Work Plan for the Board
      Public comment not received.
      Action: The Board will continue to monitor the workplan.
   B. Library Board Recommendations to City Council
      Public comment not received.

Action: Upon motion by Secretary Olver and seconded by Member Oldham the Board voted 5/0/0 to forward the following recommendation to the City Council: Develop and implement a detailed ADA transition plan (with priorities, schedules, and costs), which prioritizes the library after completion of the city-wide ADA facilities assessment.

8. **NEW BUSINESS**

A. Future Agendas
Public comment not received.
Action: Discussed proposals for future agenda items.

Proposals include nothing in addition to items discussed in prior agenda items.

Next Meeting – January 6 at 4pm

ADJOURNMENT – The meeting was adjourned at 4:56 p.m.

CITY OF PACIFIC GROVE

300 Forest Avenue, Pacific Grove, California 93950

AGENDA REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Sandra Kandell, City Clerk/DEI Coordinator

MEETING DATE: January 21, 2026

SUBJECT: Task Force on Diversity, Equity and Inclusion Meeting Minutes: October 13, 2025

CEQA: Does not constitute a Project per California Environmental Quality Act Guidelines Section 15378

RECOMMENDATION

Receive the minutes.

Attachments

DEI Minutes 10-13-25

MEETING MINUTES

CITY OF PACIFIC GROVE

TASK FORCE ON DIVERSITY, EQUITY, AND INCLUSION

REGULAR MEETING

Monday, October 13, 2025, 6:00 P.M.

Council Chamber – City Hall – 300 Forest Avenue, Pacific Grove, CA

JOIN THE ZOOM WEBINAR TO PARTICIPATE LIVE AT:
https://www.cityofpacificgrove.org/Zoom_DEI

1. **CALL TO ORDER / ROLL CALL**
Chair Bui called the meeting to order at 6:00 p.m. City Clerk/DEI Coordinator Kandell conducted roll call with the following Task Force members present in person: Chair Bui, Vice-Chair Fryberger, Secretary Pye, Members Doneux and Rubin.

2. **APPROVAL OF AGENDA**
Action: Upon motion by Chair Bui and seconded by Member Doneux, the Task Force voted 5-0 to approve the agenda.

3. **PRESENTATIONS**

4. **TASK FORCE AND STAFF ANNOUNCEMENTS (City-Related Items Only)**

5. **COUNCIL LIAISON ANNOUNCEMENTS**

6. **GENERAL PUBLIC COMMENT**
General public comment received from Lisa Ciani.

A. Written General Public Comment

7. **CONSENT AGENDA**
Action: Upon motion by Member Rubin and seconded by Member Doneux, the Task Force voted 5-0 to approve the Consent Agenda.

A. Minutes of the Task Force on Diversity, Equity and Inclusion's August 11, 2025 Regular Meeting
Action: Approved the minutes.
CEQA: Does not constitute a Project per California Environmental Quality Act Guidelines Section 15378

B. BCC Recommendation Process Amendments & Chair Quarterly Reports
Action: Received the report.
CEQA: Does not constitute a Project per California Environmental Quality Act Guidelines Section 15378

8. **REGULAR AGENDA**

A. Metrics Subcommittee Update
Public comment received from Lisa Ciani.

Action: The Task Force received an oral update from the Metrics Subcommittee.

B. Submittal of Additional Events to the Cultural Calendar
No public comment received.

Action: Upon motion by Secretary Pye and seconded by Member Rubin, the Task Force voted 5-0 to approve the following additional events to the Cultural Calendar: Marina Multicultural Festival (Marina) and Chinese Cultural Festival (Monterey).

9. **NEXT MEETING:** ***November 10, 2025 at 6:00 p.m.***

10. **ADJOURNMENT**
The regular meeting was adjourned at 6:34 p.m.

Respectfully submitted,

Kimberly Pye
Secretary

Approved by Chair:_____Date_____

CITY OF PACIFIC GROVE
300 Forest Avenue, Pacific Grove, California 93950

AGENDA REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Leticia Livian, Human Resources Director

MEETING DATE: January 21, 2026

SUBJECT: First reading of an ordinance to amend the City Salary Classification Schedule

CEQA: Does not constitute a Project per California Environmental Quality Act Guidelines Section 15378

RECOMMENDATION

1. Request the City Attorney read the title of the ordinance;
2. Motion to waive further reading of the ordinance;
3. Introduce and hold first reading of an ordinance to amend the salary classification schedule salary range for Code Compliance Officer and approve the amendment; and
4. Direct that a summary of a proposed ordinance be published as approved by the City Attorney.

DISCUSSION

The City's salary schedule identifies job classifications that have been approved by Council (e.g., Administrative Technician) and the hourly rates of pay for each classification at each step authorized by the Personnel Rules. Pursuant to Charter Article 25 and the Pacific Grove Municipal Code (PGMC) Section 4.20.280, approval and amendment to the salary schedule must be adopted by the Council.

Due to an administrative error, the Code Compliance Officer classification was not updated to reflect the 3% cost-of-living adjustment (COLA) approved for classifications represented by the General Employees Association (GEA). This change was effective the first full pay period of Fiscal Year 25/26. This ordinance corrects the salary schedule accordingly and retroactively for the Code Compliance Officer classification.

The requested change to the salary schedule is for Code Compliance Officer only. All other classifications in the salary schedule remain the same. To view the entire salary schedule, please refer to the City's website, https://www.cityofpacificgrove.gov/our_city/departments/human_resources/index.php.

The corrected salary range for Code Compliance Officer is listed below.

Classification	Step	Step	Step	Step	Step	Step	Step	Step
Code Compliance Officer	1A	2B	3C	4D	5E	6F	7G	8H
Hourly Rate	36.62	38.46	40.38	42.40	44.52	45.63	46.77	47.94

OPTIONS

Provide alternative direction to staff.

FINANCIAL IMPACT:

There is no fiscal impact as this COLA was budgeted for FY 25/26

FOCUSED PRIORITY AREA: Not Applicable.

Attachments

Proposed Ordinance

ORDINANCE NO. 26-_____

ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PACIFIC GROVE AMENDING THE CLASSIFICATION SCHEDULE FOR CODE COMPLIANCE OFFICER

Findings

1. City Council approved the General Employees Association (GEA) 3% cost of living adjustment (COLA) for FY 25/26; and

2. Due to an administrative error, the Code Compliance Officer classification was not updated to reflect the COLA; and

3. The COLA is effective July 6, 2025 for GEA classifications; and

4. This ordinance corrects the salary schedule accordingly and retroactively for the Code Compliance Officer classification; and

5. Amendment to the classification plan must be adopted by the City Council pursuant to Charter Article 25 and Pacific Grove Municipal Code (PGMC) Section 4.20.280; and

6. In the enactment of this ordinance, the City followed the guidelines adopted by the State of California and published in the California Code of Regulations, Title 14, Section 15000, et seq. Enactment of this ordinance action does not constitute a "project" as defined by California Environmental Quality Act (CEQA) because it is an organizational or administrative activity that will not result in direct or indirect physical changes in the environment pursuant Section 15378.

Ordinance

NOW, THEREFORE, THE COUNCIL OF THE CITY OF PACIFIC GROVE DOES ORDAIN AS FOLLOWS:

SECTION 1. The foregoing findings of the City Council are incorporated into this Ordinance as if set forth in full.

SECTION 2. The position classification plan approved and adopted by the City Council pursuant to Charter Article 15 and PGMC § 4.20.280 is amended for the Code Compliance Officer classification with the following salary schedule:

Step	Step 1A	Step 2B	Step 3C	Step 4D	Step 5E	Step 6F	Step 7G	Step 8H
Hourly Rate	36.62	38.46	40.38	42.40	44.52	45.63	46.77	47.94

SECTION 3. The City Manager is directed to execute all documents and to perform all other necessary City acts to implement this Ordinance.

SECTION 4. In accord with Article 15 of the City Charter, this ordinance shall become effective on July 6, 2025.

PASSED AND ADOPTED BY THE COUNCIL OF THE CITY OF PACIFIC GROVE this ___ day of February 2026, by the following vote:

AYES:

NOES:

ABSENT:

APPROVED:

_____
NICK SMITH, Mayor

ATTEST:

_____
SANDRA KANDELL, City Clerk

APPROVED AS TO FORM:

_____
ALEX LORCA, City Attorney

CITY OF PACIFIC GROVE
300 Forest Avenue, Pacific Grove, California 93950

AGENDA REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Lori McDonnell, Councilmember

MEETING DATE: January 21, 2026

SUBJECT: Proposed Ordinances (Regular and Urgency) Amending Chapter 11.72 (Aircraft Landing) And Adding Chapter 9.50 (Regulation Of Uncrewed Aircraft Systems) To The Municipal Code, Regulating Uncrewed Aircraft Systems (UAS)

CEQA: Categorical Exemption, CEQA Guidelines Section 15301, Class I, Existing Facilities

RECOMMENDATION

1. Discuss proposed Ordinances Amending Chapter 11.72 (Aircraft Landing) And Adding Chapter 9.50 (Regulation Of Uncrewed Aircraft Systems) To The Municipal Code, Regulating Uncrewed Aircraft Systems (UAS).
2. Request the City Attorney to read the title of the Regular Ordinance and the Urgency Ordinance
3. Motion to waive further reading of the ordinances.
4. Motion to introduce and hold first reading of an Ordinance Amending Chapter 11.72 (Aircraft Landing) And Adding Chapter 9.50 (Regulation Of Uncrewed Aircraft Systems) To The Municipal Code, Regulating Uncrewed Aircraft Systems (UAS).
5. Motion Adopt Urgency Ordinance Amending Chapter 11.72 (Aircraft Landing) And Adding Chapter 9.50 (Regulation Of Uncrewed Aircraft Systems) To The Municipal Code, Regulating Uncrewed Aircraft Systems (UAS).
6. Motion that publication of the ordinances will be satisfied by publication of a summary approved by the City Attorney.

DISCUSSION

On October 1, 2025, Councilmember Lori McDonnell presented an Agenda item requesting staff to return to the City Council with an ordinance regulating operation of Unmanned Aircraft Systems (UAS, aka drones). The Agenda Report for that item is Attachment 1 to this Agenda Report. The power point presentation for the October 1, 2025 Council meeting is Attachment 2 to this Agenda Report

A proposed regular Ordinance Regulating Uncrewed Aircraft Systems (UAS) is Attachment 3 to this Agenda Report.

UAS, as aircraft, are subject to regulation by federal law and the Federal Aviation Administration (FAA). Federal law preempts local laws aimed at regulating aviation safety or airspace efficiency: laws that impair the reasonable use by drones of the airspace, and laws that conflict with FAA regulations are

preempted.

However, local governments may regulate UAS under certain conditions. Examples of local laws that are not likely to be preempted include: (1) laws aimed at objectives other than aviation safety or airspace efficiency (e.g., protection of wildlife) that do not impair the reasonable use by drones of the airspace; (2) laws regulating the location of drone takeoff and landing areas; (3) laws that prohibit, restrict, or sanction operations by drones in the immediate reaches of property; (4) laws concerning where a drone operator can be located while conducting operations; and (5) drone registration requirements that do not regulate aviation safety or the efficient use of the airspace.

This ordinance amends Chapter 11.72 (Aircraft Landing) and creates a new Chapter 9.50, entitled "Regulation of Aircraft Systems" to limit and require a permit for the operation of UAS within the boundaries of the City.

The purpose of this ordinance is to prohibit the operation of Uncrewed Aircraft Systems (UAS) in the areas designated in this Ordinance, to protect the privacy of the residents and visitors of the City of Pacific Grove, and to protect wildlife and birds including but not limited to disturbing animals during breeding, nesting, rearing of young, or other critical life history functions.

Marine Protected Areas are identified in the Ordinance and include: Edward F. Ricketts State Marine Conservation Area, Lovers Point--Julia Platt State Marine Reserve, Pacific Grove Marine Gardens State Marine Conservation Area, Asilomar State Marine Reserve and Monterey Bay National Marine Sanctuary,

Recreational UAS operations are prohibited by the Ordinance except as expressly permitted by federal or state law and would also be subject to a City permit.

The following restrictions apply to all UAS operation unless expressly authorized by a permit condition.

A. No person shall launch, land, or operate UAS beyond the operator's line of sight.

B. No person shall launch, land, or operate UAS in any park, playground, beach, coastline, or public recreation area.

C. No person shall launch, land, or operate UAS in, or within 300 feet of, those portions of the Marine Protected Areas which are within the City limits.

D. No person shall launch, land, or operate UAS in, or within 300 feet of, any wildlife or birds.

E. No person shall launch, land, or operate UAS within 50 feet of any person who is not the operator of the UAS.

F. No person shall launch, land, or operate UAS within 300 feet of any school property.

G. UAS are prohibited from collecting sound, still image, or video recordings of wildlife or birds.

H. UAS are prohibited from collecting sound, still image, or video recordings of private property, including the interior of any building, absent written permission from the property owner.

I. No person shall launch, land, or operate UAS during an emergency within 500 feet of any emergency vehicle or within 500 feet of the emergency.

J. No person shall launch, land, or operate UAS in any manner which violates any provision of Federal or State Law, including, without limitation, flight restrictions over the Monterey Bay National Marine Sanctuary (15 C.F.R. Pt. 922, Subpt. M, App. B).

The Permit requirements are listed in Section 9.50.070 of the Ordinance. Written approval by the Chief of Police is required for all permits.

The Ordinance does not prohibit or limit the authorized use of public UAS for law enforcement, fire services, or other official public agency purposes including investigations, emergency response, search

and rescue, or disaster mitigation. Such operations remain subject to FAA regulations and notification requirements.

The Ordinance does allow for commercial project permits and for educational and research project permits.

A violation of the City's Code as codified by the this Ordinance is unlawful and declared a public nuisance and is may result in seizure and impound of the UAS and shall be punished as set forth in Title 1 of this code. Each and every day a violation is maintained, caused, aided, abetted, concealed, suffered, or permitted is a separate offense.

Urgency Ordinance

In addition to the regular Ordinance, there is also proposed an Urgency Ordinance which is Attachment 4. One of the reasons for the Urgency Ordinance is that the harbor seal "puppy" season starts in February according to the Marine Mammal Center "Your Guide to Seeing Harbor Seal pups in California" April 10, 2025 (**linked here**):

> "When do harbor seals give birth?
> Harbor seal pupping season varies widely across the regional populations. Seal pups are born progressively later in the year farther north along the Pacific coast, starting in February in Baja California and up until October in parts of Washington State. In California, depending on how far north or south you are, harbor seal pups are born between February and June."

Effective Date of Ordinances and Voting Requirements

If the Regular Ordinance is introduced on January 21, 2026 and adopted on February 4, 2026, then the Ordinance would become effective 30 days thereafter, which is March 6, 2026. The vote required on Regular Ordinance is a majority of the Council which would be four affirmative votes.
The Urgency Ordinance, if approved by a four-fifths vote of the City Council members, would take effect immediately. The City Council is comprised of seven members and four-fifths of seven is six. So for the Urgency Ordinance to be adopted, an affirmative vote of six is necessary.

California Environmental Quality Act

Enactment of this ordinance action does not constitute a "project" as defined by California Environmental Quality Act (CEQA) because it is an organizational or administrative activity that will not result in direct or indirect physical changes in the environment, and, *assuming arguendo* that this ordinance is a "project" subject to CEQA, the ordinance is exempt from CEQA pursuant to the following categorical exemptions: Class 1 Existing Facilities exemption in CEQA Guidelines section 15301, because the ordinance entails operation and permitting of/within existing public areas and facilities; Class 4 Minor Alterations of Land exemption in CEQA Guidelines section 15304, because the ordinance addresses permits authorizing the temporary use of UAS which will not involve the removal of any trees and will have negligible or no permanent effects on the environment; Class 7 and Class 8 exemptions in CEQA Guidelines sections 15307 and 15308, because the primary purpose of the ordinance is to protect the City's natural resources and environment (e.g., Marine Protected Areas and wildlife); and the common sense exemption in CEQA Guidelines section 15061(b)(3), because it can be seen with certainty that there is no possibility that the ordinance may have a significant adverse effect on the environment.

OPTIONS

1. Take alternative action related to this subject
2. Take no action

FINANCIAL IMPACT:
Costs associated with review of permit applications and enforcement of the City codes.

FOCUSED PRIORITY AREA: Environmental Stewardship

Attachments

1-Agenda Report for October 1, 2025 City Council Meeting
2-The power point presentation for the October 1, 2025 Council meeting
3- Proposed Regular Ordinance Amending Chapter 11.72
4-Proposed Urgency Ordinance Amending Chapter 11.72

Agenda No. 13 C

CITY OF PACIFIC GROVE

300 Forest Avenue, Pacific Grove, California 93950

AGENDA REPORT

TO:	Honorable Mayor and Members of the City Council
FROM:	Council Member Lori McDonnell
MEETING DATE:	October 1, 2025
SUBJECT:	Proposal to draft an Ordinance to Regulate Operation of Unmanned Aircraft Systems (drones) to Prevent Wildlife Disturbances
CEQA:	Does not constitute a Project per California Environmental Quality Act Guidelines Section 15378

RECOMMENDATION

Provide direction to staff to return to City Council with language for an ordinance regulating operation of Unmanned Aircraft Systems (UAS, aka drones).

DISCUSSION

The City of Pacific Grove has faced ongoing challenges with wildlife disturbances due to recreational Unmanned Aerial Vehicles (UAVs) or Systems (UASs), also referred to as “drones,” being flown within the city limits, and particularly along the coastline, that are impacting our wildlife, residents, and tourists.

- There has been an increasing number of interactions with Volunteer Naturalists monitoring our local wildlife along the city’s coastline.
- The researcher who ran Monterey Audubon's Seawatch migratory seabird census at Pt. Pinos for six weeks in November -December of 2022 reported “Almost every day of my 45-day stint at Pinos, I saw at least one UAV being flown in the immediate vicinity of Pt. Pinos. To see multiple (generally 2-3) UAVs being flown daily was the norm I observed, and on a few days there were at least 4.”
- Data from the Central Coast Black Oystercatcher Monitoring Program shows ongoing documented drone disturbances.
- There has been increased demand for drones used in research.
- Data for permitted research drones being flown in the NOAA Overflight restricted area (NROZ) shows an increase in research drone flights from 1 flight in 2017 to 124 flights in 2022.

Detection of illegal flights often falls to the various agencies whose volunteers monitor the wildlife including Bay Net (NOAA) and the Central Coast Black Oystercatcher Monitoring Project (BLM/Monterey Audubon). Numerous cases of drone flights disturbing wildlife, including nesting shorebirds and harbor seals, have been documented by these volunteers, but they lack enforcement authority regarding the launching and landing of drones within the City of Pacific Grove.

While the current Pacific Grove drone ordinance prohibits the flying of unmanned aircraft without a permit, it does not contain language indicating that it is unlawful to disturb wildlife as included in the Marine Mammal Protection Act, The Endangered Species Act, Migratory Bird Treaty Act, and Airborne Hunting Act (see below). These federal acts prohibit the disturbance of a variety of species and apply to drone operations.

PG Municipal Code 11.72.010: It is unlawful for any person to launch or land an aircraft, including a helicopter,

drone, or other unmanned aircraft, without a permit. [Ord. 17-025 § 2, 2017; Ord. 1511 N.S. § 1, 1986].

The Code of Federal Regulations, in Subpart M - Monterey Bay National Marine Sanctuary, § 922.132 Prohibited or otherwise regulated activities, prohibits disturbances to marine mammals or seabirds. Although the City of Pacific Grove was not included in the designated Marine Protected Areas (MPAs) at the time of their creation, this statute clearly indicates "Failure to maintain a minimum altitude of 1,000 feet above ground level above any such zone is presumed to disturb marine mammals or seabirds."

Airborne Hunting Act (16 U.S. Code § 742j– 1): Any person who—
(2) uses an aircraft to harass any bird, fish, or other animal; or
(3) knowingly participates in using an aircraft for any purpose referred to in paragraph (1) or (2); shall be fined not more than $5,000 or imprisoned not more than one year, or both.
(*) "Aircraft" is defined in this provision as any contrivance used for flight in the air.

History of the Item
The agenda item Wildlife Disturbances Caused by Operation of Unmanned Aircraft Systems ("drones") was received by council on February 15, 2023 detailing the escalating disturbances to wildlife by drones. Over 20 letters in support of regulations banning recreational drone flights were received for that item when the report was received.
Good City was previously hired to collaborate with the former Police Chief and the City Council Wildlife Subcommittee to develop wildlife protections and enforcement, including drone restrictions. This project was not completed, so the community and council supported protections were never incorporated.

The purpose of this agenda item is to receive council feedback and provide direction to staff in support of completing this task. As the remaining member of the wildlife subcommittee, I researched existing ordinances for wildlife protection in coastal areas and developed preliminary language for an ordinance to eliminate the need for added cost to hire a consultant to complete the task. Herrick Hanks, head of the California Central Coast Black Oystercatcher (BLOY) Project, also provided input related to drone impacts from his experience managing the BLOY research and monitoring project.

Next Steps:
Banning recreational drone flights is an important step in mitigating negative impacts on our protected and sensitive wildlife and the privacy of our residents and visitors. It would enable research and limited commercial drone flights to be more easily monitored and managed, make enforcement easier, and provide regulatory consistency with Pebble Beach, Asilomar State Park, and all National Parks, which have outlawed recreational drones.
It is requested that Council take the recommended action to enable the protections to be in place prior to the annual fall migratory bird count and spring nesting and pupping seasons.

OPTIONS

1. Do nothing
2. Provide alternate direction

FINANCIAL IMPACT:
Cost of time for staff and City Attorney to review and revise the proposed ordinance as needed, and return to council with the proposed ordinance.

FOCUSED PRIORITY AREA: Environmental Stewardship

Attachments

Written public comment
Written public comment
PPT

13C. Proposal to Draft an Ordinance to Regulate Operation of Unmanned Aircraft Systems (drones) to Prevent Wildlife Disturbances

City Council
City of Pacific Grove

lmcdonnell@cityofpacificgrove.org

Current Situation

- **Ongoing wildlife disturbances observed**
- **Rapid increase in UAS/drone flights**
  - **1 research flight in 2017 → 124 flights in 2022 (NOAA)**
  - **~2-3 recreational fights observed daily (winter 2022)**
- **Complaints from residents and tourists**

Current PG Regulations

- **Drone flights prohibited without a permit**
  - **It is unlawful for any person to launch or land an aircraft, including a helicopter, drone, or other unmanned aircraft, without a permit. [Ord. 17-025 § 2, 2017; Ord. 1511 N.S. § 1, 1986]**
- **No language indicating it is unlawful to disturb wildlife per multiple Federal Acts**
  - **E.g., Marine Mammal Protection Act, The Endangered Species Act, Migratory Bird Treaty Act, and Airborne Hunting Act**

UAS/Drone Laws

- **Federal regulations prohibit disturbing wildlife**
  - **Defined as impacting wildlife behavior**
  - **"Failure to maintain a minimum altitude of 1,000 feet ...presumed to disturb marine mammals or seabirds."**
- **FAA Regulations - 5 miles around airport**
- **Local Bans (MPAs, PB, Asilomar, State/National Parks)**

Impact on Wildlife

- **Drones perceived as threat → flushing from beach or nest, chasing drone**
- **Increased stress (lack of sleep, fight or flight)**
  - **"Death of a thousand cuts"**
- **Can lead to abandonment or predation**

History and Purpose

- **Report to Council in February 2023**
- **Council Wildlife Subcommittee and Good City worked with former police chief to develop wildlife protections and enforcement, task not completed**
- **Request for council feedback and direction to staff in support of completing drone portion of task**

Recommendations

- **Direct staff to return to City Council with an ordinance regulating operation of Unmanned Aircraft Systems (Drones)**
  - **Ban recreational drone flights**
  - **Permits for research and limited commercial flights**
  - **Require wildlife education and wildlife monitors**
    - **Wildlife monitoring currently used for research flights**
  - **Expand enforcement to encourage compliance**

Questions?



AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PACIFIC GROVE AMENDING CHAPTER 11.72 (AIRCRAFT LANDING) AND ADDING CHAPTER 9.50 (REGULATION OF UNCREWED AIRCRAFT SYSTEMS) TO THE MUNICIPAL CODE, REGULATING UNCREWED AIRCRAFT SYSTEMS (UAS)

FACTS

1. The City of Pacific Grove regulates the landing and launching of aircraft, including Uncrewed Aircraft Systems (UAS), commonly known as drones, within the City in Chapter 11.72 of the Pacific Grove Municipal Code.

2. UAS, as aircraft, are subject to regulation by federal law and the Federal Aviation Administration (FAA). Federal law preempts local laws aimed at regulating aviation safety or airspace efficiency, laws that impair the reasonable use by drones of the airspace, and laws that conflict with FAA regulations are preempted.

3. However, local governments may regulate UAS under certain conditions. Examples of local laws that are not likely to be preempted include: (1) laws aimed at objectives other than aviation safety or airspace efficiency (e.g., protection of wildlife) that do not impair the reasonable use by drones of the airspace; (2) laws regulating the location of drone takeoff and landing areas; (3) laws that prohibit, restrict, or sanction operations by drones in the immediate reaches of property; (4) laws concerning where a drone operator can be located while conducting operations; and (5) drone registration requirements that do not regulate aviation safety or the efficient use of the airspace.

4. The City has determined that in light of the increased use of UAS, which frequently fly very close to wildlife, and which can intrude on people's privacy, it is appropriate to impose restrictions on the use of UAS within the boundaries of the City to protect the privacy of the residents and visitors of the City of Pacific Grove, and to protect wildlife and birds including, but not limited to disturbing animals during breeding, nesting, rearing of young, or other critical life history functions.

5. This ordinance amends Chapter 11.72 (Aircraft Landing) and creates a new Chapter 9.50, entitled "Regulation of Aircraft Systems" to limit and require a permit for the operation of UAS within the boundaries of the City.

6. In the enactment of this ordinance, the City followed the guidelines adopted by the State of California and published in the California Code of Regulations, Title 14, Section 15000, et seq.

7. Enactment of this ordinance action does not constitute a "project" as defined by California Environmental Quality Act (CEQA) because it is an organizational or administrative activity that will not result in direct or indirect physical changes in the environment, and, *assuming arguendo* that this ordinance is a "project" subject to CEQA, the ordinance is exempt from CEQA pursuant to the following categorical exemptions: Class 1 Existing Facilities exemption in CEQA Guidelines section 15301, because the

ordinance entails operation and permitting of/within existing public areas and facilities; Class 4 Minor Alterations of Land exemption in CEQA Guidelines section 15304, because the ordinance addresses permits authorizing the temporary use of UAS which will not involve the removal of any trees and will have negligible or no permanent effects on the environment; Class 7 and Class 8 exemptions in CEQA Guidelines sections 15307 and 15308, because the primary purpose of the ordinance is to protect the City's natural resources and environment (e.g., Marine Protected Areas and wildlife); and the common sense exemption in CEQA Guidelines section 15061(b)(3), because it can be seen with certainty that there is no possibility that the ordinance may have a significant adverse effect on the environment

NOW, THEREFORE, THE COUNCIL OF THE CITY OF PACIFIC GROVE DOES ORDAIN AS FOLLOWS:

SECTION 1. The foregoing Facts are adopted as findings of the City Council as though set forth in fully within the body of this ordinance.

SECTION 2. A new chapter 9.50 shall be added entitled "Regulation of Uncrewed Aircraft Systems" shall be created, as follows:

Chapter 9.50 Regulation of Uncrewed Aircraft Systems

Section 9.50.010 Purpose.

The purpose of this ordinance is to prohibit the operation of Uncrewed Aircraft Systems (UAS) in the areas designated in this Ordinance, to protect the privacy of the residents and visitors of the City of Pacific Grove, and to protect wildlife and birds including, but not limited to disturbing animals during breeding, nesting, rearing of young, or other critical life history functions.

Section 9.50.020 Definitions.

For the purposes of this chapter, the following definitions apply:

"City Manager" means the City's City Manager or their designee.

"Chief of Police" means the Chief of the Pacific Grove Police Department, or their designee.

"Marine Protected Area" or "MPA" means a named, discrete, geographically defined area of the ocean seaward of the high tide line, including any area of intertidal or subtidal terrain, together with its overlying water and associated flora and fauna, which has been designated and managed for the long-term to protect or conserve marine resources and ecosystems. MPAs aim to protect biodiversity, habitats, and cultural heritage by limiting or regulating human activities. The entire coastline of the City of Pacific Grove adjoins four State MPAs and one Federal MPA.

The State MPAS are defined by Title 14 of the California Code of Regulations, Section 632(a), and include the following:

Edward F. Ricketts State Marine Conservation Area (14 CCR § 632(b)(75) and found here). This area is bounded by the mean high tide line and straight lines connecting the following points in the order listed: 36° 36.508′ N. lat. 121° 53.379′ W. long.; 36° 37.250′ N. lat. 121° 53.780′ W. long.; and 36° 37.100′ N. lat. 121° 54.093′ W. long.

Lovers Point--Julia Platt State Marine Reserve (14 CCR § 632(b)(76) and found here). This area is bounded by the mean high tide line and straight lines connecting the following points in the order listed: 36° 37.100′ N. lat. 121° 54.093′ W. long.; 36° 37.250′ N. lat. 121° 53.780′ W. long.; 36° 37.380′ N. lat. 121° 53.850′ W. long.; 36° 37.600′ N. lat. 121° 54.750′ W. long.; and 36° 37.600′ N. lat. 121° 54.919′ W. long.

Pacific Grove Marine Gardens State Marine Conservation Area (14 CCR § 632(b)(77) and found here). This area is bounded by the mean high tide line and straight lines connecting the following points in the order listed: 36° 37.600′ N. lat. 121° 54.919′ W. long.; 36° 37.600′ N. lat. 121° 54.750′ W. long.; 36° 38.700′ N. lat. 121° 55.400′ W. long.; 36° 38.900′ N. lat. 121° 56.600′ W. long.; 36° 38.314′ N. lat. 121° 56.292′ W. long.; and 36° 38.226′ N. lat. 121° 56.159′ W. long.

Asilomar State Marine Reserve (14 CCR § 632(b)(78) and found here). This area is bounded by the mean high tide line and straight lines connecting the following points in the order listed: 36° 38.226′ N. lat. 121° 56.159′ W. long.; 36° 38.314′ N. lat. 121° 56.292′ W. long.; 36° 38.900′ N. lat. 121° 56.600′ W. long.; and 36° 36.554′ N. lat. 121° 57.518′ W. long.

The Federal MPA is the Monterey Bay National Marine Sanctuary, as defined by Title 15 of the Code of Federal Regulations, Part 922, Subpart M, Appendices A, F (and found here).

"Operate" shall mean use and control, and includes flying over..

"Person" means any individual or entity of any kind.

"School" means any institution where instruction is given to children under 18, and includes, without limitation, any preschool, kindergarten, or K-12.

"Uncrewed Aircraft System" or "UAS" means any device that flies, whether remotely piloted or autonomous, which includes devices commonly known as drones or model aircrafts, that operates without a pilot onboard, and associated elements, including communication links and control equipment.

"Commercial UAS" means UAS operated by any person for commercial purposes or in furtherance of, or incidental to, any business or media service or agency.

"Educational UAS" means UAS in use by any school or educational, nonprofit, or governmental institution for educational purposes.

"Public UAS" means UAS operated by any public agency for government related purposes.

"Recreational UAS" means UAS operated by any person for hobby or recreational purposes, or which does not qualify as a Commercial, Public, or Research UAS.

"Research UAS" means UAS operated by a public agency or nonprofit organization for research purposes only. Research purposes means that the UAS is being operated in conjunction with a public agency, university, or recognized organization for the purposes of, without limitation, environmental monitoring and mapping, agriculture and biology monitoring, assessment of hazardous conditions and disaster response, geophysics and remote sensing, or engineering and aerospace. Research UAS may include Educational UAS.

Section 9.50.030 Recreational UAS Prohibited.

No person shall launch, land, or operate UAS for hobby or recreational purposes anywhere in the City except when such operation is expressly authorized by federal and/or state law. Any person who wants to operate an UAS expressly permitted by federal or state law must also obtain a City permit pursuant to Section 9.50.070.

Section 9.50.040 UAS Permit Requirement.

A. Any UAS operation within the city or MPA requires a permit issued by the city's Police Department, in accordance with section 9.50.070, below.

B. Permits may include conditions to mitigate environmental impacts, protect wildlife, and ensure public safety, including the requirement to use a wildlife monitor during UAS operations. UAS operated for research purposes may be exempted from the restrictions related to wildlife and birds

C. All UAS operators must, in addition to a City permit, have a current and valid Part 107 Remote Pilot Certificate, issued by the Federal Aviation Administration (FAA), and provide evidence of FAA tower notification if operating within 5 nautical miles of Monterey Regional Airport.

Section 9.50.050 Operation of Public UAS.

Nothing in this ordinance prohibits or limits the authorized use of public UAS for law enforcement, fire services, or other official public agency purposes including investigations, emergency response, search and rescue, or disaster mitigation. Such operations remain subject to FAA regulations and notification requirements.

Section 9.50.060 Prohibited UAS Operations.

The following restrictions apply to all UAS operation unless expressly authorized by a permit condition.

A. No person shall launch, land, or operate UAS beyond the operator's line of sight.

B. No person shall launch, land, or operate UAS in any park, playground, beach, coastline, or public recreation area.

C. No person shall launch, land, or operate UAS in, or within 300 feet of, those portions of the Marine Protected Areas which are within the City limits.

D. No person shall launch, land, or operate UAS in, or within 300 feet of, any wildlife or birds.

E. No person shall launch, land, or operate UAS within 50 feet of any person who is not the operator of the UAS.

F. No person shall launch, land, or operate UAS within 300 feet of any school property.

G. UAS are prohibited from collecting sound, still image, or video recordings of wildlife or birds.

H. UAS are prohibited from collecting sound, still image, or video recordings of private property, including the interior of any building, absent written permission from the property owner.

I. No person shall launch, land, or operate UAS during an emergency within 500 feet of any emergency vehicle or within 500 feet of the emergency.

J. No person shall launch, land, or operate UAS in any manner which violates any provision of Federal or State Law, including, without limitation, flight restrictions over the Monterey Bay National Marine Sanctuary (15 C.F.R. Pt. 922, Subpt. M, App. B).

Section 9.50.070 Permit Requirements; Project Permits.

A. Permit applications must be submitted no later than three (3) business days prior to the desired operation date.

B. Permits shall include:

1. Conditions to mitigate environmental impacts, protect wildlife, and ensure public safety, including the requirement to use a wildlife monitor during UAS operations. The wildlife monitor will be assigned by the City and the cost of the monitor will be borne by the permit holder.

2. A deposit will be required to cover the likely cost of the wildlife monitor, and the actual cost will be drawn down from the deposit.

3. Written approval by the Chief of Police will be required for all permits.

C. Applications. An application for a UAS operating permit shall be on a form provided by the Chief of Police and must include:

1. Name and phone number of the person(s) who will be operating the UAS.

2. Make, model, and serial or N-number for each UAS to be permitted.

3. A description of each proposed flight activity, including whether filming, taking of visual images and/or sound recording will occur.

4. Copy of a valid and current Part 107 Remote Pilot Certificate and FAA tower notification, if applicable.

5. A signed statement certifying that the applicant knows how to operate UAS and is aware of and agrees to operate it in full compliance with its operating instructions and with the provisions of this chapter and any other federal or state laws governing its operations.

6. A signed statement acknowledging that only the applicant may operate UAS under the permit.

7. A signed statement that the operator will land, launch, and operate UAS only within line of sight;

8. A signed indemnification clause protecting the City from third party claim liability.

9. Payment of an application filing fee in an amount as set forth in the City's fee resolution.

10 Proof of minimum liability insurance in the amount of $1,000,000 per incident and $2,000,000 million in the aggregate, adding the City as additional insured, and including certificates and endorsements demonstrating such coverage.

11. Any supplemental information or documentation deemed necessary by the Chief of Police.

D. Project Permits.

Under certain circumstances, a project or program permit will be more appropriate than a simple permit. A project permit is intended for projects such as operation pursuant to a film permit, research, or area realtors who use drone footage for marketing purposes, as well as educational or research projects. The project permit will include the scope of the project as any applicable conditions.

1. For commercial project permits, the permit application shall include, in addition to the above, the make, model, and serial or N-number of each UAS; the proposed duration of the project; the proposed flight activities and/or flight paths; written permission from private property owners, if applicable; and any other information deemed relevant by the Chief of Police.

2. For educational and research project permits, the permit application shall include the make, model, and serial or N-number of each UAS; the proposed duration of the project; the names and qualifications of the researchers/pilots; the project location (e.g., Hopkins Marine Station property and surrounding waters), and a list of projects that would include multiple flights and locations to determine the appropriate wildlife monitoring (e.g., based on location and time of year); and any other information deemed relevant by the Chief of Police. These permits can be amended by submitting and change in or additional information to the Chief of Police to ensure that adequate wildlife monitoring will be provided.

E. Issuance, Renewal, or Amendment. The permit will include a copy of the operating rules set forth in this chapter. Permits will be issued for a period of one year and may be renewed annually upon filing of a renewal application and payment of a renewal fee as set forth in the City's master fee resolution. Renewal applications must include any changes in information, such as a change of address, or changes in UAS being permitted. Any change in UAS under a permit while the permit is active requires an amendment to the permit.

F. Assignment. The permit is not assignable. No person other than the individuals identified in the permit may operate the UAS within the City.

Section 9.50.080 Denial; Grounds for Suspension, Revocation, and Renewal.

A. Denial. After the completion of the application review, the Chief of Police may deny the issuance an operating permit if the requirements of this chapter have not been satisfied, including if the applicant failed to submit a complete application or failed to pay the requisite application fee. The Chief of Police will notify an applicant of their decision in writing. An applicant whose permit is denied may resubmit the application to correct any defects, or may appeal the denial in accordance with the procedures set forth in this chapter. The decision on the application is final if no written appeal is timely submitted to and received by the City Clerk.

B. Grounds for Suspension, Revocation, or Nonrenewal. The Chief of Police may suspend, revoke, or deny a permit for renewal if the Chief of Police finds that the requirements of this chapter have not been satisfied or the permittee has violated any provision of this chapter. The permittee must be notified of the decision in writing. The permittee may appeal the Chief of Police's decision denying a renewal application, or suspending, or revoking a permit, in accordance with the procedures set forth in this chapter. The decision is final if no written appeal is timely submitted to and received by the City Clerk. If the Chief of Police revokes a permit, a new application may not be submitted for a period of one year.

Section 9.50.090 Appeals.

A. Any appeal right provided for in this chapter must be conducted as set forth in this section. An applicant or permittee may appeal the decision of the Chief of Police suspending, revoking, or denying an operating permit by filing with the City Clerk a written notice of appeal within fifteen calendar days from the date of service of the notice.

B. Except as modified in this subsection, all appeals under this section must be noticed, scheduled, heard, and decided in accordance with the administrative citation appeal procedures set forth in Chapter 1.17. In any appeal of a suspension, revocation, denial, or nonrenewal, the issues are limited to whether, under this chapter, the facts establish grounds for the Chief of Police's decision.

C. The appeal decision is final and not subject to any further administrative review or appeal. It is the City's final administrative decision for purposes of judicial review.

Section 9.50.100 Violations and Penalties.

A. It is unlawful and declared a public nuisance for any person to violate any provision of this chapter.

B. Violation of this chapter may result in seizure and impound of the UAS and shall be punished as set forth in Title 1 of this code.

C. Each and every day a violation is maintained, caused, aided, abetted, concealed, suffered, or permitted is a separate offense.

SECTION 3. Existing Municipal Code chapter 11.72, entitled "Aircraft Landing" shall be amended by the deletion of all text shown in strikeout text (~~strikeout text~~) and by the addition of all text shown in bold, italic text (***bold italic text***), as follows:

Chapter 11.72 (Aircraft Landing)

11.72.010 Launch or landing prohibited.
It is unlawful for any person to launch or land an aircraft, including a helicopter, drone ***("Uncrewed Aircraft System")***, or other unmanned aircraft, without a permit.

11.72.020 Exceptions.
This chapter shall not apply if the following exceptions exist:

(a) A permit is issued ***for an Uncrewed Aircraft System*** by the ~~city manager~~***chief of police***, or their designee***, pursuant to Chapter 9.50***;

(b) The landing of an emergency aircraft is authorized by the chief of police, or their designee.

SECTION 4. The City Manager is directed to execute all documents and to perform all other necessary City acts to implement this Ordinance.

SECTION 5. Severability. If any provision, section, paragraph, sentence, clause or phrase of this ordinance, or any part thereof, or the application thereof to any person or circumstance is for any reason held to be invalid or unconstitutional by a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance, or any part thereof, or its application to other persons or circumstances. The City Council hereby declares that it would have passed and adopted each provision, section, paragraph, subparagraph, sentence, clause or phrase thereof, irrespective of the fact that any one or more sections, paragraphs, subparagraphs, sentences, clauses or phrases, or the application thereof to any person or circumstance, be declared invalid or unconstitutional.

SECTION 6. In accord with Article 15 of the City Charter, this ordinance shall become effective on the thirtieth (30th) day following its passage and adoption.

PASSED AND ADOPTED BY THE COUNCIL OF THE CITY OF PACIFIC GROVE this _____ day of _____, 2026, by the following vote**:**

AYES:

NOES:

ABSTAIN:

ABSENT:

APPROVED:

_____
NICK SMITH, Mayor

ATTEST:
DATED:_____

_____
SANDRA KANDELL, City Clerk

APPROVED AS TO FORM:

4904-9469-3255 v2

_____
Alex Lorca, City Attorney

AN URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PACIFIC GROVE AMENDING CHAPTER 11.72 (AIRCRAFT LANDING) AND ADDING CHAPTER 9.50 (REGULATION OF UNCREWED AIRCRAFT SYSTEMS) TO THE MUNICIPAL CODE, REGULATING UNCREWED AIRCRAFT SYSTEMS (UAS)

FACTS

1. The City of Pacific Grove regulates the landing and launching of aircraft, including Uncrewed Aircraft Systems (UAS), commonly known as drones, within the City in Chapter 11.72 of the Pacific Grove Municipal Code.

2. UAS, as aircraft, are subject to regulation by federal law and the Federal Aviation Administration (FAA). Federal law preempts local laws aimed at regulating aviation safety or airspace efficiency, laws that impair the reasonable use by drones of the airspace, and laws that conflict with FAA regulations are preempted.

3. However, local governments may regulate UAS under certain conditions. Examples of local laws that are not likely to be preempted include: (1) laws aimed at objectives other than aviation safety or airspace efficiency (e.g., protection of wildlife) that do not impair the reasonable use by drones of the airspace; (2) laws regulating the location of drone takeoff and landing areas; (3) laws that prohibit, restrict, or sanction operations by drones in the immediate reaches of property; (4) laws concerning where a drone operator can be located while conducting operations; and (5) drone registration requirements that do not regulate aviation safety or the efficient use of the airspace.

4. The City has determined that in light of the increased use of UAS, which frequently fly very close to wildlife, and which can intrude on people's privacy, it is appropriate to impose restrictions on the use of UAS within the boundaries of the City to protect the privacy of the residents and visitors of the City of Pacific Grove, and to protect wildlife and birds including, but not limited to disturbing animals during breeding, nesting, rearing of young, or other critical life history functions.

5. This Urgency Ordinance amends Chapter 11.72 (Aircraft Landing) and creates a new Chapter 9.50, entitled "Regulation of Aircraft Systems" to limit and require a permit for the operation of UAS within the boundaries of the City.

6. Harbor seal "puppy" season starts in February according to the Marine Mammal Center's *Your Guide to Seeing Harbor Seal Pups in California*, April 10, 2025: "Harbor seal pupping season varies widely across the regional populations. Seal pups are born progressively later in the year farther north along the Pacific coast, starting in February in Baja California and up until October in parts of Washington State. In California, depending on how far north or south you are, harbor seal pups are born between February and June." (Found here: https://www.marinemammalcenter.org/news/your-guide-to-seeing-harbor-seal-pups-in-california#:~:text=In%20California%2C%20depending%20on%20how,born%20between%20February%20and%20June.&text=Harbor%20seal%20pups%20depend%20on,the%2

0pup%20to%20grow%20strong). Based on this timeline, it is critical to adopt this Urgency Ordinance as soon as possible to ensure that the Harbor seals' puppy season is not disturbed by UAS.

7. Because of the findings set forth above, the City Council finds that this Urgency Ordinance should be adopted on an urgency basis to preserve the public health, safety, and welfare in accordance with Government Code §§ 36934 and 36937(b).

8. In the enactment of this Urgency Ordinance, the City followed the guidelines adopted by the State of California and published in the California Code of Regulations, Title 14, Section 15000, et seq.

9. Enactment of this Urgency Ordinance action does not constitute a "project" as defined by California Environmental Quality Act (CEQA) because it is an organizational or administrative activity that will not result in direct or indirect physical changes in the environment, and, *assuming arguendo* that this Urgency Ordinance is a "project" subject to CEQA, the Urgency Ordinance is exempt from CEQA pursuant to the following categorical exemptions: Class 1 Existing Facilities exemption in CEQA Guidelines section 15301, because the Urgency Ordinance entails operation and permitting of/within existing public areas and facilities; Class 4 Minor Alterations of Land exemption in CEQA Guidelines section 15304, because the Urgency Ordinance addresses permits authorizing the temporary use of UAS which will not involve the removal of any trees and will have negligible or no permanent effects on the environment; Class 7 and Class 8 exemptions in CEQA Guidelines sections 15307 and 15308, because the primary purpose of the Urgency Ordinance is to protect the City's natural resources and environment (e.g., Marine Protected Areas and wildlife); and the common sense exemption in CEQA Guidelines section 15061(b)(3), because it can be seen with certainty that there is no possibility that the Urgency Ordinance may have a significant adverse effect on the environment

NOW, THEREFORE, THE COUNCIL OF THE CITY OF PACIFIC GROVE DOES ORDAIN AS FOLLOWS:

SECTION 1. The foregoing Facts are adopted as findings of the City Council as though set forth in fully within the body of this Urgency Ordinance.

SECTION 2. A new chapter 9.50 shall be added entitled "Regulation of Uncrewed Aircraft Systems" shall be created, as follows:

Chapter 9.50 Regulation of Uncrewed Aircraft Systems

Section 9.50.010 Purpose.

The purpose of this ordinance is to prohibit the operation of Uncrewed Aircraft Systems (UAS) in the areas designated in this Ordinance, to protect the privacy of the residents and visitors of the City of Pacific Grove, and to protect wildlife and birds including, but not limited to disturbing animals during breeding, nesting, rearing of young, or other critical life history functions.

Section 9.50.020 Definitions.

For the purposes of this chapter, the following definitions apply:

"City Manager" means the City's City Manager or their designee.

"Chief of Police" means the Chief of the Pacific Grove Police Department, or their designee.

"Marine Protected Area" or "MPA" means a named, discrete, geographically defined area of the ocean seaward of the high tide line, including any area of intertidal or subtidal terrain, together with its overlying water and associated flora and fauna, which has been designated and managed for the long-term to protect or conserve marine resources and ecosystems. MPAs aim to protect biodiversity, habitats, and cultural heritage by limiting or regulating human activities. The entire coastline of the City of Pacific Grove adjoins four State MPAs and one Federal MPA.

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Edward F. Ricketts State Marine Conservation Area (14 CCR § 632(b)(75) and found here). This area is bounded by the mean high tide line and straight lines connecting the following points in the order listed: 36° 36.508′ N. lat. 121° 53.379′ W. long.; 36° 37.250′ N. lat. 121° 53.780′ W. long.; and 36° 37.100′ N. lat. 121° 54.093′ W. long.

Lovers Point--Julia Platt State Marine Reserve (14 CCR § 632(b)(76) and found here). This area is bounded by the mean high tide line and straight lines connecting the following points in the order listed: 36° 37.100′ N. lat. 121° 54.093′ W. long.; 36° 37.250′ N. lat. 121° 53.780′ W. long.; 36° 37.380′ N. lat. 121° 53.850′ W. long.; 36° 37.600′ N. lat. 121° 54.750′ W. long.; and 36° 37.600′ N. lat. 121° 54.919′ W. long.

Pacific Grove Marine Gardens State Marine Conservation Area (14 CCR § 632(b)(77) and found here). This area is bounded by the mean high tide line and straight lines connecting the following points in the order listed: 36° 37.600′ N. lat. 121° 54.919′ W. long.; 36° 37.600′ N. lat. 121° 54.750′ W. long.; 36° 38.700′ N. lat. 121° 55.400′ W. long.; 36° 38.900′ N. lat. 121° 56.600′ W. long.; 36° 38.314′ N. lat. 121° 56.292′ W. long.; and 36° 38.226′ N. lat. 121° 56.159′ W. long.

Asilomar State Marine Reserve (14 CCR § 632(b)(78) and found here). This area is bounded by the mean high tide line and straight lines connecting the following points in the order listed: 36° 38.226′ N. lat. 121° 56.159′ W. long.; 36° 38.314′ N. lat. 121° 56.292′ W. long.; 36° 38.900′ N. lat. 121° 56.600′ W. long.; and 36° 36.554′ N. lat. 121° 57.518′ W. long.

The Federal MPA is the Monterey Bay National Marine Sanctuary, as defined by Title 15 of the Code of Federal Regulations, Part 922, Subpart M, Appendices A, F (and found here).

"Operate" shall mean use and control, and includes flying over..

"Person" means any individual or entity of any kind.

"School" means any institution where instruction is given to children under 18, and includes, without limitation, any preschool, kindergarten, or K-12.

"Uncrewed Aircraft System" or "UAS" means any device that flies, whether remotely piloted or autonomous, which includes devices commonly known as drones or model aircrafts, that

operates without a pilot onboard, and associated elements, including communication links and control equipment.

"Commercial UAS" means UAS operated by any person for commercial purposes or in furtherance of, or incidental to, any business or media service or agency.

"Educational UAS" means UAS in use by any school or educational, nonprofit, or governmental institution for educational purposes.

"Public UAS" means UAS operated by any public agency for government related purposes.

"Recreational UAS" means UAS operated by any person for hobby or recreational purposes, or which does not qualify as a Commercial, Public, or Research UAS.

"Research UAS" means UAS operated by a public agency or nonprofit organization for research purposes only. Research purposes means that the UAS is being operated in conjunction with a public agency, university, or recognized organization for the purposes of, without limitation, environmental monitoring and mapping, agriculture and biology monitoring, assessment of hazardous conditions and disaster response, geophysics and remote sensing, or engineering and aerospace. Research UAS may include Educational UAS.

Section 9.50.030 Recreational UAS Prohibited.

No person shall launch, land, or operate UAS for hobby or recreational purposes anywhere in the City except when such operation is expressly authorized by federal and/or state law. Any person who wants to operate an UAS expressly permitted by federal or state law must also obtain a City permit pursuant to Section 9.50.070.

Section 9.50.040 UAS Permit Requirement.

A. Any UAS operation within the city or MPA requires a permit issued by the city's Police Department, in accordance with section 9.50.070, below.

B. Permits may include conditions to mitigate environmental impacts, protect wildlife, and ensure public safety, including the requirement to use a wildlife monitor during UAS operations. UAS operated for research purposes may be exempted from the restrictions related to wildlife and birds

C. All UAS operators must, in addition to a City permit, have a current and valid Part 107 Remote Pilot Certificate, issued by the Federal Aviation Administration (FAA), and provide evidence of FAA tower notification if operating within 5 nautical miles of Monterey Regional Airport.

Section 9.50.050 Operation of Public UAS.

Nothing in this ordinance prohibits or limits the authorized use of public UAS for law enforcement, fire services, or other official public agency purposes including investigations, emergency response, search and rescue, or disaster mitigation. Such operations remain subject to FAA regulations and notification requirements.

Section 9.50.060 Prohibited UAS Operations.

The following restrictions apply to all UAS operation unless expressly authorized by a permit condition.

A. No person shall launch, land, or operate UAS beyond the operator's line of sight.

B. No person shall launch, land, or operate UAS in any park, playground, beach, coastline, or public recreation area.

C. No person shall launch, land, or operate UAS in, or within 300 feet of, those portions of the Marine Protected Areas which are within the City limits.

D. No person shall launch, land, or operate UAS in, or within 300 feet of, any wildlife or birds.

E. No person shall launch, land, or operate UAS within 50 feet of any person who is not the operator of the UAS.

F. No person shall launch, land, or operate UAS within 300 feet of any school property.

G. UAS are prohibited from collecting sound, still image, or video recordings of wildlife or birds.

H. UAS are prohibited from collecting sound, still image, or video recordings of private property, including the interior of any building, absent written permission from the property owner.

I. No person shall launch, land, or operate UAS during an emergency within 500 feet of any emergency vehicle or within 500 feet of the emergency.

J. No person shall launch, land, or operate UAS in any manner which violates any provision of Federal or State Law, including, without limitation, flight restrictions over the Monterey Bay National Marine Sanctuary (15 C.F.R. Pt. 922, Subpt. M, App. B).

Section 9.50.070 Permit Requirements; Project Permits.

A. Permit applications must be submitted no later than three (3) business days prior to the desired operation date.

B. Permits shall include:

1. Conditions to mitigate environmental impacts, protect wildlife, and ensure public safety, including the requirement to use a wildlife monitor during UAS operations. The wildlife monitor will be assigned by the City and the cost of the monitor will be borne by the permit holder.

2. A deposit will be required to cover the likely cost of the wildlife monitor, and the actual cost will be drawn down from the deposit.

3. Written approval by the Chief of Police will be required for all permits.

C. Applications. An application for a UAS operating permit shall be on a form provided by the Chief of Police and must include:

1. Name and phone number of the person(s) who will be operating the UAS.

2. Make, model, and serial or N-number for each UAS to be permitted.

3. A description of each proposed flight activity, including whether filming, taking of visual images and/or sound recording will occur.

4. Copy of a valid and current Part 107 Remote Pilot Certificate and FAA tower notification, if applicable.

5. A signed statement certifying that the applicant knows how to operate UAS and is aware of and agrees to operate it in full compliance with its operating instructions and with the provisions of this chapter and any other federal or state laws governing its operations.

6. A signed statement acknowledging that only the applicant may operate UAS under the permit.

7. A signed statement that the operator will land, launch, and operate UAS only within line of sight;

8. A signed indemnification clause protecting the City from third party claim liability.

9. Payment of an application filing fee in an amount as set forth in the City's fee resolution.

10 Proof of minimum liability insurance in the amount of $1,000,000 per incident and $2,000,000 million in the aggregate, adding the City as additional insured, and including certificates and endorsements demonstrating such coverage.

11. Any supplemental information or documentation deemed necessary by the Chief of Police.

D. Project Permits.

Under certain circumstances, a project or program permit will be more appropriate than a simple permit. A project permit is intended for projects such as operation pursuant to a film permit, research, or area realtors who use drone footage for marketing purposes, as well as educational or research projects. The project permit will include the scope of the project as any applicable conditions.

1. For commercial project permits, the permit application shall include, in addition to the above, the make, model, and serial or N-number of each UAS; the proposed duration of the project; the proposed flight activities and/or flight paths; written permission from private property owners, if applicable; and any other information deemed relevant by the Chief of Police.

2. For educational and research project permits, the permit application shall include the make, model, and serial or N-number of each UAS; the proposed duration of the project; the names and qualifications of the researchers/pilots; the project location (e.g., Hopkins Marine Station property and surrounding waters), and a list of projects that would include multiple flights and locations to determine the appropriate wildlife monitoring (e.g., based on location and time of year); and any other information deemed relevant by the Chief of Police. These permits can be amended by submitting and change in or additional information to the Chief of Police to ensure that adequate wildlife monitoring will be provided.

E. Issuance, Renewal, or Amendment. The permit will include a copy of the operating rules set forth in this chapter. Permits will be issued for a period of one year and may

be renewed annually upon filing of a renewal application and payment of a renewal fee as set forth in the City's master fee resolution. Renewal applications must include any changes in information, such as a change of address, or changes in UAS being permitted. Any change in UAS under a permit while the permit is active requires an amendment to the permit.

F. Assignment. The permit is not assignable. No person other than the individuals identified in the permit may operate the UAS within the City.

Section 9.50.080 Denial; Grounds for Suspension, Revocation, and Renewal.

A. Denial. After the completion of the application review, the Chief of Police may deny the issuance an operating permit if the requirements of this chapter have not been satisfied, including if the applicant failed to submit a complete application or failed to pay the requisite application fee. The Chief of Police will notify an applicant of their decision in writing. An applicant whose permit is denied may resubmit the application to correct any defects, or may appeal the denial in accordance with the procedures set forth in this chapter. The decision on the application is final if no written appeal is timely submitted to and received by the City Clerk.

B. Grounds for Suspension, Revocation, or Nonrenewal. The Chief of Police may suspend, revoke, or deny a permit for renewal if the Chief of Police finds that the requirements of this chapter have not been satisfied or the permittee has violated any provision of this chapter. The permittee must be notified of the decision in writing. The permittee may appeal the Chief of Police's decision denying a renewal application, or suspending, or revoking a permit, in accordance with the procedures set forth in this chapter. The decision is final if no written appeal is timely submitted to and received by the City Clerk. If the Chief of Police revokes a permit, a new application may not be submitted for a period of one year.

Section 9.50.090 Appeals.

A. Any appeal right provided for in this chapter must be conducted as set forth in this section. An applicant or permittee may appeal the decision of the Chief of Police suspending, revoking, or denying an operating permit by filing with the City Clerk a written notice of appeal within fifteen calendar days from the date of service of the notice.

B. Except as modified in this subsection, all appeals under this section must be noticed, scheduled, heard, and decided in accordance with the administrative citation appeal procedures set forth in Chapter 1.17. In any appeal of a suspension, revocation, denial, or nonrenewal, the issues are limited to whether, under this chapter, the facts establish grounds for the Chief of Police's decision.

C. The appeal decision is final and not subject to any further administrative review or appeal. It is the City's final administrative decision for purposes of judicial review.

Section 9.50.100 Violations and Penalties.

A. It is unlawful and declared a public nuisance for any person to violate any provision of this chapter.

B. Violation of this chapter may result in seizure and impound of the UAS and shall be punished as set forth in Title 1 of this code.

C. Each and every day a violation is maintained, caused, aided, abetted, concealed, suffered, or permitted is a separate offense.

SECTION 3. Existing Municipal Code chapter 11.72, entitled "Aircraft Landing" shall be amended by the deletion of all text shown in strikeout text (~~strikeout text~~) and by the addition of all text shown in bold, italic text (***bold italic text***), as follows:

Chapter 11.72 (Aircraft Landing)

11.72.010 Launch or landing prohibited.
It is unlawful for any person to launch or land an aircraft, including a helicopter, drone ***("Uncrewed Aircraft System")***, or other unmanned aircraft, without a permit.

11.72.020 Exceptions.
This chapter shall not apply if the following exceptions exist:

(a) A permit is issued ***for an Uncrewed Aircraft System*** by the ~~city manager~~ ***chief of police***, or their designee***, pursuant to Chapter 9.50***;

(b) The landing of an emergency aircraft is authorized by the chief of police, or their designee.

SECTION 4. The City Manager is directed to execute all documents and to perform all other necessary City acts to implement this Urgency Ordinance.

SECTION 5. Severability. If any provision, section, paragraph, sentence, clause or phrase of this Urgency Ordinance , or any part thereof, or the application thereof to any person or circumstance is for any reason held to be invalid or unconstitutional by a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Urgency Ordinance , or any part thereof, or its application to other persons or circumstances. The City Council hereby declares that it would have passed and adopted each provision, section, paragraph, subparagraph, sentence, clause or phrase thereof, irrespective of the fact that any one or more sections, paragraphs, subparagraphs, sentences, clauses or phrases, or the application thereof to any person or circumstance, be declared invalid or unconstitutional.

SECTION 6. In accord with Article 15 of the City Charter, this Urgency Ordinance shall become effective immediately upon its passage and adoption.

PASSED AND ADOPTED BY THE COUNCIL OF THE CITY OF PACIFIC GROVE this 21st day of January, 2026, by a four-fifths vote of the Council as follows:

AYES:

NOES:

ABSTAIN:

ABSENT:

APPROVED:

_____
NICK SMITH, Mayor

ATTEST:
DATED:_____

_____
SANDRA KANDELL, City Clerk

APPROVED AS TO FORM:

_____
Alex Lorca, City Attorney

CITY OF PACIFIC GROVE

300 Forest Avenue, Pacific Grove, California 93950

AGENDA REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Matthew Mogensen, City Manager

MEETING DATE: January 21, 2026

SUBJECT: Review the City's 5-Year General Fund and Infrastructure Needs and the Professional Services Agreement with Props and Measures

CEQA: Does not constitute a Project per California Environmental Quality Act Guidelines Section 15378

RECOMMENDATION

1. Review the City's 5-Year General Fund and Infrastructure Needs.
2. Review the Professional Service Agreement with Props and Measures Scope of Work.
3. Motion providing direction to the City Manager to proceed, modify, suspend or cancel the Public Services Agreement with Props and Measures.

DISCUSSION

On November 19, 2025, staff presented an update to the City's General Fund 5-year fiscal forecast and summarized the 5-year CIP needs that were presented to the City Council at the November 5, 2025 Study Session. Attachment 1 is the PowerPoint for the November 19, 2025 Council meeting. Attachment 2 is the PowerPoint for the November 5, 2025 Council meeting.

Recap of General Fund Fiscal Review

At the beginning of the fiscal year, the City Council was presented a budget that lowered revenue expectations by $700,000 (-2%) to account for softening revenues in larger categories. This budget also included a $1.4 million reduction in budgeted expenses to slow the expense growth rate and soften the impact of the 2% revenue reductions. Ultimately, due to the $1.4 million in capital outlay spending necessary and other factors, it was necessary to project a $1.96 million deficit spending for 25/26.

The General Fund 5-year fiscal forecast provided to the Council in June of 2025 incorporated the $1.96 deficit this fiscal year and a $2.57 deficit next fiscal year. This trajectory reduced the General Fund reserve levels from a ratio of 36% of expenditures this year to a ratio of 5% of expenditures in 2030.

The primary drivers of the fiscal challenges over the next five years include:

- Additional salaries from expanding recreation programs, forester and city engineer positions
- Significant increases in insurance premiums
- Capital Improvement/Replacement needs
- Increasing PERS unfunded liability costs
- Increasing employee compensation costs to maintain a minimum of competitiveness

The updated General Fund 5-year fiscal forecast presented on November 19, 2025, updated the forecast to include $1 million in anticipated revenue from Kimpton Hotel TOT next fiscal year, $2 million anticipated TOT from the ATC in 2029, and the retirement of the annual $1.6 million Pension

Obligation Bond payment in 2029. The updated assumptions in the General Fund 5-year fiscal forecast improved the outlook by lowering next year's projected deficit spending by $1 million to be negative $1.57 million and projected a balanced budget in 2030 ($1.6 million surplus when Pension bond payment is retired). The reserve levels are also updated to project a 35% reserve to expenses ratio next fiscal year and a 26% reserve to expense ratio in 2030.

While the updated 5-year General Fund forecast improves the fiscal outlook when the adjustments described above are incorporated, there are still additional adjustments needed going forward to maintain City services at today's level. Since adoption of this fiscal year budget in June, staff has been working toward the goal of fiscal sustainability through several measures. This includes examination of both revenue and expenditure reduction opportunities.

Revenue options that may be practical for the City to investigate further in this effort that do not require voter approval include:

- Looking to increase recovery rates for fees such as CDD Permits and Recreation programs
- Exploring options for enhancing parking revenues and efficiencies
- Facility rental process and fees
- Exploring the availability of grant funding and sponsorships for special events
- Assessing an administrative fee on the collection of the BID / HID fees

Expenditure reductions that may help to improve the projected General Fund fiscal health that are being studied include:

- Debt service on pension obligation bonds ending in FY 2028-29 will result in savings of approximately $1.6 million annually, which can be used to further reduce pension obligations
- Additional regional partnerships for sharing services
- Analyzing of contracting vs in house staff for services
- Evaluation annual museum contributions
- Operational efficiencies that save staff time costs
- Combining / reducing number of Boards and Commissions
- Better integration of capital projects to meet multiple needs in one project
- Expand the digitization of city records

In order to strive for the City's long-term fiscal sustainability while maintaining City services at levels that meet the quality of life expectations of residents in the future, it will take solutions on both the revenue and expenditure side of the ledger. Even with the solutions outlined above that are within the span of control of the City, it may still be necessary to engage voters to maintain service levels that they expect.

One of the primary purposes of conducting a scientific poll of Pacific Grove residents is to understand what quality of life services and expectations they value most. With this direct input from residents the City can better adjust spending toward the services most highly valued and reduce services that are not as important. Additionally, polling will help the City to understand if additional revenue will be necessary to meet resident expectations and if voters would be inclined to support more revenue.

In addition to the General Fund fiscal sustainability concerns over the next 5 years, the development of the 5-year CIP needs indicates that a substantial amount of funding will be needed to pay for the City's Pavement Management Plan to improve the roadway conditions to sustainable levels and to fund ongoing city facility maintenance.

Recap of the 5-year Capital Improvement Schedule Development

Staff has been working on developing long-term capital need schedules so that the City can adequately plan to address the ongoing future needs. On November 5, 2025, the City Council received a Study Session presentation that communicated the currently known 5-year Infrastructure needs.

The future infrastructure needs that are summarized in the 5-year CIP Schedule include the categories of Transportation (streets), Sewer, Stormwater, Facilities and Parks/Recreation. The most complete information the City has today regarding the 5-year CIP are the street needs from the Pavement Management Plan and the Facilities needs from the Facility Assessments that have been performed on all facilities over the last year. The combination of the two sources of information indicate that in order

to fund streets and facilities alone to the recommended maintenance levels, the City has an unfunded need of approximately $1.7 million next fiscal year and an average of $2.25 million over the next 4 years. For 2026 we also are seeking grants for an additional $1.45 million to repair the pier.

The City's General Fund has been able to fund approximately $600,000 annually for street maintenance. According to the Pavement Management Plan the City should be spending approximately $2.4 million annually to maintain its streets to adequate standards. That is approximately $1.8 million more than the General Fund has been able to contribute annually. Additionally, the Facility Assessments completed for each building indicates that the City should be funding approximately $1.5 million on average every year to maintain the City's facilities.

The two currently known categories of CIP needs over the next five years require an additional $2.054 million on average annually to maintain the City's streets and facilities to an adequate level. The City has yet to identify the source of the additional $2.054 million annually but is expected to be partially filled by regional mechanisms such as Measure X, grants where possible, and yet to be identified revenues. As described above in the General Fund Fiscal Review section of this report, the General Fund does not have additional funds to devote at this time.

In the coming years, staff will be working on developing the CIP needs for the categories of Sewer (special fund), Stormwater (special fund) and Parks/Recreation. When these needs are developed and known we expect that the unfunded needs will increase. Additional capital replacement schedules for vehicles, IT infrastructure and heavy equipment will also be formalized in the coming years to understand the needs of those City assets.

Another primary purpose of conducting a scientific poll of Pacific Grove residents is to understand exactly what level of infrastructure standards our residents expect and value most. With this direct input from residents the City can better adjust spending toward the perceived most highly valued infrastructure and reduce spending where it isn't found to be as important to residents. Additionally, polling will help the City to understand if additional revenue will be necessary to meet resident expectations and if voters would be inclined to support more revenue.

Proposed Agreement with Props and Measures

On November 19, 2025, the City Council considered and approved a Professional Services Agreement with Props and Measures (see Attachment No. 3) to:

- **Phase 1** - Conduct polling of Pacific Grove residents to determine: their knowledge and understanding of the City's fiscal constraints; to understand their perception of the City's services and infrastructure; understand what outside external and internal factors would impact their support of a potential revenue measure; and, to determine overall potential revenue measure viability.
- **Phase 2 and 3** - Assist City staff with communicating the City's fiscal needs to meet the resident expectations and basic infrastructure needs (if determined necessary based on the polling).
- **Phase 4** - Assisting with developing a revenue measure that seeks funding approval that services to meet the communicated desires of the voters (if determined viable).

As indicated in the Proposal from Props and Measures and required by law, all publicly funded communication by the City in this work effort must be informational and not advocacy. Once a measure is on the ballot (Phase 4), all communication would need to be coordinated by an independent campaign committee using private resources.

The approved Professional Services Agreement is broken into phases to allow the City to approve additional work and spending without committing to the entire not to exceed amount of $141,530, if all four phases are completed. The City can stop work at the end of any phase and not expend further funds if that is desired. The first decision will be after the first phase, which will cost an estimated amount of $53,150. After the first phase, should Council decide to continue forward, the cost of the remainder of the contract will not exceed $88,380. The total breakdown of the Fees and Costs is listed in the table below. The agreement was proposed in the phased manner to limit the City's spending to be as efficient and possible, and to be transparent with the community as to the total cost of this work should the City pursue all four phases of the Scope of Work. The City will only pay for actual services that it chooses to authorize as we go.

Fees and Costs

Phase 1 Consulting	December 2025 – February 2026	$19,500
Phase 2-3 Consulting	March 2026 – August 2026	$39,000
Informational Mailings	2 Mailings	$22,180
Expenses (Travel, copies, etc.)		$5,000
Baseline survey		$28,650
Tracking survey (*If needed)*		$27,200
Total NTE		**$141,530**

Props and Measures Agreement Work Plan Review
Since approval of the agreement with Props and Measures to perform the work described above, the City has heard various concerns and criticism regarding the costs or Scope of Work. Based on these concerns, staff felt it a prudent step to bring this item back the City Council for further review and direction.

One concern communicated is that the costs of the work are too high when the City needs funds. While this is a viable concern, the nature of the funding shortfalls are not one-time funding concerns but annually going forward. This means that the one-time investment and understanding if the community wishes to support a revenue measure could result in new revenue every year (which is the need) while the cost for this effort is one time. Additionally, there is a great deal of expertise and work that are required to conduct a truly scientific poll that will give the best accurate result of the community input.

Other concerns that have been communicated are that the City needs to cut its expenses to right size to address the 5-years General Fund and 5-year Infrastructure needs. As described earlier in this report, staff has been, and will continue, investigating and pursuing several expenditure reducing activities. Unfortunately, these cost reduction strategies alone are not going to provide enough relief to meet General Fund and Infrastructure needs and more solutions such as voter approved revenue enhancements will be another piece of the solution.

With regard to the services to be performed by Props & Measures, these services will not include advocacy or campaigning. Although it is clear that public resources may not be used to advocate for or against ballot measures, expenditures and activities made prior to the time a measure is certified to be placed on a ballot present a very different situation. Cities may expend public funds to do exactly what the Props & Measures work will do, namely, study, analyze, poll, test community support, and develop potential ballot measure language prior to placing any measure on the ballot. Moreover, if and when the Council certifies a measure to be placed on the ballot, then City will take steps such that no public funds or resources will be used for any sort of campaigning or advocacy.
To date, minimal work has been performed toward Phase 1 of the Agreement. A poll has not been finalized or conducted. Based on resident feedback, staff is requesting that the City Council reconfirm its decision to move forward with the Scope of Work in the Props and Measures Agreement.

To date, minimal work has been performed toward Phase 1 of the Agreement. A poll has not been finalized or conducted. Based on resident feedback, staff is requesting that the City Council reconfirm its decision to move forward with the Scope of Work in the Props and Measures Agreement.

OPTIONS

1. Direct staff to proceed with the Professional Services Agreement with Props and Measures as described on November 19, 2025, and return after Phase 1 for further authorization of Phase 2.
2. Direct staff to proceed with Phase 1 of the Professional Services Agreement with Props and Measures as described on November 19, 2025, and conclude the Agreement before starting Phase 2.
3. Direct staff to suspend the Professional Services Agreement with Props and Measures approved on November 19, 2025, until authorized to proceed.
4. Direct staff to cancel the Professional Services Agreement with Props and Measures approved on November 19, 2025.

FINANCIAL IMPACT:

As described and authorized in the approved Professional Services Agreement on November 19, 2025, the total costs are estimated to be $141,530 if the City pursues all four phases of the Scope of Work. The scope of work is broken down into phases that allow the City to cancel the agreement at anytime. The first phase totals $53,150 and will consist of $19,500 for the consultant (plus $5,000 for travel and direct costs) and $28,650 for the polling. After the first phase, should Council decide to continue forward, the cost of the second phase is estimated to be a total of $88,380, consisting of $39,000 for the consultant (plus travel and direct costs noted above), $27,200 for an optional second polling and $22,180 for 2 rounds of informational mailers.

FOCUSED PRIORITY AREA: Financial Sustainability

Attachments

November 19, 2025 Presentation

November 5, 2025 CIP Study Session Presentation

Agreement with Props and Measures

Review of Five Year Forecast / Funding of Infrastructure

November 19, 2025



General Fund Five Year Forecast / Fiscal Challenges



Original General Fund Five Year Forecast

General Fund 5 Year Forecast (In Thousands)	Proposed Two Year Budget		Future Trends (Not accounting for new hotels)		
Category	Proposed 25-26	Projected 26-27	Projected 27-28	Projected 28-29	Projected 29-30
Revenues:	$ 32,729	$ 33,303	$ 34,385	$ 35,505	$ 36,663
Expenses:					
Operating Expenses	26,942	28,233	29,080	29,953	30,851
Pension / Debt Obligations	6,260	6,588	7,154	7,708	6,199
Capital Outlay / Transfers	1,488	1,056	1,087	1,119	1,153
Total Expenses	34,689	35,876	37,321	38,780	38,203
Net Change for Fiscal Year	**$ (1.96M)**	**$ (2.57M)**	**$ (2.94M)**	**$ (3.28M)**	**$ (1.54M)**
Projected Ending Reserves	**$ 12.02M**	**$ 9.45M**	**$ 6.51M**	**$ 3.24M**	**$ 1.70M**
Projected Reserve Level	**36%**	**27%**	**18%**	**9%**	**5%**

Notes: Council adopted a 25% Reserve Policy for the General Fund. The reduction in debt service relates to the retirement of the Pension Obligation Bonds in Fiscal Year 2028-29. The initial estimated ending reserves for FY 25-26 included an initial estimate from FY 24-25.

Adjusted 5 Year General Fund Forecast Including Anticipated Revenues from New Hotels

General Fund 5 Year Forecast (In Thousands)	Adopted 2 Year Budget (Reflects FY 24-25 actuals)		Future Trends (Accounting for new hotels)		
Category	Proposed 25-26	Projected 26-27	Projected 27-28	Projected 28-29	Projected 29-30
Revenues:	$ 32,729	$ 33,303	$ 34,385	$ 35,505	$ 36,663
Projected revenues new hotels		1,000	1,050	1,100	3,150
Expenses:					
Operating Expenses	26,942	28,233	29,080	29,953	30,851
Pension / Debt Obligations	6,260	6,588	7,154	7,708	6,199
Capital Outlay / Transfers	1,488	1,056	1,087	1,119	1,153
Total Expenses	34,689	35,876	37,321	38,780	38,203
Net Change for Fiscal Year	**$ (1.96M)**	**$ (1.57M)**	**$ (1.89M)**	**$ (2.18M)**	**$ 1.61M**
Projected Ending Reserves	**$ 13.70M**	**$ 12.13M**	**$ 10.24M**	**$ 8.07M**	**$ 9.68M**
Projected Reserve Level	**41%**	**35%**	**28%**	**21%**	**26%**

Notes: The ending estimated reserves for FY 25-26 included the final actual ending reserves for FY 24-25. Assumes the completion of the hotel for the ATC Property in Fiscal Year 2029-30.

Expense Assumptions in General Fund 5 Year Forecast

- **Wages** - Assumes no additional staffing for the five year period, and future annual COLA adjustments to be similar to those in the current employees' MOUs.
- **Other Operating Expenses** - 3% annual increase, similar to the assumed future rate of inflation. Assumes no additional contributions to pension or capital reserves.
- **Debt Service / Pension Actuarial Liabilities** - Incorporates debt service on debt through their maturities. Pension includes estimated amounts from CalPERS actuarials. Assumes CalPERS will attain its annual assumed rate of return of 6.8%.





General Fund Fiscal Challenges

Projected Future Shortfalls Due To:

- Minimal increases or stagnant revenues in most categories
- Funding increased amounts for unfunded actuarial pension liability
- Funding of anticipated increases in employee compensation in future fiscal years (assumed 3% annually)
- Additional PT salaries from expanding Recreation programs
- Significant increases in insurance premiums





Measures to Address Future Fiscal Challenges





Revenues:

- Hotel Taxes from New Downtown Hotel
  (Estimated $1.0-$1.5 million annually beginning in FY 2026-27)
- Hotel Taxes from potential new hotel at former outlet mall (ATC)
  (Estimated $2 million annually beginning in FY 2029-30)
- Looking to increase recovery rates for CDD / Recreation
- Explore Options for enhancing parking revenues and efficiencies
- Review of Facility Rental Process and Fees
- Explore the availability of grant funding and sponsorships for special events
- Assessing an administrative fee on the collection of the BID / HID fees

Measures to Address Future Fiscal Challenges

Expenditures:



- Debt service on pension obligation bonds ending in FY 2028-29 Resulting in savings of approximately $1.6 million annually
- Looking into the feasibility of additional regional partnerships
- Analyzing of contracting vs in house staff for services
- Evaluate annual museum contributions
- Continuing to strive for additional operational efficiencies
- Combine / reduce number of boards
- Integration of sewer and street components on projects
- Expand the digitization of city records



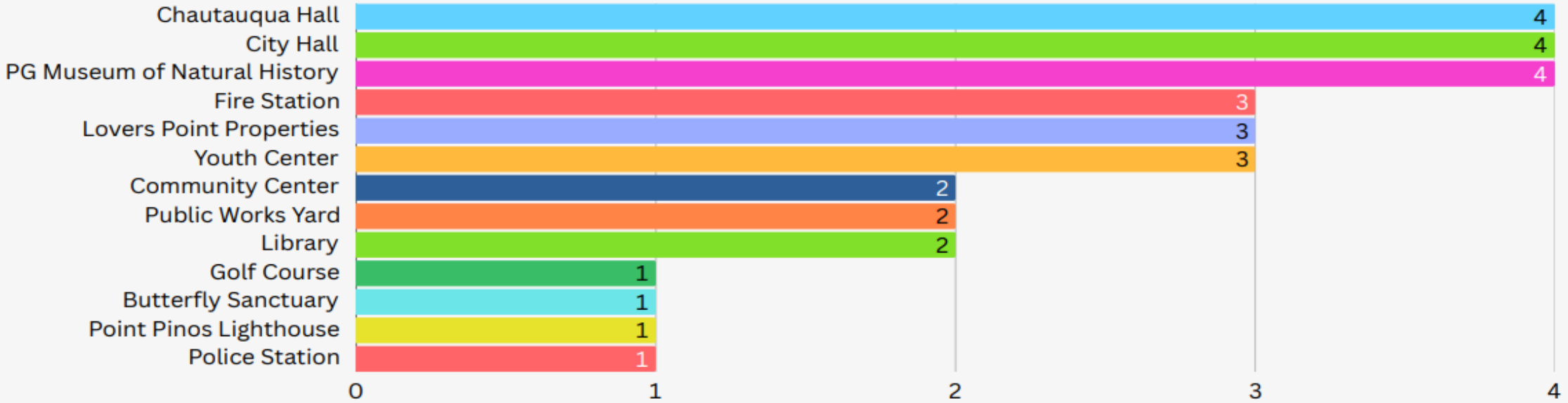
Overview of Capital Project Accomplishments in Prior Fiscal Years

Facility Projects | Accomplishments

32 facilities projects completed – 40% of all projects!

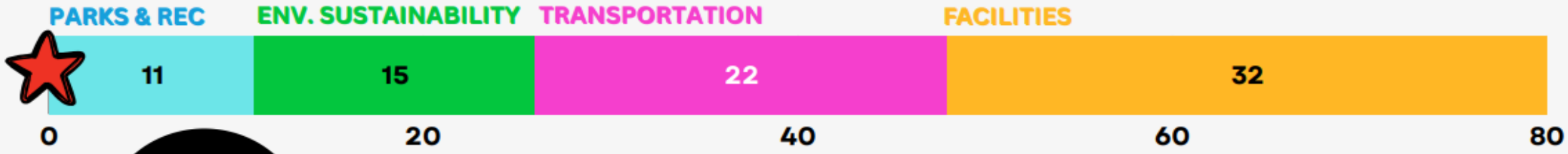
The majority of these projects addressed failed building elements, allowing critical repairs to be made!

Facility Improvements by Location:



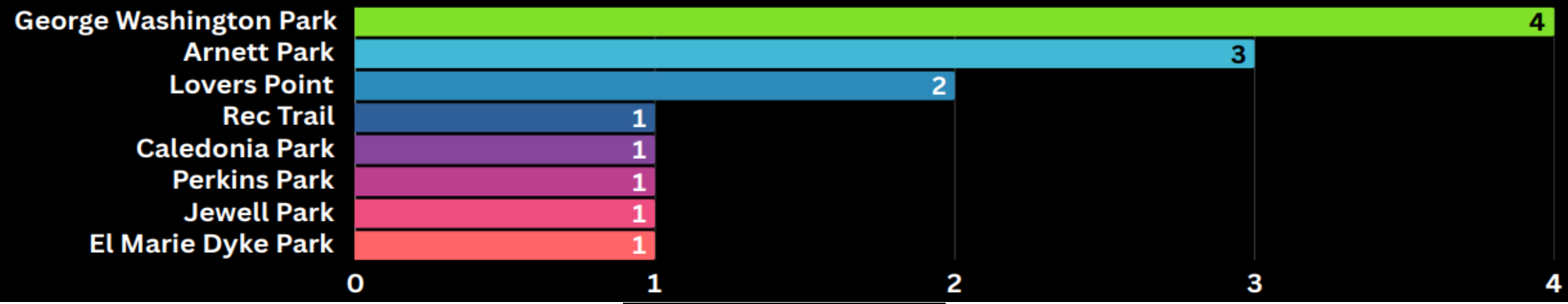
Parks & Recreation Projects | Accomplishments

COMPLETED PROJECTS BY CATEGORY



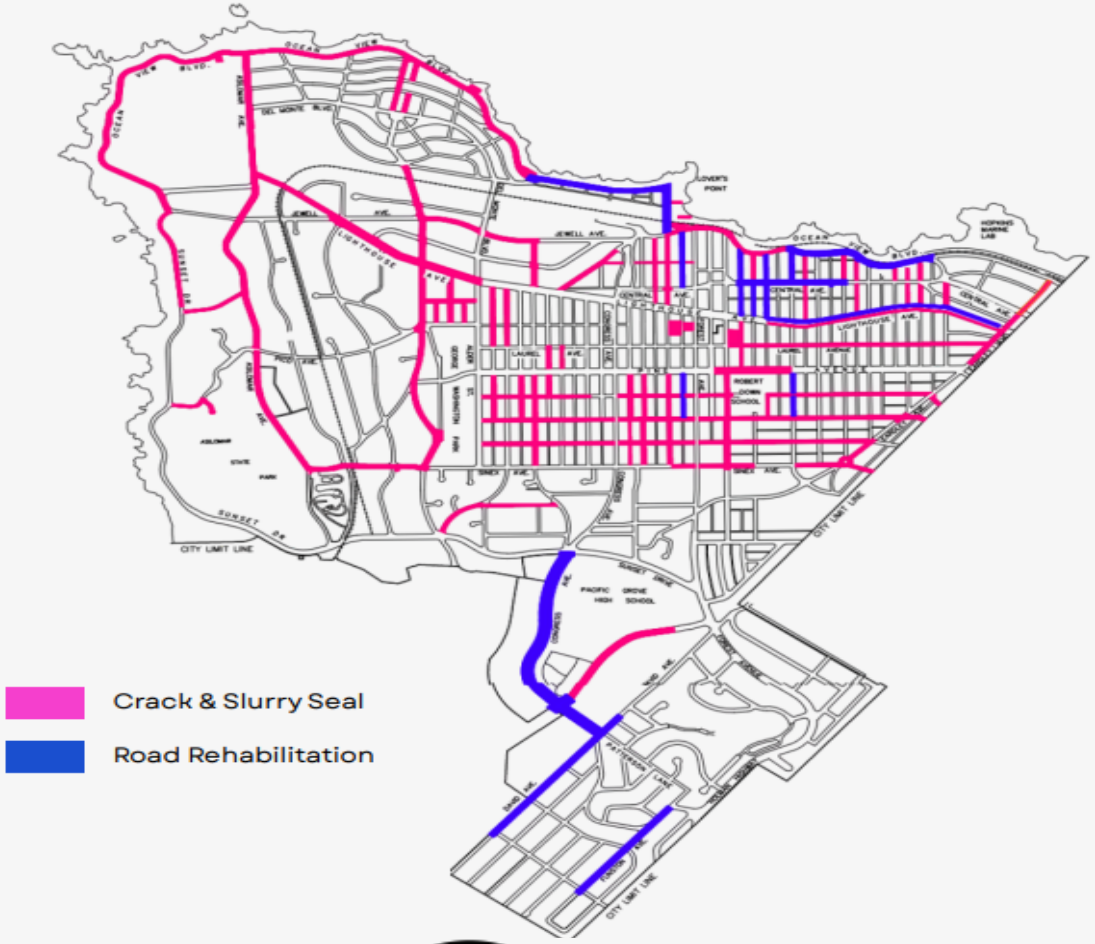
11 Parks & Recreation projects completed!

PARKS & REC PROJECTS BY LOCATION



Transportation Projects | Accomplishments

PAVEMENT MAINTENANCE & REHABILITATION MAP



3.3+ MILLION SQ FT
of pavement treated with crack and slurry

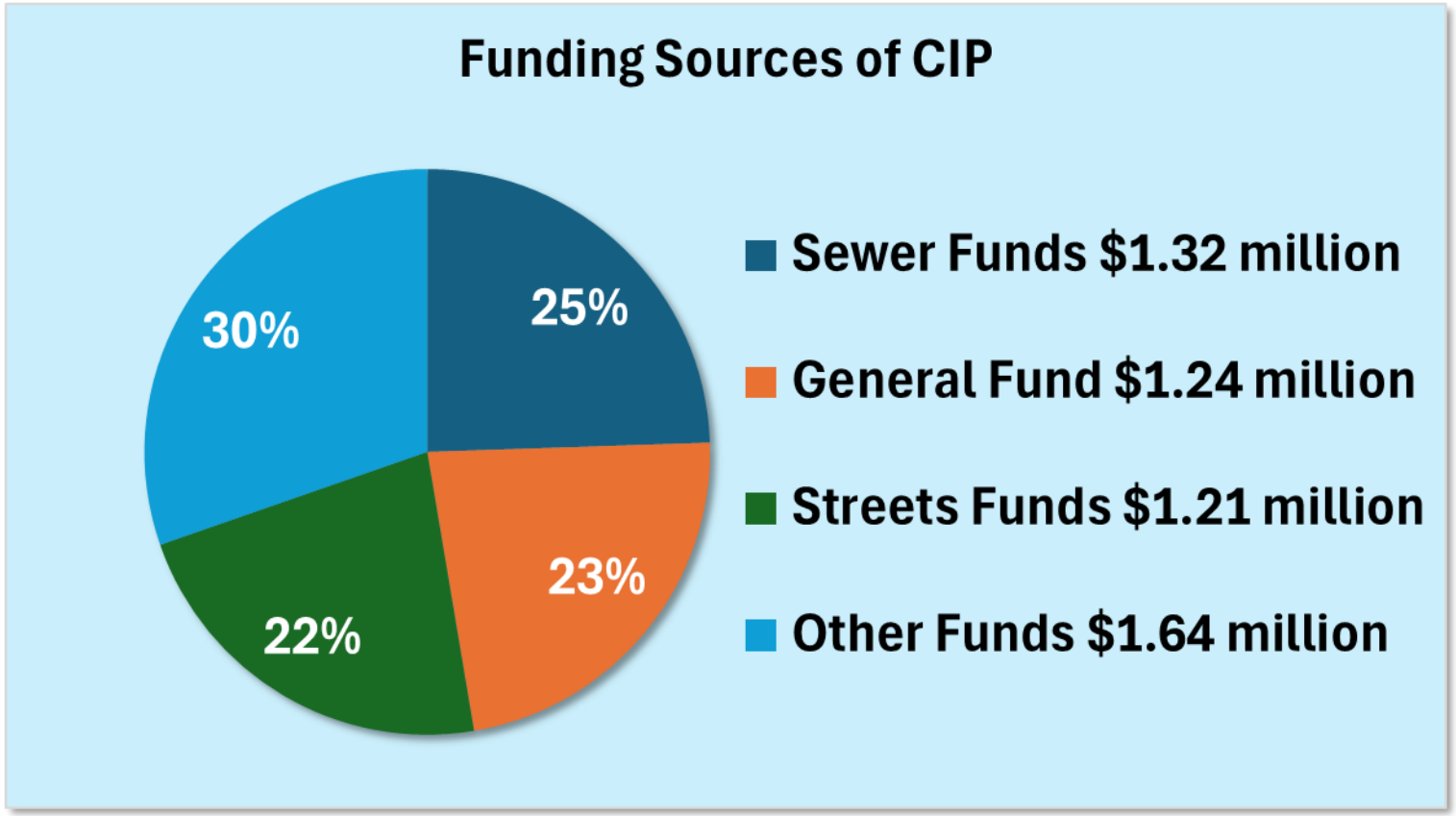
630,000+ SQ FT
of pavement rehabilitated restoring failed roads to new condition

+ 5 PCI POINTS
from 52 (in 2020) to 57 (2024)

PCI EXCEEDS PEERS BY +12
similar size agency average PCI Is 45 vs. our 57

22 Transportation projects completed! ✓

Funding of CIP Last Six Fiscal Years
(Annual Average $5.4 Million / Total $32 Million)



Note: The General Fund Contribution for CIP was $7.4 Million total over the past six fiscal years.

Five Year CIP
& Identified Infrastructure Needs

Note that a Five Year CIP is considered a Best Practice by the Government Finance Officers Association

Identified Infrastructure Needs

Category	FY 26-27	FY 27-28	FY 28-29	FY 29-30	FY 30-31	5 Year Totals (FY 26-27 to 30/31)	Future Years (FY 31-32 to 35-36)	Total Needs
Transportation	$ 1.51	$ 2.41	$ 2.43	$ 2.83	$ 2.96	$ 12.14	$ 11.88	$ 24.02
Sewer	8.35	2.15	4.42	0.65	0.86	16.43	TBD	16.43
Stormwater	TBD					TBD	TBD	TBD
Facilities	2.76	1.53	0.57	1.13	1.58	7.57	6.26	13.83
Parks / Recreation	1.45	TBD				1.45	TBD	1.45
Totals	$ 14.07	$ 6.09	$ 7.42	$ 4.61	$ 5.40	**$ 37.59**	**$ 18.14**	**$ 55.73**

Note: In Millions

Note: Sewer fees were last increased in Fiscal Year 2024-25. Public Works staff will be working with a consultant to prepare an update to the study on sewer infrastructure, to be presented to Council in the future along with recommendations for changes to the fee structure.

Funding Gaps, Unmet Needs

The infrastructure needs and funding gaps summary compares identified needs with available funding, highlighting where funding falls short.

Category	FY 26-27	FY 27-28	FY 28-29	FY 29-30	FY 30-31	5 Year Totals (FY 26-27 to 30/31)	Future Years (FY 31-32 to 35-36)	Total Needs
Transportation	$ (0.19)	$ 0.72	$ 0.72	$ 1.12	$ 1.24	$ 3.61	$ 3.27	$ 6.88
Sewer	TBD					-	TBD	-
Stormwater	TBD					TBD	TBD	TBD
Facilities	1.86	1.53	0.57	1.13	1.57	6.66	6.26	12.92
Parks / Recreation	1.45	TBD				1.45	TBD	1.45
Totals	$ 3.12	$ 2.25	$ 1.29	$ 2.25	$ 2.81	**$ 11.72**	**$ 9.53**	**$ 21.25**

Note: In Millions

Summary of Key Issues Identified Five Year Forecast

- Stagnant or decreasing revenues in most tax categories
- Increased amounts needed to funded actuarial pension liability
- Compensation adjustments needed to remain competitive in labor market
- Concerns about potential impacts of future inflation
- Non-tax Revenues will continue to be pursued, including grants and parking
- Revenue Recovery Rates will be reevaluated for Recreation / CDD Activities
- Operations will continue to be evaluated for opportunities for more efficiencies
- Additional funding is needed to address deferred maintenance of streets / facilities

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Strategy for Addressing the Funding Deficits for Capital Improvements

Use of Communications Consultant and Polling Firms

- In 2007 and 2016, the City engaged a communications consultant and polling firm to engage Pacific Grove Residents regarding their perception of the City's services, facilities and infrastructure.
- To provide the City Council with the option to seek public input on these items, staff has sought informal proposals from three of the top firms in this field.
- After interviews and discussions with them, staff feels that the firms Props and Measures and True North Research are best suited to assist the City with public engagement in this realm.
- They have a proven track record of successful engagement and are the most competitive in pricing.

Communications Consultant and Polling Firms (Continued)

- Estimated costs of the first phase of this process would be $53,150, consisting of $19,500 for the consultant (plus $5,000 for travel and direct costs) and $28,650 for the polling, which includes an initial poll of residents regarding services, facilities & infrastructure.
- The results would be presented to Council in January / February 2026 for a vote by the City Council whether to continue forward with the process.
- If the City Council decides to proceed forward, the estimated cost of the second part of the process is $88,380 consisting of $39,000 for the consultant (plus travel and direct costs), $27,200 for an optional second polling and $22,180 for 2 rounds of informational mailers.
- Total estimated costs for both phases is $141,530.

Recommendations

That the City Council:

- Receive a presentation regarding a review of the five-year fiscal forecast, infrastructure funding needs and the onboarding of a public engagement and polling consultant.

- Approve a Professional Services Agreement with Props & Measures for ballot measure feasibility, preparation and outreach services in a not-to-exceed amount of $141,530.









Five Year CIP

& Identified Infrastructure Needs

Purpose of Study Session

1



Provide an update on development of the City's 5-Year Capital Improvement Plan (CIP)

2



Highlight two key infrastructure areas (Pavement & Facilities) where data is robust and insight on long term needs

The 5-Year CIP: Why It Matters



- A 5-Year CIP helps the City plan for the future and invest in the infrastructure that supports daily life in our community.
- Ensures major infrastructure needs are addressed before they become costly emergencies.
- Allows the City to:
  - Prioritize projects
  - Coordinate work across systems
  - Align funding with realistic timelines & goals
  - Avoid surprises, leverage grants, & maximize local dollars.

Goal: Build a data-driven roadmap to identify long-term needs & support proactive asset management.

5 Year CIP Development - task in Council's 2025-2027 Community Goals & Workplan!

Building the 5 Year CIP



- To accurately assess infrastructure priorities, the City must first evaluate and document all existing asset data.
- Historically, only the sewer system had a complete, data-driven plan
- Since 2019, City has expanded data collection to include 2 major categories - pavement & facilities & made significant strides to a more proactive CIP.

Infrastructure Data

This Table, Attachment 1, summarizes the City's five CIP infrastructure categories and the current level of available data.

Infrastructure Category	Subcategory	Data Status	
Transportation	Pavement	✅	Data Complete
	Sidewalks	❌	No Data
Sewer	Sewer Collection System	⏳	Partial Data Available
	Pump Stations	✅	Data Complete
Stormwater	Stormwater Infrastructure	🔍	Study Needed
Facilities	Buildings	✅	Data Complete
	Pool	❌	No Data
Parks and Recreation	Parks & Playgrounds	🔍	Study Needed
	Lovers Point Pier	✅	Data Complete
	Trails & Pathways	❌	No Data

Building the 5 Year CIP



- Some systems have complete, reliable data to define long-term needs (Pavement)
- Others have partial data (Sewer)
- Some have known study costs, but data collection is still pending (parks/playgrounds)
- A few systems still lack baseline information, and study costs are unknown

We've made major progress in identifying our infrastructure & understanding needs, but more work remains to close data gaps.

What we know now gives us a strong foundation for 5- and 10-year planning.

Identified Infrastructure Needs

The table below summarizes known, quantified infrastructure needs for assets that have been assessed.

Categories with unknown needs (e.g., sidewalks) and future study costs are excluded (TBD).

Category	FY26/27	FY27/28	FY28/29	FY29/30	FY30/31	5 Year Totals (FY26/27-30/31)	FUTURE YEARS (FY31/32 -35/36)	TOTAL NEEDS
Transportation	$1.51M	$2.41M	$2.43M	$2.84M	$2.96M	$12.14M	**$11.88M**	**$24.02M**
Sewer	$8.35M	$2.15M	$4.42M	$654,000	$857,000	$16.43M	**TBD**	**$16.43M**
Stormwater	TBD					TBD	**TBD**	**TBD**
Facilities	$2.76M	$1.53M	$569,906	$1.13M	$1.58M	$7.56M	**$6.26M**	**$13.82M**
Parks/ Rec	$1.45M	TBD				TBD	**TBD**	**$1.45**
TOTALS	$14.07M	$6.09M	$7.42M	$4.63M	$5.39M	**$37.59M**	**$18.13M**	**$55.72M**

Report Attachment 3

Identified Infrastructure Needs

Over the next five years, the City has identified approximately $37.6M in infrastructure needs. The following five years add another $18.1M, bringing the total 10-year need to about $55.7M.

Category	5 Year Totals (FY26/27-30/31)	FUTURE YEARS (FY31/32 -35/36)	TOTAL NEEDS
Transportation	$12.14M	**$11.88M**	**$24.02M**
Sewer	$16.43M	**TBD**	**$16.43M**
Stormwater	**TBD**	**TBD**	**TBD**
Facilities	$7.56M	**$6.56M**	**$13.82M**
Parks/ Rec	TBD	**TBD**	**$1.45M**
TOTALS	**$37.59M**	**$18.13M**	**$55.72M**

This provides a snapshot of known needs, but also highlights that additional data is needed—especially for major systems like future sewer improvements—to complete the full picture.

Funding Gaps, Unmet Needs

The Infrastructure Needs & Funding Gaps Summary (Attachment 4) compares identified needs with available funding, highlighting where funding falls short.

Category	FY26/27	FY27/28	FY28/29	FY29/30	FY30/31	5 Year Totals (FY26/27-30/31)	FUTURE YEARS (FY31/32-35/36)	TOTAL
Transportation	$(177,519)	$714,613	$716,122	$1.12M	$1.24M	$3.61M	$3.27M	$6.88M
Sewer	TBD					TBD	TBD	TBD
Stormwater	TBD					TBD	TBD	TBD
Facilities	$1.86M	$1.53M	$569,906	$1.13M	$1.58M	$6.67M	$6.26M	$13.82M
Parks & Recreation	$1.45M	TBD				$1.45M	TBD	TBD
TOTALS	**$3.13M**	**$2.24M**	**$1.29M**	**$2.25M**	**$2.81M**	**$11.72M**	**$9.53M**	**$20.7M**

The "Totals" column shows unfunded needs (in millions)—the gap between identified needs and available funding by category

Funding Gaps, Unmet Needs



Looking at the 5- and 10-year totals:

- $11.7M in unfunded needs over the next 5 years
- $9.5M unfunded in the following 5 years
- $20.7M total unfunded needs over 10 years

Category	5 Year Totals (FY26/27-30/31)	FUTURE YEARS (FY31/32 -35/36)	TOTAL
Transportation	$3.61M	$3.27M	$6.88M
Sewer	TBD	TBD	TBD
Stormwater	TBD	TBD	TBD
Facilities	$6.67M	$6.26M	$13.82M
Parks & Recreation	$1.45M	TBD	TBD
TOTALS	**$11.72M**	**$9.53M**	**$20.7M**

Filling the Gaps

Addressing funding gaps is only part of the challenge — we also need to close data gaps to fully understand future needs. Below is a table with assessment needs and estimated costs, if known.

Assessments Needed	Potential Cost
Parks & Playground Assessment	$27,000
Stormwater Infrastructure Management Plan	$700,000
Sewer Collection System Management Plan	$600,000
Sidewalks	**TBD**
Trails & Pathways	**TBD**
TOTAL NEEDED	**$1,327,000**

At least $1.3M in studies is needed to close known gaps and complete the CIP dataset

What's Next 5-Year CIP

CIP development is ongoing — it's a living document that will evolve as data improves.



Future Steps

- Complete data collection and condition assessments for existing gaps
- Refining cost estimates and funding assumptions
- Expanding 5 year CIP to include capital outlay items (e.g., vehicles, equipment, IT infrastructure)

From the Big Picture to Key Systems



Now that we've seen the overall 5-Year CIP framework, let's look closer at where we have strong data and clear needs.

Two systems stand out for having robust data and defined funding gaps:

- Pavement
- Facilities


Pavement

Pavement Network at a Glance



Comprised of 65 centerline miles

Partnered with TAMC in 2019 to evaluate all streets and develop the PMP; Reassessed every 5 years, latest update completed 2023

PMP helps the City:

- Prioritize maintenance and rehabilitation
- Maximize limited funding
- Plan long-term investments

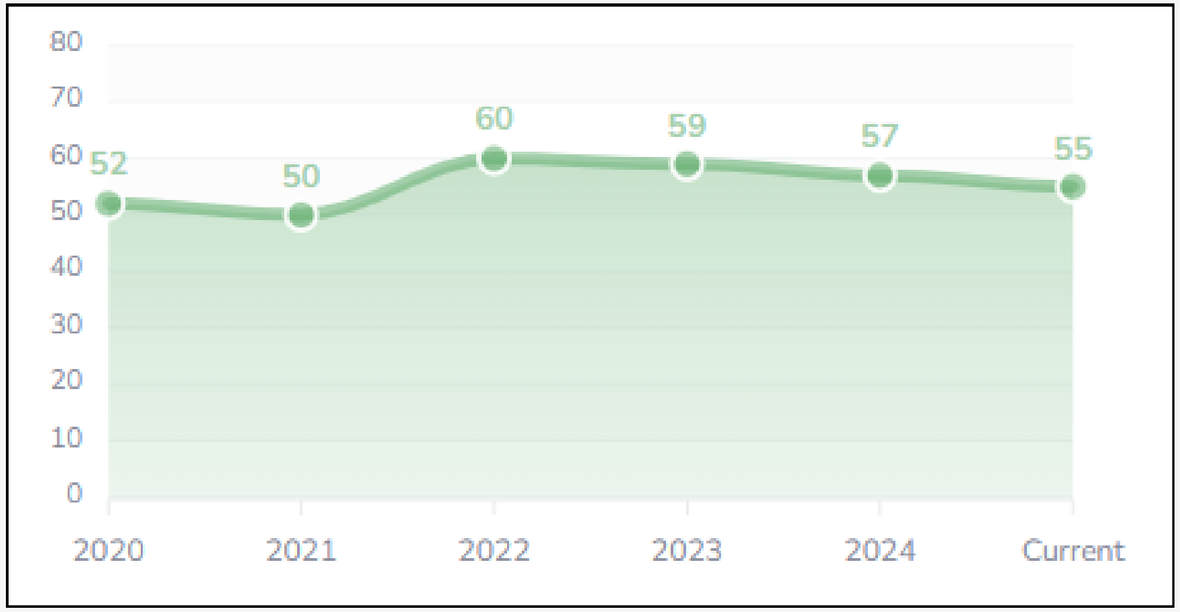
Before we can plan for what's next, we need a clear picture of how our pavement network is performing today.

Current Pavement Conditions

Pavement condition is measured using the Pavement Condition Index (PCI) — a score from 0 (failed) to 100 (new).

0-25	25-50	50-70	70-100
Very Poor/Failed	Poor	Fair	Good/Very Good

Historical PCI Trends

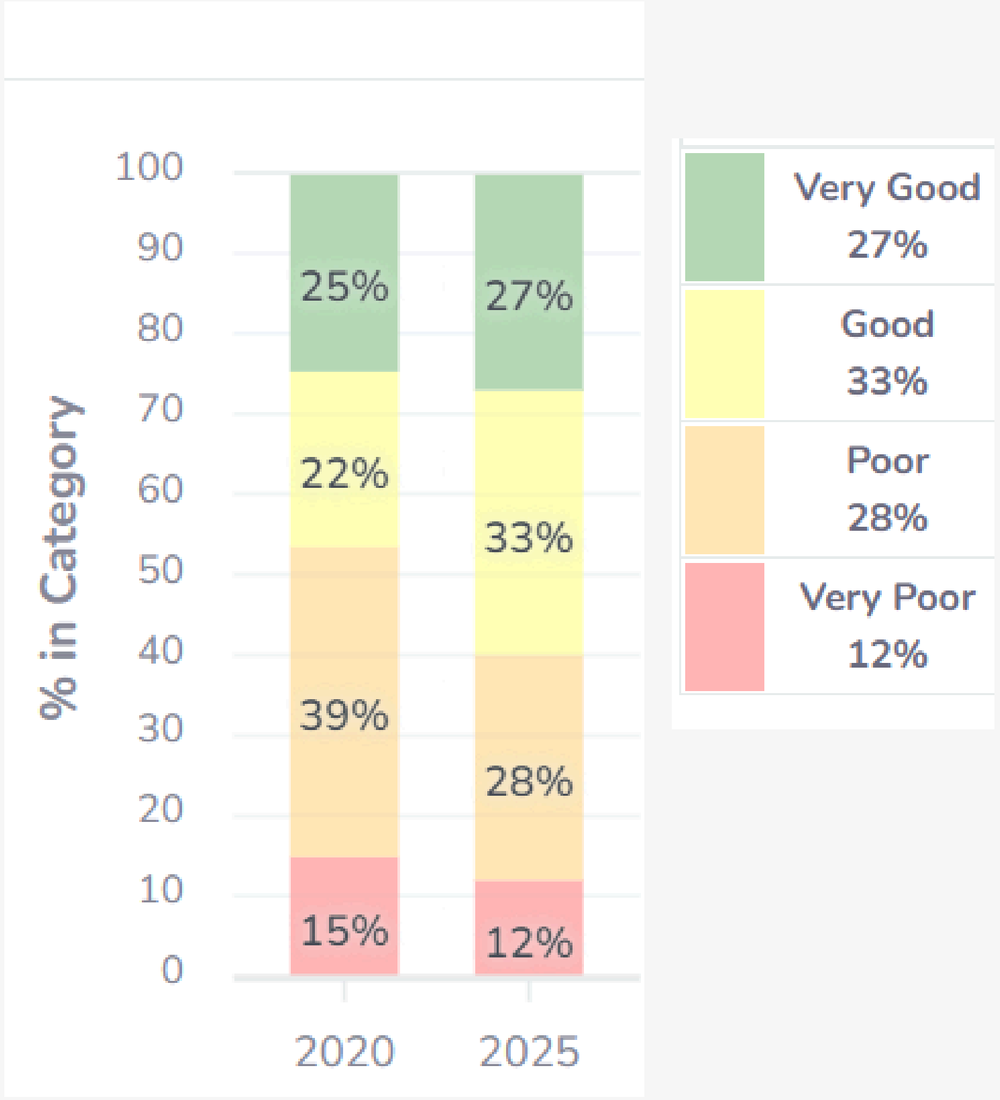


Current PCI is 55 (Fair)

Average network PCI fluctuates each year based on completed work & natural aging of untreated streets.

PMP continuously models network deterioration & improvement; PCI scores are dynamic and data-driven.

Current Pavement Conditions



While our overall PCI remains similar to 2019, targeted investments have paid off, we've reduced the share of roads rated "poor" or "failed" from 54% to 40%, and increased "fair" to "very good" roads from 47% to 60%.

This progress is significant, but 40% of our network still needs major repair. Continued investment will help us shift toward maintaining good roads in good condition, which is the most cost-effective strategy long term.

Identified Pavement Needs

The Pavement Management Program (PMP) recommends the City aim for an average PCI of 70 within 10 years.

Pavement needs based on this target total:

- ~ $12 million over the next 5 years
- ~ $24 million over the next 10 years

PAVEMENT	FY26/27	FY27/28	FY28/29	FY29/30	FY30/31	5 Year Totals (FY26/27-30/31)	FUTURE YEARS (FY31/32 -35/36)	TOTAL
Funding Needs to Reach PCI 70 (10-Year	$1.51M	$2.41M	$2.43M	$2.84M	$2.96M	**$12.14M**	**$11.88M**	**$24M**

Attachment 5 includes additional information

Identified Pavement Needs

- Figures *do not* include sewer, stormwater, ADA, or sidewalk improvements.
- Deferred maintenance = higher costs later.
- Strategy: Fix worst roads first, then focus on prevention.

PAVEMENT	FY26/27	FY27/28	FY28/29	FY29/30	FY30/31	5 Year Totals (FY26/27-30/31)	FUTURE YEARS (FY31/32 -35/36)	TOTAL
Funding Needs to Reach PCI 70 (10-Year	$1.51M	$2.41M	$2.43M	$2.84M	$2.96M	**$12.14M**	**$11.88M**	**$24M**



Funding Sources

To understand the extent of unfunded pavement needs, we must first look at the funding sources dedicated to roadway improvements. The City relies on three primary funding sources for pavement projects:

Measure X: Local ⅜-cent sales tax approved in 2016; generates about $20M annually countywide (60% for local roads).

SB 1 / RMRA: State gas tax revenue enacted in 2017; supports pavement preservation and rehabilitation.

General Fund (MOE): To remain eligible for Measure X & SB1, MOE must be met; MOE is a minimum level of General Fund spending on streets & roads. City allocates $500,000 annually to meet MOE.

This contribution is considered funded, as it ensures ongoing eligibility for supplemental funding & reflects a consistent annual commitment.

Unmet Pavement Needs

Attachment 6, includes the table below, which shows the identified pavement needs, the estimated available funding & sources, and resulting unfunded pavement needs.

TRANSPORTATION - PAVEMENT		FY26/27	FY27/28	FY28/29	FY29/30	FY30/31	5 Year Totals	FUTURE YEARS (FY31/32 -35/36)	TOTAL
Identified Needs		**$1.51M**	**$2.41M**	**$2.43M**	**$2.84M**	**$2.96M**	**$12.14M**	**$11.88M**	**$24M**
Funding Source 1	Measure X	$784,575	$792,000	$800,000	$808,000	$808,000	**$3.99M**	**$4.04M**	**$12.03M**
Funding Source 2	Senate Bill 1	$400,628	$405,000	$409,000	$413,000	$413,000	**$2.04M**	**$2.07M**	**$6.15M**
Funding Source 3	General Fund*	$500,000	$500,000	$500,000	$500,000	$500,000	**$2.50M**	**$2.50M**	**$7.5M**
Totals Unfunded Needs		**$(177,519)**	**$714,613**	**$716,122**	**$1.12M**	**$1.24M**	**$3.61M**	**$3.27M**	**$6.88M**

Unmet Pavement Needs

- While Measure X and SB1 funding helps supports ongoing pavement investment, it's not enough to:
  - Achieve and sustain the PCI 70 goal, or
  - Fully address the existing backlog of repairs.

- **The PMP identifies $24M total need over 10 years, leaving:**
  - ~$3.6M unfunded over the next 5 years, and
  - ~$7M unfunded over 10 years.



Pavement network is improving, but long-term sustainability requires additional investment.

Current Road Conditions



Pine Avenue



Forest Avenue

Facility Projects

System Overview: City Facilities

- City owns and maintains 18+ facilities, from City Hall and Police Station to the Youth Center, Library, and leased sites like the Golf Course.
- All differ in age and purpose, but all support core City services and functions.
- With so many critical facilities providing everything from public safety and permits to community meetings and recreation, it's essential to understand their long-term needs holistically.







Assessing Facility Conditions:
Building the Data Foundation



- In 2024, the City launched Facility Condition Assessments (FCAs) to understand facility condition and long-term capital needs.
- First phase assessed 5 key buildings: City Hall, Fire Station, Police Station, Public Works Yard, and Youth Center.
- In 2025, additional10 facilities assessed, giving the City near-complete coverage of all buildings.
- **These assessments provide the data foundation for smart, long-term facility planning**

This is the first time we've had comprehensive, data-driven information about our facilities. It's helping us prioritize what to fix and how to plan ahead.

Specialized Facility Assessments



Not all facilities have standard Facility Condition Assessments (FCAs). Some facilities have specialized functions or prior studies conducted separately.

Chautauqua Hall: 2024 Building Assessment by WJE;

Local Water Project: 2021 business plan provides estimates on equipment replacement costs;

Point Pinos Lighthouse: Preservation study completed in 2009; new assessment needed for long-term maintenance.

Where available, data from these studies has been incorporated into the overall facility needs analysis.

Our Facility Data

Like the Pavement Condition Index (PCI) for roads, the Facility Condition Index (FCI) measures the condition of buildings.

FCI = (Cost of Current Needs ÷ Replacement Value)

- Lower FCI → Better condition
- Higher FCI → Greater need for reinvestment
- Replacement Value = The cost to restore a building to its current state.

FCI Range	Definition
0-5%	New or well-maintained condition w/little or no visual evidence of wear & tear
5-10%	Subjected to wear but is still in a serviceable and functioning condition
10-30%	Subjected to hard or long-term wear. Nearing end of useful/serviceable life
30% & above	Has reached the end of a useful or serviceable life. Renewal is now necessary

What happens without continued investment?

- Today, only 1 facility (FCI > 5%)
  - most are in the **"well maintained" category (FCI 0-5%)**
- But these are averages, all have near-term maintenance needs

If maintenance items are deferred,
- In 5 years, ~23% of assessed facilities could reach **10–30% FCI (aging)**
- In 10 years, ~60% of assessed facilities could reach **10–30% FCI**, with 1 **FCI>30% (end of life)**

Right now, our buildings are in good shape, but without ongoing investment, that will change quickly. By year ten, over half of our facilities will need significant capital investments.

Identified Facility Needs

Recent Facility Condition Assessments provide a strong basis for long-term facility investment planning to ensure buildings remain in good condition.

Identified needs:

- **~$7.5M over the next five fiscal years**
- **~$14M total over ten years**

These investments ensure facilities remain safe, functional, and community-serving into the next decade.

Attachment 6 shows a breakdown of needs per facility.

Identified Facility Needs	FY26/27	FY27/28	FY28/29	FY29/30	FY30/31	5 Yeat Total FY26/27-30/31	FUTURE YEARS (FY31/32 - FY35/36)	TOTAL NEEDS
Grand Total	$2.76M	$1.53M	$569,906	$1.13M	$1.58M	$7.56M	$6.26M	$13.82M

Identified “Immediate Needs”













Funding Summary & Unmet Needs

Currently, no dedicated funding for general facility improvements.

As a result, most major facility needs remain unfunded. One exception: Chautauqua Hall improvements are funded through community donations from the Friends of Chautauqua Hall.



UNFUNDED FACILITY NEEDS:

~ $6.66M over the next 5 years

~$13.82M total over 10 years

Funding Summary and Unmet Needs

FACILITIES		FY26/27	FY27/28	FY28/29	FY29/30	FY30/31	5 Year Totals (FY26/27-30/31)	FUTURE YEARS (FY31/32-35/36)	TOTAL
Identified Needs		**$2.75M**	**$1.53M**	**$569,906**	**$1.13M**	**$1.58M**	**$7.56M**	**$6.26M**	**$13.82M**
Funding Source 1	Friends of Chautauqua Hall	$900,000	$-	$-	$-	$-	$-	**$-**	**$-**
Unfunded Facility Needs		**$1.86M**	**$1.53M**	**$569,906**	**$1.13M**	**$1.58M**	**$6.66M**	**$6.26M**	**$13.82M**

Key Takeaways

	5 Year Totals (FY26/27-30/31)	FUTURE YEARS (FY31/32 -35/36)	TOTAL
Unfunded Needs	**$11,723,339**	**$9,526,307**	**$20,699,646**

- This is the first step toward fully understanding long-term infrastructure needs.
- Data gaps remain (long term sewer, parks, sidewalks, and other systems) those still need to be evaluated.
- Data we do have provides a solid foundation for identifying current needs & funding gaps.
- Today's analysis offers a baseline that will expand as more data is collected, meaning total needs and funding requirements will continue to grow.
- What we have today gives us a clear path forward for maintaining pavement and facilities in good condition.

We already faces a significant unfunded need across the infrastructure elements that have been assessed. Next steps include developing strategies to close these gaps and ensure sustainable investment moving forward.

Next Steps



On November 19, staff will return to Council with an update on the status General Fund.

What we've shared today represents a separate challenge—one that extends beyond what the General Fund alone can address and will require additional solutions.

Thank You! Questions?

CITY OF PACIFIC GROVE
PROFESSIONAL SERVICES AGREEMENT

This PROFESSIONAL SERVICE AGREEMENT ("PSA") FOR NON-CONSTRUCTION PROJECTS ("Agreement"), is made and effective as of December 1, 2025, between the City of Pacific Grove ("City"), a municipal corporation and TERRIS BARNES WALTERS BOIGON HEATH LESTER, INC., a California Corporation (DBA "Props & Measures ("CONSULTANT"). In consideration of the mutual covenants and conditions set forth herein, the parties agree as follows:

1. TERM

   This Agreement shall commence on December 1, 2025 and shall remain and continue in effect until the tasks described herein are completed, but in no event later than August 15, 2026, unless sooner terminated pursuant to the provisions of this Agreement.

2. SCOPE OF WORK

   CONSULTANT shall perform the tasks and services ("Services") described and set forth in Exhibit A, Scope of Services, attached hereto and incorporated herein as though set forth in full. CONSULTANT shall complete the tasks according to the schedule of performance which is also set forth in Exhibit A. To the extent that Exhibit A is a proposal from CONSULTANT, such proposal is incorporated only for the description of the Scope of Services and no other terms and conditions from any such proposal shall apply to this Agreement unless specifically agreed to in writing.

3. PERFORMANCE

   CONSULTANT shall at all times faithfully, competently and to the best of their ability, experience, and talent, perform all Services described herein. CONSULTANT shall employ, at a minimum, generally accepted standards and practices utilized by persons engaged in providing similar services as are required of CONSULTANT hereunder in meeting their obligations under this Agreement.

4. CITY MANAGEMENT

   The City Manager, or their designee, shall represent City in all matters pertaining to the administration of this Agreement, review and approval of all products submitted by CONSULTANT, but not including the authority to enlarge the Scope of Work or change the compensation due to CONSULTANT. The City Manager shall be authorized to act on City's behalf and to execute all necessary documents that enlarge the Scope of Work or change CONSULTANT's compensation, subject to Section 6 hereof.

5. PAYMENT

   a. The City agrees to pay CONSULTANT monthly, in accordance with the payment rates and terms and the Payment Schedule as set forth in Exhibit B, attached hereto and incorporated herein by this reference as though set forth in full, based upon actual time spent on the above

tasks. This amount shall not exceed One Hundred Forty One Thousand Five Hundred and Thirty dollars $141,530.00) for the total term of the Agreement unless additional payment is approved as provided in this Agreement.

b. The City Manager's contract authority is limited to $39,999.99, which includes all costs. Contracts, including any contract amendments that exceed the total threshold, require City Council approval. Any contracts, including contract amendments that exceed the total threshold, which do not have City Council approval, shall be void.

c. CONSULTANT shall not be compensated for any Services rendered in connection with its performance of this Agreement that are in addition to those set forth herein, unless such additional services are authorized in advance and in writing by the City Manager or the City Council. CONSULTANT shall be compensated for any additional services in the amounts and in the manner as agreed to by City Manager and CONSULTANT at the time City's written authorization is given to CONSULTANT for the performance of said services.

d. CONSULTANT shall submit invoices monthly for actual Services performed. Invoices shall be submitted on or about the first business day of each month, or as soon thereafter as practical, for Services provided in the previous month. Payment shall be made within thirty (30) days of receipt of each invoice as to all non-disputed fees. If the City disputes any of CONSULTANT's fees it shall give written notice to CONSULTANT within thirty (30) days of receipt of an invoice of any disputed fees set forth on the invoice. Any final payment under this Agreement shall be made within forty-five (45) days of receipt of an invoice therefore.

6. INSPECTION

City shall at all times have the right to inspect the work and materials. CONSULTANT shall furnish all reasonable aid and assistance required by City for the proper examination of the work and all parts thereof. Such inspection shall not relieve CONSULTANT from any obligation to perform said work strictly in accordance with the specifications or any modifications thereof and in compliance with the law.

7. SUSPENSION OR TERMINATION OF AGREEMENT WITHOUT CAUSE

a. The City may at any time, for any reason, without cause, suspend or terminate this Agreement, or any portion hereof, by serving upon CONSULTANT at least thirty (30) days prior written notice. Upon receipt of said notice, CONSULTANT shall immediately cease all Services under this Agreement, unless the notice provides otherwise. If the City suspends or terminates a portion of this Agreement such suspension or termination shall not make void or invalidate the remainder of this Agreement.

b. In the event this Agreement is terminated pursuant to this Section, the City shall pay to CONSULTANT the actual value of the Services performed up to the time of termination, provided that the Services performed are of value to the City. Upon termination of the Agreement pursuant to this Section, CONSULTANT will submit an invoice to the City pursuant to Section 6.

8. DEFAULT OF CONSULTANT

a. CONSULTANT's failure to comply with the provisions of this Agreement shall constitute a default. In the event that CONSULTANT is in default for cause under the terms of this Agreement, City shall have no obligation or duty to continue compensating CONSULTANT for any Services performed after the date of default and can terminate this Agreement immediately by written notice to the CONSULTANT. If such failure by the CONSULTANT to make progress in the performance of Services hereunder arises out of causes beyond the CONSULTANT's control, and without fault or negligence of the CONSULTANT, it shall not be considered a default.

b. If the City Manager or designee determines CONSULTANT is in default in the performance of any of the terms or conditions of this Agreement, they shall cause to be served upon CONSULTANT a written notice of the default. The CONSULTANT shall have ten (10) days after service upon it of said notice in which to cure the default by rendering a satisfactory performance. In the event CONSULTANT fails to cure its default within such period of time or fails to present City with a written plan for the cure of the default, City shall have the right, notwithstanding any other provision of this Agreement, to terminate this Agreement without further notice and without prejudice to any other remedy to which it may be entitled at law, in equity or under this Agreement.

9. OWNERSHIP OF DOCUMENTS

a. CONSULTANT shall maintain complete and accurate records with respect to sales, costs, expenses, receipts, and other such information required by City that relate to the performance of Services under this Agreement. CONSULTANT shall maintain adequate records of Services provided in sufficient detail to permit an evaluation of Services. All such records shall be maintained in accordance with generally accepted accounting principles and shall be clearly identified and readily accessible. CONSULTANT shall provide free access to the representatives of City or its designees at reasonable times to such books and records; shall give City the right to examine and audit said books and records; shall permit City to make transcripts or copies therefrom as necessary; and shall allow inspection of all work, data, documents, proceedings, and activities related to this Agreement. If there is a substantial billing deviation adverse to City, then the cost of an audit shall be borne by CONSULTANT. Such records, together with supporting documents, shall be maintained for a period of five (5) years after receipt of final payment.

b. Upon completion of, or in the event of termination or suspension of this Agreement, all original documents, designs, drawings, maps, models, computer files, surveys, notes, and other documents prepared in the course of providing the Services to be performed pursuant to this Agreement shall become the sole property of City and may be used, reused, or otherwise disposed of by City without the permission of CONSULTANT. With respect to computer files, CONSULTANT shall make available to City, at CONSULTANT's office and upon reasonable written request by City, the necessary computer software and hardware for purposes of accessing, compiling, transferring, copying and/or printing computer files. CONSULTANT hereby grants to City all right, title, and interest, including any copyright, in and to the documents, designs, drawings, maps, models, computer files, surveys, notes,

and other documents prepared by CONSULTANT in the course of providing the Services under this Agreement.

10. RECORD AUDIT

In accordance with Government Code, Section 8546.7, for expenditures of greater than $10,000, records of both City and CONSULTANT shall be subject to examination and audit by the Auditor General for a period of three (3) years after final payment.

11. INDEMNIFICATION AND DEFENSE

Indemnity

To the fullest extent permitted by law, CONSULTANT shall indemnify and hold harmless City and any and all of its officers, employees and agents ("Indemnified Parties") from and against any and all losses, liabilities, damages, costs and expenses, including legal counsel's fees and costs, caused in whole or in part by the negligent or wrongful act, error or omission of CONSULTANT, its officers, agents, employees or subconsultants (or any City or individual that CONSULTANT shall bear the legal liability thereof) in the performance of Services under this Agreement. CONSULTANT's duty to indemnify and hold harmless City shall not extend to the City's sole or active negligence.

Duty to defend

In the event City, its officers, employees, agents and/or volunteers are made a party to any action, lawsuit, or other adversarial proceeding arising from the performance of the Services encompassed by this Agreement, and upon demand by City, CONSULTANT shall defend City at CONSULTANT's cost or at City's option, to reimburse City for its costs of defense, including reasonable attorney's fees and costs incurred in the defense of such matters to the extent the matters arise from, relate to or are caused by CONSULTANT's negligent acts, errors or omissions. Payment by City is not a condition precedent to enforcement of this indemnity. In the event of any dispute between CONSULTANT and City, as to whether liability arises from the sole or active negligence of the City or its officers, employees, or agents, CONSULTANT will be obligated to pay for City's defense until such time as a final judgment has been entered adjudicating the City as solely or actively negligent. CONSULTANT will not be entitled in the absence of such a determination to any reimbursement of defense costs including but not limited to attorney's fees, expert fees and costs of litigation.

12. INSURANCE

CONSULTANT shall maintain prior to the beginning of and for the duration of this Agreement insurance coverage as specified in Exhibit C attached to and part of this Agreement.

13. INDEPENDENT CONSULTANT

a. CONSULTANT is and shall at all times remain as to City a wholly independent consultant and/or independent contractor. The personnel performing the Services under this Agreement on behalf of CONSULTANT shall at all times be under CONSULTANT's exclusive direction and control. Neither City nor any of its officers, employees, or agents shall have control over the conduct of CONSULTANT or any of CONSULTANT's officers, employees, or agents, except as set forth in this Agreement. CONSULTANT shall not at any time or in any manner represent that it or any of its officers, employees, or agents are in any manner officers, employees, or agents of City. CONSULTANT shall not incur or have the power to incur any debt, obligation, or liability whatever against City, or bind City in any manner.

b. No employee benefits shall be available to CONSULTANT in connection with the performance of this Agreement. Except for the fees paid to CONSULTANT as provided in the Agreement, City shall not pay salaries, wages, or other compensation to CONSULTANT for performing Services hereunder for City. City shall not be liable for compensation or indemnification to CONSULTANT for injury or sickness arising out of performing Services hereunder.

14. LEGAL RESPONSIBILITIES

CONSULTANT shall keep itself informed of State and Federal laws and regulations that in any manner affect those employed by it or in any way affect the performance of its Services pursuant to this Agreement. CONSULTANT shall at all times observe and comply with all such laws and regulations. City, and its officers, employees, and agents shall not be liable at law or in equity occasioned by failure of the CONSULTANT to comply with this Section.

15. UNDUE INFLUENCE

CONSULTANT declares and warrants that no undue influence or pressure was used against or in concert with any officer, employee or agent of City in connection with the award, terms or implementation of this Agreement, including any method of coercion, confidential financial arrangement, or financial inducement. No officer, employee or agent of City has or will receive compensation, directly or indirectly, from CONSULTANT, or from any officer, employee or agent of CONSULTANT, in connection with the award of this Agreement or any Services to be performed as a result of this Agreement. Violation of this Section shall be a material breach of this Agreement entitling City to any and all remedies at law or in equity.

16. NO BENEFIT TO ARISE TO CITY OFFICERS AND EMPLOYEES

No officer, employee of City, or their designees or agents, and no public official who exercises authority over or responsibilities with respect to the Services performed under the Agreement during their tenure or for one year thereafter, shall have any interest, direct or indirect, in any agreement or sub-agreement, or the proceeds thereof, for work to be performed in connection with the Services performed under this Agreement.

17. RELEASE OF INFORMATION/CONFLICTS OF INTEREST

a. All information gained by CONSULTANT in performance of this Agreement shall be considered confidential and shall not be released by CONSULTANT without City's prior written authorization. CONSULTANT, its officers, employees, agents, or subconsultants, shall not without written authorization from the City Manager or unless requested by the City Attorney, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories, or other information concerning the work performed under this Agreement or relating to any project or property located within the City. Response to a subpoena or court order shall not be considered "voluntary" provided CONSULTANT gives City notice of such court order or subpoena.

b. CONSULTANT shall promptly notify CITY should CONSULTANT, its officers, employees, agents, or subconsultants be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions, or other discovery request ("Discovery"), court order, or subpoena from any person or party regarding this Agreement and the work performed there under or with respect to any project or property located within the City, unless City is a party to any lawsuit, arbitration, or administrative proceeding connected to such Discovery, or unless CONSULTANT is prohibited by law from informing City of such Discovery. City retains the right, but has no obligation, to represent CONSULTANT and/or be present at any deposition, hearing, or similar proceeding as allowed by law. Unless City is a party to the lawsuit, arbitration, or administrative proceeding and is adverse to CONSULTANT in such proceeding, CONSULTANT agrees to cooperate fully with City and to provide the opportunity to review any response to discovery requests provided by CONSULTANT. However, City's right to review any such response does not imply or mean the right by City to control, direct, or rewrite said response.

c. If City determines CONTRACTOR comes within the definition of Contractor under the Political Reform Act (Government Code §87100 et seq.), CONTRACTOR shall complete and file and shall require any other person doing Work under this Agreement to complete and file a "Statement of Economic Interest" with CITY disclosing CONTRACTOR's and/or such other person's financial interests.

18. DISCRIMINATION

CONSULTANT agrees that in the performance of this Agreement, neither CONSULTANT nor any person acting on CONSULTANT's behalf shall discriminate against any person on the basis of race, religious creed, color, national origin, ancestry, disability, medical condition, genetic information, marital status, sexual orientation, sex, gender identity, gender expression, military or veteran status or age.

19. NOTICES

Any notices which either party may desire to give to the other party under this Agreement must be in writing and may be given either by (i) personal service, (ii) delivery by a reputable

document delivery service, such as but not limited to, Federal Express, which provides a receipt showing date and time of delivery, or (iii) mailing in the United States Mail, by first class mail, addressed to the address of the party as set forth below or at any other address as that party may later designate by notice:

To City:	Matthew Mogensen City of Pacific Grove 300 Forest Avenue Pacific Grove, CA 93950 Attention: City Clerk
To CONSULTANT:	David Tick Props & Measures 1569 Solano Avenue, #493 Berkeley, CA. 94707

Notice is effective on the date of personal service, or 5 days following deposit in a United States mailbox, or date of postmark. The parties may agree to service by email.

20. THIRD PARTY BENEFICIARIES

Nothing contained in this Agreement shall be construed to create, and the parties do not intend to create, any rights in third parties.

21. ASSIGNMENT

CONSULTANT shall not assign the performance of this Agreement, nor any part thereof, nor any monies due hereunder, without prior written consent of CITY. Because of the personal nature of the Services to be rendered pursuant to this Agreement, only CONSULTANT shall perform the Services described in this Agreement. CONSULTANT may use assistants, under their direct supervision, to perform some of the Services under this Agreement.

22. LICENSES

At all times during the term of this Agreement, CONSULTANT shall have in full force and effect, all licenses required of it by law for the performance of the Services described in this Agreement. CONSULTANT shall obtain a valid City Business License and shall maintain said Business License for the term of this Agreement and any extensions.

23. GOVERNING LAW

City and CONSULTANT understand and agree that the laws of the State of California shall govern the rights, obligations, duties, and liabilities of the parties to this Agreement and also govern the interpretation of this Agreement. Any litigation concerning this Agreement shall take place in Monterey County, or federal district court with jurisdiction over City. CONSULTANT agrees not to commence or prosecute any dispute arising out of or in

connection with this Agreement other than in the aforementioned courts and irrevocably consents to the exclusive personal jurisdiction and venue of the aforementioned courts.

24. ENTIRE AGREEMENT

This Agreement contains the entire understanding between the parties relating to their obligations described in this Agreement. All prior or contemporaneous agreements, understandings, representations, and statements, oral or written and pertaining to the subject of this Agreement or with respect to the terms and conditions of this Agreement, are merged into this Agreement and shall be of no further force or effect. Each party is entering into this Agreement based solely upon the representations set forth herein and upon each party's own independent investigation of any and all facts such party deems material. No amendment shall be valid unless in writing, executed by both parties.

25. DISPUTE RESOLUTION; ATTORNEY'S FEES

CONSULTANT shall continue to perform under this Agreement during any dispute. CONSULTANT and City hereby agree to make good faith efforts to resolve disputes as quickly as possible. In the event any dispute arising from or related to this Agreement results in litigation or arbitration, the prevailing party shall be entitled to recover all reasonable costs incurred, including court costs, attorney fees, expenses for expert witnesses (whether or not called to testify), expenses for accountants or appraisers (whether or not called to testify), and other related expenses. Recovery of these expenses shall be as additional costs awarded to the prevailing party, and shall not require initiation of a separate legal proceeding.

26. WORK SCHEDULED/TIME OF COMPLETION

City and CONSULTANT agree that time is of the essence in this Agreement.

27. AUTHORITY TO EXECUTE THIS AGREEMENT

The person or persons executing this Agreement on behalf of CONSULTANT warrants and represents that they have the authority to execute this Agreement on behalf of the CONSULTANT and have the authority to bind CONSULTANT to the performance of its obligations hereunder.

28. INTERPRETATION OF CONFLICTING PROVISIONS

In the event of any conflict or inconsistency between the provisions of this Agreement and the Provisions of any exhibit or other attachment to this Agreement, the provisions of this Agreement shall prevail and control.

29. SEVERABILITY

If any term of this Agreement is held invalid by a court of competent jurisdiction or arbitrator the remainder of this Agreement shall remain in effect.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed the day and year first above written.

CITY OF PACIFIC GROVE

By: Nick Cina
Risk Manager

Date: 01/12/26

By: Matthew Mogensen
Matthew Mogensen (Jan 12, 2026 10:43:45 PST)
Department Director

Date: 01/12/26

By: NC
Nick Smith (Jan 12, 2026 11:55:18 PST)
City Manager or Mayor

Date: 01/12/26

CONSULTANT

By: David Tick
David Tick (Jan 12, 2026 11:03:56 PST)
Consultant

Date: 01/12/26

By: Fred Marsh
City Administrative Services Department

Date: 01/12/26

Approved As To Form:

Alex Lorca
Alex Lorca (Jan 12, 2026 09:55:26 PST)
City Attorney

01/12/26
Date

Attachments:

	Exhibit A	Scope of Services
	Exhibit B	Payment Schedule
	Exhibit C	Insurance Requirements

EXHIBIT A

SCOPE OF SERVICES

PROPS & MEASURES
STRATEGY & COMMUNICATIONS

Proposal for Ballot Measure Feasibility, Preparation and Outreach Services

Prepared for
City of Pacific Grove

EXHIBIT A

About Props & Measures

Props & Measures is a non-partisan strategy and communications consulting firm specializing in bond, tax and other public finance ballot measures supporting public programs, services and facilities. Props & Measures (formerly known as TBWBH Props & Measures and TBWB Strategies) launched in 2005 as an offshoot of Terris Barnes & Walters Political Media, which has been winning campaigns in California since 1988. The firm is fully remote and has staff located throughout the Bay Area and Sacramento. Our website can be found at www.PropsandMeasures.com

Building Public Consensus in Communities Throughout California
Successful revenue measures are built upon a foundation of strong community consensus. We work with our clients to identify shared community priorities and values to identify the elements of a successful revenue proposal. We have built community consensus for revenue measures in hundreds of communities throughout our home state of California and many communities across the country. We know how to develop successful revenue proposals and communicate with voters in urban, suburban and rural communities.

Unparalleled Experience
The partners and consultants at Props & Measures have experience with numerous successful public finance ballot measures that have raised billions of dollars in voter-approved revenue for public programs, services and facilities. The successful measures include real property transfer taxes, bonds, parcel taxes, sales taxes, transient occupancy taxes, utility users taxes, assessments and fees. We help cities, counties, school districts, community colleges, parks, water and open space districts, fire districts, libraries, healthcare districts, transportation and transit agencies and others.

Commitment to Client Service
We have found that a close partnership with attention to daily details is essential. We know public finance measures, and you know the community you serve. We also understand your reputation is at stake when you seek funding from your community. It's not enough just to "win," but the measure and the related messaging must help you strengthen city government's relationship with the community.

In-House Graphic Design, Digital Media and Production Coordination
Props & Measures is one of the few firms in our industry that maintains an in-house Art Department and Production Department, to produce award-winning, creative concepts and attend to all the details required for efficient and timely delivery of digital media and printed materials. Our team will make sure your materials are given the necessary attention to deliver your message to your constituents effectively and on time.

Multimedia Communications
Local residents receive their information in a variety of ways. We offer innovative multimedia communication plans that deliver your message through a combination of direct mail, email, online display advertising, pre-roll video advertising and social media advertising to ensure a thorough reach to voters and maximize visibility. Props & Measures has experience blending traditional and new media strategies to maximize the impact of your message.

Our Approach and Scope of Services



We have a proven general approach to successful revenue measures that follows four critical steps. Within each step, we customize a set of strategies and tactics to address the specific challenges, circumstances and nuances for each of our projects.

PHASE 1
Feasibility study to determine if and under what conditions the city can pass a measure.

PHASE 2
Build consensus with outreach and awareness-building strategies that position your measure for success.

PHASE 3
Build a strong measure by aligning the measure's features with the community's priorities and sensitivities.

PHASE 4
Campaign for the win by efficiently getting your message out to persuade voters and mobilize your base of support.

The first three steps in this process are typically led by the public agency pursuing the revenue measure as part of the process to evaluate, plan and prepare a measure for the ballot. All publicly funded communication during this phase must be informational and not advocacy. The fourth step in the process, once a measure is on the ballot, must be coordinated by an independent campaign committee using private resources.

PHASE 1

Feasibility Study

In collaboration with True North Research, Props & Measures will help you assess the basic viability of a potential revenue measure and identify the strategic elements needed to maximize the chances for success. During the feasibility study we'll help you tackle the most basic strategic questions that must be answered in order to identify a path to success.

Props & Measures and True North will help you answer:

- What are the highest priorities for public funding according to Pacific Grove residents?

- How do the projects the Council is interested in funding (public safety, council stipends, infrastructure etc.) stack up versus residents' priorities?
- How does the external environment of the economy affect your chances?
- What are the general parameters (in dollars) of the tax tolerance among residents right now?
- Does sufficient community awareness of your needs already exist, or is proactive outreach required to build awareness? What are the key messages voters need to hear and what are the most effective channels for communication?
- How might specific exemptions or accountability protections be included in a successful measure?
- What competing issues must be considered before moving forward?

To answer these questions, our team will carefully assess your needs, funding options, and competing issues in the community. To obtain a deeper understanding of current attitudes and opinions in your community, Props & Measures will work with True North Research to conduct opinion research with local voters. Our team will work closely with you to outline your research options, explain the tradeoffs for the different approaches, and create a specific research scope that best meets the needs of your community. In conjunction with True North Research, we'll help you interpret the results and turn the data into an actionable plan for moving forward. We'll also help you interpret and present recommendations to your administrative team, the Council, and other key stakeholders to build consensus around a unified strategic approach.

PHASE 2

Build Consensus

Based on the findings from the survey and feasibility assessment, if the decision is made to move forward with a measure, Props & Measures will help develop and implement a public information and outreach program to educate the community about your funding needs and build broad community consensus around a revenue solution.

Specifically, Props & Measures will:

- Develop informational messaging and a plan for disseminating the message to key audiences
- Provide talking points, answers to frequently asked questions and a message training to key staff, employee groups and elected officials that will be speaking publicly about this issue
- Provide information to be added to your website, distributed through social media and included in newsletters
- Prepare presentations for community meetings
- Write, design and produce informational mailings and advertising to educate, inform and engage voters
- Develop strategies and plans to inform and engage key internal stakeholder groups within the city and partner organizations
- Develop strategies for managing coverage of this issue in the local press
- Develop strategies and plans to inform and engage influential external groups including elected leaders, business leaders, neighborhood leaders, faith community leaders and taxpayer groups

Props & Measures has expertise in traditional communication strategies like direct mail, print advertising and earned media. We are also experts in utilizing online strategies such as social media, digital advertising and video. Our in-house graphic design and production capabilities allow us to deliver the highest level of strategic and creative communication for our clients.

PHASE 3

Build a Strong Measure

Once we know what a viable, winnable ballot measure looks like, Props & Measures will work with you to develop a revenue measure and qualify for the ballot.

During this phase of work, Props & Measures will:

- Work with you and your financial team to finalize the tax type, tax rates and the structure of your measure
- Refine the description of your needs and/or expenditure plan to make sure they are written in clear and understandable language featuring projects and programs that are high priorities for voters
- Work with you and your legal counsel to define important taxpayer accountability protections, including any potential independent citizens' oversight committee and public reporting process, if needed
- Work with you and your legal counsel to develop all resolutions required for calling the election
- Develop the critical ballot question that will appear on ballots
- Develop and refine the full text of the measure and other materials that will appear in the ballot pamphlet mailed to all voters
- Present recommendations and documents to the City Council for formal approval

PHASE 4

Campaign for the Win*

The next step in the process is to mount a strategic advocacy campaign to secure the votes needed to win on Election Day. This is the only step in the process that cannot be funded with public dollars. While public agencies can continue to provide information to residents about the measure, only a privately funded campaign committee can advocate for the measure. We will work with you to understand if volunteers are available and motivated to step forward to run such an effort. Typically, as consultants to volunteer campaign committees, we build campaign plans with the following elements to ensure the best possible chance of success on Election Day:

- **Effective messaging and materials.** Campaign logos, brochures, websites, social media and other materials must be eye-catching and have a local feel in order to persuade and motivate voters effectively.
- **Avoiding controversy and obstacles.** We can't take anything for granted in today's economic and political environment. To win, it is important to run an organized campaign that avoids controversy and neutralizes opposition to the extent possible.
- **Good teamwork.** We strive to build broad coalitions that include support from business, labor and the full spectrum of political ideologies.

- **Efficient grassroots organizing.** The time and energy of your volunteers are precious resources. We'll work with you to develop a plan that maximizes the impact of their efforts on the outcome of the election.
- **Strong fundraising.** Fundraising for local ballot measures can be a challenge. It takes resources to get your message out to the voters who will determine the outcome of your election. We believe the key is forming a campaign committee well in advance whose primary job is to raise money for the measure. We can help you brainstorm ideas for committee members based on our knowledge of the local landscape. We generally value "doers" on a committee over big names, unless the big names are also willing to participate actively in day-to-day call time and other mechanisms for raising money.

Note: The information provided in Step 4 is intended as information to convey Props & Measures' full range of services available to assist with the tax measure process. The services described here are **not proposed as part of the scope of services for the City of Pacific Grove. If a tax measure is placed on the ballot and an independent advocacy committee forms, these services would be offered to that group and privately funded under a separate agreement.*

Fees & Costs

As is the standard in our industry, Props & Measures contracts on a fixed-fee basis. Our standard consulting fee is $6,500 per month, pro-rated from the date of contract approval to the Council's vote to place a measure on the ballot. Our fee doesn't change regardless of how many times you need us on the phone, responding to emails, or attending online meetings. We don't want you to hesitate to call on us when you need us.

Travel for meetings is billed separately, and while we are willing to travel to meetings since the COVID pandemic, our staff has successfully navigated working primarily remotely and is available for video and phone conferencing.

As highlighted in this proposal, if the feasibility study shows a path forward for a successful measure, we recommend that the district communicate with parents and voters, and the method of doing so is via informational mailers and digital media.

Sample pricing for informational mailings to all registered voters in the City of Pacific Grove (~10,602 voters in ~ 5,951 households) is included here. Actual pricing will depend on exact specifications and quantities. Should the City decide to engage in broader informational communication efforts, below we have provided pricing for production and distribution of informational mail.

Direct Mail:
Direct mail is priced separately on a per-piece basis as follows for informational mailings to all registered voters in the City of Pacific Grove – approximately 10,602 voters in 5,951 households. We recommend sending two mailers.

- 11x17, one-fold brochure or equivalent on 100# text: $10,430
- 11x17, one-fold brochure on 7 pt. with a tear-off return card: $11,750

Pricing includes design, stock photography, pre-press, print, mailing labels and address de-duping, ink jetting, postal handling including postage, shipping, bulk mailing forms, postal check-in, and applicable sales tax.

Fees and Costs

Phase 1 Consulting	December 2025 – February 2026	$19,500
Phase 2-3 Consulting	March 2026 – August 2026	$39,000
Informational Mailings	2 Mailings	$22,180
Expenses (Travel, copies, etc.)		$5,000
Baseline survey		$28,650
Tracking survey (*If needed)*		$27,200
Total NTE		**$141,530**

Revenue Measure Survey

Proposal for Research & Consulting

Prepared for the

City of Pacific Grove



November 2025

TrueNorth Research
1592 N Coast Highway 101
Encinitas, CA 92024
PH: 760.632.9900
www.tn-research.com

PACIFIC GROVE

RESEARCH PROPOSAL

True North Research (True North) is pleased to present this proposal to provide voter opinion research and revenue measure consulting services to the City of Pacific Grove (City). Based on our discussions with Props & Measures and our experience designing hundreds of similar surveys for California cities, True North understands that the City is interested in using the survey to produce an unbiased, *statistically reliable* evaluation of voters' interest in funding city services with a local revenue measure, as well as identify how to structure a measure so that it is well-aligned with the electorate's priorities and sensitivities. In short, the goal is to assess the feasibility of placing a revenue measure on the November 2026 ballot and—if feasible—determine how best to package a measure for voter approval.

SCOPE OF WORK The scope of services that we propose to perform for the City includes all tasks associated with designing, conducting and analyzing the survey, as well as presenting the results. Briefly, the scope of services includes:

- Meet with the City to thoroughly discuss the research objectives and methodology for the study, as well as discuss potential challenges, concerns, and issues that may surround the study.
- Develop a stratified and clustered sample of voters who—based on their voting history and registration status—are likely to participate in the election of interest (November 2026) on the natural or through targeted outreach efforts.
- Develop a draft questionnaire for the City's review and make revisions as needed until all parties approve of the instrument.
- Pre-test the survey instrument to ensure its integrity.
- CATI (Computer Assisted Telephone Interviewing) program the finalized survey instrument to ensure accurate and reliable data collection using live telephone interviewers.
- Web program the same survey instrument to allow for secure, password-protected online survey participation and data collection.
- Recruit participation in the survey using a combination of email, text messages, and telephone calls.
- Complete *at least* 250 quality interviews according to the sampling plan and a strict interviewing protocol. Any interviews collected beyond 250 will be provided to the City at no additional cost. It is expect that the average interview will last between 15 to 17 minutes.
- Process the data, which includes conducting validity checks, cleaning, recoding, coding open-end responses, and adjusting for strategic oversampling (if used) through a statistical procedure known as 'weighting'.
- Prepare an initial topline summary which presents the overall findings of the survey.
- Prepare a thorough report on the findings, including a detailed question-by-question analysis, description of the methodology, an executive summary of the key findings and conclusions/recommendations, as well as a comprehensive set of crosstabulations showing how the answers varied by subgroups of voters. The report will include

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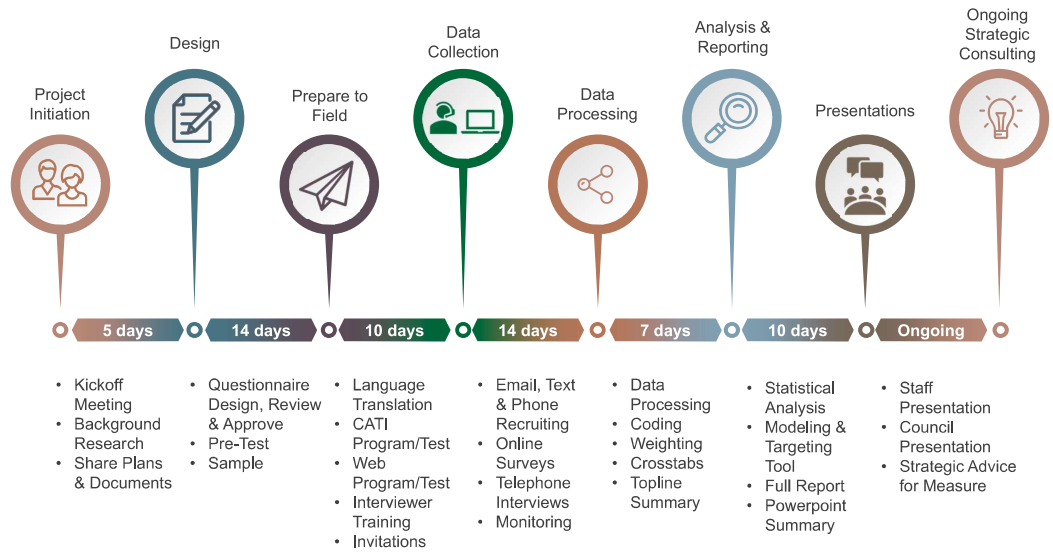


extensive full-color graphics displaying the findings, as well as insightful narrative discussion of the results and their implications.

- Prepare an electronic copy of the final report to allow the City to reproduce the report as needed.
- Prepare a PowerPoint presentation of the results and present the results to the City via Zoom or similar platform.
- Be available to assist and provide advice to the City after the survey is complete.

TIME LINE True North will work with the City to establish a project schedule that meets the City's needs. Figure 1 below presents a typical time line for a voter survey that shows the stages of a survey project, the number of days that we recommend devoting to each stage, as well as the key research tasks that are completed in each stage. We have the flexibility and resources to adjust this time line if the City desires, and we can apply this time line to any start date set by the City.

FIGURE 1 PROPOSED TIME LINE



COSTS True North's fixed-fee cost estimate to design and conduct the baseline survey as described in this proposal is $28,650. If advised and approved by the City, the costs for a subsequent tracking survey will be $27,200. These costs are inclusive of all tasks and deliverables, with the exception of travel time and expenses (if needed).

PACIFIC GROVE

About True North

True North is a full-service survey research firm that is dedicated to providing California municipalities and public agencies with a clear understanding of the opinions, perceptions, priorities and behaviors of their residents and voters. Through designing and implementing scientific surveys, focus groups and one-on-one interviews, as well as expert interpretation of the findings, True North helps its clients to move with confidence when making strategic decisions in a variety of areas—such as performance measurement, planning, budgeting, revenue enhancement, and developing effective public engagement/communications strategies.

As specialists in research methodology and the public sector, our clients span the full range of public agencies including cities, counties, special districts, utilities, councils of government, educational institutions, state agencies, and federal agencies. The diversity of our public sector clientele has enabled us to perform research at the local, regional, state, national, and international levels.

Company Specifics True North Research was co-founded in 2002 as a two-person survey consulting firm by Dr. McLarney and Mr. Sarles and is a certified Small Business Enterprise (SBE) and S-Corporation in good standing with the State of California. Although we have had many opportunities to expand our business during the past 23 years, we have chosen to maintain True North as a two-person research team. Dr. McLarney and Mr. Sarles still manage every aspect of every True North project. We are an extremely efficient, collaborative team of two—and we have chosen to keep it that way so that our clients continue to receive exceptionally high quality customer service and research insights.

Revenue Measure Experience Creating revenue measures that are ultimately approved by the necessary percentage of voters is difficult, especially in the State of California. Successful measures require insightful research and sound, strategic advice. One testimony to the accuracy of our research and the reliability of our strategic advice is that we have the highest verifiable success rate in the State of California for revenue measures over the past decade (93%), and a 100% success rate in seven of the past ten election cycles. To date, we have helped our clients raise over **$42 billion** in voter approved revenue measures, including more than $7 billion in the past year alone (2024). Our experience includes all types of revenue measures including general and special sales taxes (transactions & use taxes), parcel taxes, bonds, transient occupancy taxes, utility users taxes, real estate transfer taxes, business licence taxes, benefit assessments, and property-related fees.

Municipal Clients During their careers, Dr. McLarney and Mr. Sarles have designed and conducted more than 500 surveys for California municipalities to help them identify community priorities with respect to city services and facilities, as well as identify how best to plan for and invest in service, facility, and infrastructure improvements. Below is a list of the California municipalities for which Dr. McLarney and Mr. Sarles have personally designed and conducted community and voter surveys. It's worth nothing that many of these municipalities have selected True North as their research partner for multiple surveys, with repeated engagements spanning more than two decades.

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True North's Municipal Clients

Agoura Hills	Cypress	Lake Elsinore	Rocklin
Alhambra	Dana Point	Lake Forest	San Anselmo
Aliso Viejo	Del Mar	Lathrop	San Carlos
Anaheim	Diamond Bar	Lemon Grove	San Clemente
Apple Valley	East Palo Alto	Lompoc	San Diego
Arroyo Grande	Eastvale	Long Beach	San Dimas
Atascadero	El Cajon	Los Angeles	San Gabriel
Atherton	Encinitas	Los Gatos	San Jose
Azusa	Escondido	Madera	San Luis Obispo
Baldwin Park	Folsom	Malibu	San Marcos
Banning	Fontana	Manhattan Beach	San Marino
Barstow	Fremont	Menifee	San Mateo
Belvedere	Gilroy	Mission Viejo	Santa Barbara
Beverly Hills	Glendale	Modesto	Santa Clarita
Big Bear Lake	Glendora	Moorpark	Santa Monica
Brea	Goleta	Murrieta	Signal Hill
Buellton	Grand Terrace	Norwalk	Solana Beach
Buena Park	Half Moon Bay	Oceanside	South Lake Tahoe
Burbank	Hemet	Oxnard	South Pasadena
Campbell	Hesperia	Palmdale	Temecula
Carlsbad	Huntington Beach	Petaluma	Thousand Oaks
Cerritos	Indian Wells	Pico Rivera	Truckee
Chino	Irvine	Placentia	Upland
Chula Vista	Kerman	Port Hueneme	Ventura
Claremont	La Canada-Flintridge	Rancho Cucamonga	Watsonville
Clayton	La Mesa	Rancho Palos Verdes	West Hollywood
Commerce	La Palma	Rancho Santa Margarita	Westlake Village
Coronado	La Verne	Redlands	Whittier
Costa Mesa	Laguna Beach	Redondo Beach	Yorba Linda
Cudahy	Laguna Niguel	Riverside	Yucca Valley

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Project Team

Most research firms manage survey projects through division of labor and a *lot* of delegation. Although the Principals may appear for the interview and for client meetings, their involvement beyond that point is generally negligible. The Project Manager's role is to be the point of contact and help design the study, but even they only handle about 20% of the workload. The unfortunate reality is that most of the important research tasks—data processing, data analysis, report writing, presentation building—are delegated to junior-level staff. And the bigger the firm, the more projects they manage, the more they rely on junior staff to get the work done.

We do things **differently** at True North. We believe the best approach to research is to have the person with the *most* experience and expertise in the firm roll up their sleeves and actually do the work. Dr. McLarney will not only serve as the Project Manager and the day-to-day contact for the City, he will personally perform about 70% of the research tasks including all survey design, analysis, report writing, and presentations. We have purposely kept True North as a single office, two-person research team because of our commitment to this project management model and the many benefits it provides to our clients.

Our approach to managing projects is one of the things that makes True North unique, as every task of your study will be performed by a highly-trained principal with 25+ years of experience. Put another way: You don't need to pick up the phone to get the attention of our principals - we are there with you at every step, doing (not delegating) the research.

PROJECT ORGANIZATION True North Research will serve as prime contractor at the direction of the City of Pacific Grove. As shown in the figure to the right, Dr. Timothy McLarney (President of True North) will be the Project Manager for the study and will perform all key design, analysis, and reporting tasks. Richard Sarles (Principal Researcher at True North) will assist with programming, testing, data processing, quality control, and graphics production. The telephone and online interviews will be conducted by the same high quality, professional data collection firm (Dynata) that True North has teamed with to complete more than 1,000 community and voter opinion surveys.

RESUMES & ROLES For the City's reference, the following paragraphs provide additional information about Dr. McLarney's and Mr. Sarles' respective roles on this project, as well as their education and research backgrounds. Dr. McLarney and Mr. Sarles are committed to working with the City of Pacific Grove for the duration of this project—there will be no staff turnover, substitutions, or changes.



Timothy McLarney, Ph.D.
President

Role: Project Manager & Lead

Project Manager	Day-to-Day Contact
Sampling Design	Questionnaire Design
Analysis	Report Writing
Presentations	Strategic Consulting



Richard Sarles, M.S.
Principal Researcher

Role: Data Science & Support

Programming	Testing
Data Collection	Quality Control
Data Processing	Graphics

dynata™

Telephone & Online Data Collection

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Project Manager **Timothy McLarney, Ph.D.**, will serve as the Project Manager for the proposed survey and will be the City's point of contact on all matters related to the study. Dr. McLarney will lead all design, analysis, reporting and presentation tasks. Approximately 70% of the research tasks will be performed directly by Dr. McLarney.

Dr. McLarney has more than 25 years of experience in survey methodology, statistics, public opinion analysis, and providing data-driven strategic advice to public agencies. During his career, he has occupied a lead role in over 1,500 research studies, including more than 500 revenue measure feasibility surveys. To date, Dr. McLarney's research has led to over $42 billion in voter-approved revenue measures at the *local* level in California.

Dr. McLarney is a nationally recognized expert in survey research methodology, sampling theory, weighting, and the use of statistical methods to generalize survey results. His research has been published in academic journals and has earned him honors including the Andrew Mellon Fellowship (Cornell University), Sage Fellowship (Cornell University), and the title of Visiting Scholar at the Institute of Governmental Studies at UC Berkeley. He has also served as an independent expert witness in survey research methodology for California legal cases.

Dr. McLarney earned his Ph.D. and M.A. in Government from Cornell University with an emphasis in survey methodology, sampling theory, data science, and public opinion analysis, as well as a Bachelor's degree in Politics from UC Santa Cruz.

Principal Researcher **Richard Sarles, M.S.**, will assist Dr. McLarney with managing data collection, data processing, quality control, and graphics production. As Principal Researcher and co-founder of True North Research, Mr. Sarles has more than 25 years of expertise in survey research and data science, specializing in database management, sampling methodology, statistical analysis, and results interpretation. Throughout his career, Mr. Sarles has proven to be exceptional in transforming complex data sets into actionable insights that drive strategic decision-making. With experience spanning over 1,500 research studies, he has collaborated with local, state, and federal government agencies, Fortune 500 companies, and nonprofit organizations, delivering valuable, data-driven guidance across diverse sectors.

Before co-founding True North Research, Mr. Sarles served as the Associate Research Director at another west-coast research firm. A published author, his work has been cited in sociological, psychological, and industry-specific journals. Mr. Sarles holds an M.S. in Experimental Psychology with an emphasis in statistics from Illinois State University, where he graduated magna cum laude, as well as a B.S. in Psychology from the same institution, where he achieved summa cum laude honors.

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CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 11/13/2025

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER	CONTACT NAME: Kate Cote	
Renewable Guard Insurance Brokers, LLC 155 Montgomery Street Suite 507 San Francisco CA 94104	PHONE (A/C, No, Ext): (800) 267-0311	FAX (A/C, No):
	E-MAIL ADDRESS: kate.cote@ventureguardins.com	
	INSURER(S) AFFORDING COVERAGE	NAIC #
	INSURER A : Hanover Fire & Casualty Ins Co	
	INSURER B : Hiscox Insurance Company	10200
	INSURER C :	
	INSURER D :	
	INSURER E :	
	INSURER F :	

INSURED
Terris Barnes Walters Boigon Heath Lester Inc, DBA: CleanSweep 1569 Solanoa Ave #93 Berkeley CA 94707

COVERAGES **CERTIFICATE NUMBER:** CL25111302620 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	☒ COMMERCIAL GENERAL LIABILITY ☐ CLAIMS-MADE ☐ OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: ☒ POLICY ☐ PRO-JECT ☐ LOC ☐ OTHER:	Y		OBF-D431868-10	10/01/2025	10/01/2026	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG	$ 2,000,000 $ 300,000 $ 10,000 $ $ 4,000,000 $ 4,000,000
	AUTOMOBILE LIABILITY ☐ ANY AUTO ☐ OWNED AUTOS ONLY ☐ SCHEDULED AUTOS ☐ HIRED AUTOS ONLY ☐ NON-OWNED AUTOS ONLY						COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)	$ $ $ $
	☒ UMBRELLA LIAB ☐ OCCUR ☐ EXCESS LIAB ☐ CLAIMS-MADE ☐ DED ☐ RETENTION $	Y		OBF-D431868-10	10/01/2025	10/01/2026	EACH OCCURRENCE AGGREGATE Products - Comp/ Op	$ 1,000,000 $ 1,000,000 $ 1,000,000
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? Y / N ☐ (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	N / A	Y	W2F-D361933-10	10/01/2025	10/01/2026	☐ PER STATUTE ☐ OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	 $ 1,000,000 $ 1,000,000 $ 1,000,000
B	Errors and Omissions	Y		US UUA 2630235.25	10/01/2025	10/01/2026	Each Occurence General Aggregate	1,000,000 2,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

City of Pacific Grove and its officers, employees, agents, and volunteers shall be additional insureds under such policies when required by a written contract. Primary Non-Contributory. Waiver of Subrogation is applicable.

CERTIFICATE HOLDER

City of Pacific Grove
300 Forest Ave
Pacific Grove CA 93950

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE



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EXHIBIT B

PAYMENT SCHEDULE

Fees & Costs

As is the standard in our industry, Props & Measures contracts on a fixed-fee basis. Our standard consulting fee is $6,500 per month, pro-rated from the date of contract approval to the Council's vote to place a measure on the ballot. Our fee doesn't change regardless of how many times you need us on the phone, responding to emails, or attending online meetings. We don't want you to hesitate to call on us when you need us.

Travel for meetings is billed separately, and while we are willing to travel to meetings since the COVID pandemic, our staff has successfully navigated working primarily remotely and is available for video and phone conferencing.

As highlighted in this proposal, if the feasibility study shows a path forward for a successful measure, we recommend that the district communicate with parents and voters, and the method of doing so is via informational mailers and digital media.

Sample pricing for informational mailings to all registered voters in the City of Pacific Grove (~10,602 voters in ~ 5,951 households) is included here. Actual pricing will depend on exact specifications and quantities. Should the City decide to engage in broader informational communication efforts, below we have provided pricing for production and distribution of informational mail.

Direct Mail:
Direct mail is priced separately on a per-piece basis as follows for informational mailings to all registered voters in the City of Pacific Grove – approximately 10,602 voters in 5,951 households. We recommend sending two mailers.

- 11x17, one-fold brochure or equivalent on 100# text: $10,430
- 11x17, one-fold brochure on 7 pt. with a tear-off return card: $11,750

Pricing includes design, stock photography, pre-press, print, mailing labels and address de-duping, ink jetting, postal handling including postage, shipping, bulk mailing forms, postal check-in, and applicable sales tax.

Fees and Costs

Phase 1 Consulting	December 2025 – February 2026	$19,500
Phase 2-3 Consulting	March 2026 – August 2026	$39,000
Informational Mailings	2 Mailings	$22,180
Expenses (Travel, copies, etc.)		$5,000
Baseline survey		$28,650
Tracking survey (*If needed)*		$27,200
Total NTE		**$141,530**

EXHIBIT B

EXHIBIT C

INSURANCE

EXHIBIT C

INSURANCE REQUIREMENTS

Without limiting CONSULTANT's indemnification of City, and prior to commencement of Work, CONSULTANT shall obtain, provide and maintain at its own expense during the term of this Agreement, policies of insurance of the type and amounts described below and in a form satisfactory to City.

General liability insurance. CONSULTANT shall maintain commercial general liability insurance with coverage at least as broad as Insurance Services Office form CG 00 01, in an amount not less than $1,000,000 per occurrence, $2,000,000 general aggregate, for bodily injury, personal injury, and property damage. The policy must include contractual liability that has not been amended. Any endorsement restricting standard ISO "insured contract" language will not be accepted.

Automobile liability insurance. CONSULTANT shall maintain automobile insurance at least as broad as Insurance Services Office form CA 00 01 covering bodily injury and property damage for all activities of the Consultant arising out of or in connection with Work to be performed under this Agreement, including coverage for any owned, hired, non-owned or rented vehicles, in an amount not less than $1,000,000 combined single limit for each accident.

Professional liability (errors & omissions) insurance. CONSULTANT shall maintain professional liability insurance that covers the Services to be performed in connection with this Agreement, in the minimum amount of $1,000,000 per claim and in the aggregate. Any policy inception date, continuity date, or retroactive date must be before the effective date of this Agreement and CONSULTANT agrees to maintain continuous coverage through a period no less than three (3) years after completion of the Services required by this Agreement.

Workers' compensation insurance. CONSULTANT shall maintain Workers' Compensation Insurance (Statutory Limits) and Employer's Liability Insurance (with limits of at least $1,000,000).

CONSULTANT shall submit to CITY, along with the certificate of insurance, a Waiver of Subrogation endorsement in favor of CITY, its officers, agents, employees and volunteers.

Umbrella or excess liability insurance. CONSULTANT shall obtain and maintain an umbrella or excess liability insurance policy with limits that will provide bodily injury, personal injury and property damage liability coverage at least as broad as the primary coverages set forth above, including commercial general liability, automobile liability, and employer's liability. Such policy or policies shall include the following terms and conditions:

- A drop down feature requiring the policy to respond if any primary insurance that would otherwise have applied proves to be uncollectible in whole or in part for any reason;
- Pay on behalf of wording as opposed to reimbursement;
- Concurrency of effective dates with primary policies;
- Policies shall "follow form" to the underlying primary policies; and

- Insureds under primary policies shall also be insureds under the umbrella or excess policies.

Other provisions or requirements

Proof of insurance. CONSULTANT shall provide certificates of insurance to City as evidence of the insurance coverage required herein, along with a waiver of subrogation endorsement for workers' compensation. Insurance certificates and endorsements must be approved by City's Risk Manager prior to commencement of performance. Current certification of insurance shall be kept on file with City at all times during the term of this contract. City reserves the right to require complete, certified copies of all required insurance policies, at any time.

Duration of coverage. CONSULTANT shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property, which may arise from or in connection with the performance of the Work hereunder by CONSULTANT, his agents, representatives, employees or subconsultants.

Primary/noncontributing. Coverage provided by CONSULTANT shall be primary and any insurance or self-insurance procured or maintained by City shall not be required to contribute with it. The limits of insurance required herein may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of City before the City's own insurance or self-insurance shall be called upon to protect it as a named insured.

City's rights of enforcement. In the event any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced, City has the right but not the duty to obtain the insurance it deems necessary and any premium paid by City will be promptly reimbursed by CONSULTANT or City will withhold amounts sufficient to pay premium from CONSULTANT payments. In the alternative, City may cancel this Agreement.

Acceptable insurers. All insurance policies shall be issued by an insurance company currently authorized by the Insurance Commissioner to transact business of insurance or is on the List of Approved Surplus Line Insurers in the State of California, with an assigned policyholders' Rating of A- (or higher) and Financial Size Category Class VI (or larger) in accordance with the latest edition of Best's Key Rating Guide, unless otherwise approved by the City's Risk Manager.

Waiver of subrogation. All insurance coverage maintained or procured pursuant to this agreement shall be endorsed to waive subrogation against CITY, its elected or appointed officers, agents, employees and volunteers or shall specifically allow CONSULTANT or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. CONSULTANT hereby waives its own right of recovery against City, and shall require similar written express waivers and insurance clauses from each of its subconsultants.

Enforcement of contract provisions (non estoppel). CONSULTANT acknowledges and agrees that any actual or alleged failure on the part of the City to inform CONSULTANT of non-compliance with any requirement imposes no additional obligations on the City nor does it waive any rights hereunder.

Requirements not limiting. Requirements of specific coverage features or limits contained in this Section are not intended as a limitation on coverage, limits or other requirements, or a waiver of any coverage normally provided by any insurance. Specific reference to a given coverage feature is for purposes of clarification only as it pertains to a given issue and is not intended by any party or insured to be all inclusive, or to the exclusion of other coverage, or a waiver of any type. If the Consultant maintains higher limits than the minimums shown above, the City requires and shall be entitled to coverage for the higher limits maintained by the Consultant. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City.

Notice of cancellation. Consultant agrees to oblige its insurance agent or broker and insurers to provide to CITY with a thirty (30) day notice of cancellation (except for nonpayment for which a ten (10) day notice is required) or nonrenewal of coverage for each required coverage.

Additional insured status. General liability policies shall provide or be endorsed to provide that City and its officers, employees, agents, and volunteers shall be additional insureds under such policies. This provision shall also apply to any excess/umbrella liability policies.

Prohibition of undisclosed coverage limitations. None of the coverages required herein will be in compliance with these requirements if they include any limiting endorsement of any kind that has not been first submitted to City and approved of in writing.

Separation of insureds. A severability of interests provision must apply for all additional insureds ensuring that Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the insurer's limits of liability. The policy(ies) shall not contain any cross-liability exclusions.

Pass through clause. CONSULTANT agrees to ensure that its subconsultants, subcontractors, and any other party involved with the project who is brought onto or involved in the project by CONSULTANT, provide the same minimum insurance coverage and endorsements required of CONSULTANT. CONSULTANT agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this section. CONSULTANT agrees that upon request, all agreements with consultants, subcontractors, and others engaged in the project will be submitted to City for review.

City's right to revise specifications. The City reserves the right at any time during the term of the contract to change the amounts and types of insurance required by giving the CONSULTANT ninety (90) days advance written notice of such change. If such change results in substantial additional cost to the CONSULTANT, the City and CONSULTANT may renegotiate CONSULTANT's compensation.

Self-insured retentions. Any self-insured retentions must be declared to and approved by City. City reserves the right to require that self-insured retentions be eliminated, lowered, or replaced by a deductible. Self-insurance will not be considered to comply with these specifications unless approved by City.

Timely notice of claims. CONSULTANT shall give City prompt and timely notice of claims made or suits instituted that arise out of or result from CONSULTANT's performance under this Agreement, and that involve or may involve coverage under any of the required liability policies.

Additional insurance. CONSULTANT shall also procure and maintain, at its own cost and expense, any additional kinds of insurance, which in its own judgment may be necessary for its proper protection and prosecution of the work.

Pacific Grove Professional Services Agreement - Props and Measures

Final Audit Report 2026-01-12

Created:	2026-01-12
By:	Nick Cina (ncina@cityofpacificgrove.org)
Status:	Signed
Transaction ID:	CBJCHBCAABAA15ihQHemiirDoRU0OEgsryDjd60N9Ird

"Pacific Grove Professional Services Agreement - Props and Measures" History

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CITY OF PACIFIC GROVE

300 Forest Avenue, Pacific Grove, California 93950

AGENDA REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Daniel Gho, Public Works Director/Deputy City Manager

MEETING DATE: January 21, 2026

SUBJECT: Chautauqua Hall Architectural Award and Funding Agreement

CEQA: Does not constitute a Project per California Environmental Quality Act Guidelines Section 15378

RECOMMENDATION

1. Enter into an agreement with Hunter Porter Eldridge Architecture for Chautauqua Hall Architectural Services in an amount not to exceed $176,608 plus a 10% contingency.
2. Authorize the execution of a funding agreement between the Heritage Society of Pacific Grove and the City for the reimbursement for Architectural Services for Chautauqua Hall.
3. Alternatively, discuss and take other action related to this item.

DISCUSSION

The Pacific Grove Retreat Association built Chautauqua Hall in 1881 as a chapel, meeting hall, schoolhouse, and tent storage facility for the annual summer meeting attendees. Acquired by the City in 1922, it has served as a Boy Scout headquarters, recreation center, dance hall, and an important community meeting space.

Chautauqua was an adult education movement that began in the late 19th century near Lake Chautauqua in New York. The movement provided a variety of educational, cultural, and religious activities, including lectures, concerts, and classes. In 1875, the oceanfront setting of today's Pacific Grove hosted the first Chautauqua of the West, a year that is now recognized as the community's founding. In 1970, Chautauqua Hall was listed as California Registered Historical Landmark No. 839.

Chautauqua Hall is a wood-framed structure measuring 112 feet by 50 feet and located at 162 Sixteenth Street on the corner of Central Avenue. The main hall's interior is two stories high, with two single-story multi-purpose rooms opening onto Seventeenth Street at the west end. A kitchen, bathrooms, and a mezzanine area are located between the meeting spaces.

To preserve its significance as a California Registered Historical Landmark and ensure its continued role as an important community cultural and event center, the City engaged Wiss, Janney, Elstner Associates, Inc. (WJE) to prepare a building assessment of Chautauqua Hall, which can be found here. The report, delivered in January 2024, provides guidance for planning maintenance and future use.

Following a review of the WJE report, the City of Pacific Grove and the Heritage Society quickly

identified the need for maintenance and upgrades to the hall, with a primary focus on preservation. The Heritage Society launched a very successful fundraising campaign, which has already harnessed over $700,000 that will be used towards the Chautauqua Hall restoration. To utilize these donated funds, the City and Heritage Society have agreed upon a reimbursement agreement, attachment 1, that will be used for architectural/design services. The City will oversee the design of the project and request reimbursements from the Heritage Society per the funding agreement. For the construction of the project, an amendment to the reimbursement agreement will be drafted based on received construction cost. It is anticipated that this amendment will be presented when the City and Friends of Chautauqua Hall request award of bid for construction to the City Council.

The first step in the restoration process of Chautauqua Hall is to develop a set of plans that can be harnessed to solicit contractors and ultimately construct the improvements. In June of 2025, the City released a Request for Proposals, soliciting proposals from qualified architectural firms to develop the design, improvements and provide cost estimates for the restoration of the historic Chautauqua Hall. On August 7, 2025 the City received 6 proposals from the following firms:

1. Wald, Runke and Dost
2. Hunter Porter Eldridge
3. Goring & Straja Architecture
4. Ronald Brown Architecture
5. Page and Turnbull
6. Garavaglia

The City, along with members of the Heritage Society, reviewed the received proposal and scored them based on the firm's approach, schedule, experience, staffing, and cost. We opted to interview three firms that the review team determined would be a good fit for the Chautauqua Hall project. On September 19, 2025, the team conducted interviews of the short listed firms and selected Hunter Porter Eldridge Architectural as our top candidate.

Hunter provided the City with a proposal and developed a team that will meet all the requirements outlined in the RFP scope. His team includes the following:

Discipline	Firm	Description of Services
Architecture	Hunter Porter Eldridge Architecture	Provide Architectural services and led the project. Package up the plan set and specifications for bid distribution
Landscape Architecture	Oona Johnson Landscape Architecture	Develop the outdoor spaces and landscaping plan sets for the project
Kitchen Consultant	Patrick Stein	Will review the kitchen layout and provide kitchen design plan sets with equipment, layout, and service area
ADA Consultant	Eagle Project Management	Review existing conditions and provide consultation during design

Mechanical/Plumbing	Cole Briet Engineering	HVAC, plumbing (domestic, wastewater, gas), and electrical engineering plan sets
Structural	Mayone Structural Engineering	Review of existing structure and supports, and provide plan sets for necessary improvements
A/V	Media Systems Group	Audio and visual design. Will review and prepare a plan set for equipment purchases and installation

As Hunter and his team develop plans for the project, the Friends of Chautauqua Hall and the City of Pacific Grove will meet with him and his team to ensure our goals for Chautauqua Hall are being met, and the vision of the project is being transcribed into the plan set that is being developed.

Hunter Porter Eldridge Architecture and his team have provided the City with a proposal to design, plan, and prepare a construction bidding package for the Chautauqua Hall Restoration Project for an amount of $176,608.

OPTIONS

1. Do not approve the funding agreement.
2. Do not approve an agreement with Hunter Porter Eldridge Architectural.

FINANCIAL IMPACT:

All funding for the Architectural Services for the Chautauqua Hall Restoration Project will be derived from donations and reimbursed to the City through the Funding Agreement between the Heritage Society of Pacific Grove and the City.

FOCUSED PRIORITY AREA: Infrastructure

Attachments

Funding Agreement

AGREEMENT BETWEEN THE CITY OF PACIFIC GROVE,
AND
THE HERITAGE SOCIETY OF PACIFIC GROVE

This Agreement ("Agreement") is made as of this ____ day of _____, 2026, by and between the City of Pacific Grove, a political subdivision of the State of California (the "City"), and the Heritage Society of Pacific Grove (Society);

WHEREAS, Chautauqua Hall, located at 162 16th Street in Pacific Grove, California, is a historic wood-framed community meeting hall built in 1881;

WHEREAS, Chautauqua Hall, was listed in 1970 as a California Registered Historical Landmark No. 839 and is currently owned and managed by the City of Pacific Grove and rented out for classes, events, and used by the Boy Scouts;

WHEREAS, the Society is an Internal Revenue Code Section 501(c)(3) tax-exempt (EIN 94-2346852) organization formed to raise funds and encourage the preservation and restoration of the buildings that contribute to the beauty and unique character of Pacific Grove;

WHEREAS, the Society was formed in 1975 to foster an appreciation of the city's historical and architectural resources through preservation activities and public education;

WHEREAS, in September of 2024, the Society began a fundraising campaign to support the restoration of Chautauqua Hall;

WHEREAS, the City paid for and initiated a building assessment of Chautauqua Hall, which was completed in January of 2024, that will be the guiding project for plan development ("Project");

WHEREAS, the Society has a goal of $1,000,000 that will be used towards the restoration of the Chautauqua Hall Project;

WHEREAS, through this Agreement, the Society will reimburse the City for work/invoices that have been paid by the City for the architectural design of the project and will also reimburse for the construction contractor performing the work;

WHEREAS, upon completion of the improvements to Chautauqua Hall, the City shall maintain the building for continued community use;

WHEREAS, the Society will have no obligation to perform long term maintenance once the restoration Project is completed;

NOW, THEREFORE, in consideration of the mutual covenants contained herein, THE PARTIES HERETO AGREE AS FOLLOWS:

1. **THE CITY'S OBLIGATIONS**

A. The City shall use its best efforts to ensure that the contractors or other third parties performing services for or relating to the Renewal Project (the "Contractor(s)") shall submit invoices to City on a regular and timely basis, and, whenever possible, not less than on a monthly basis.

B. The City will issue a Request for Proposal (RFP) for design services for the Project. Upon receipt of the responses to the RFP, the City will select the preferred design firm ("Design Firm"). Prior to entering into a contract with the Design Firm, the City will provide to the Society the proposal from the Design Firm and request the Society to make a deposit of 10% with the City for the services of the Design Firm ("Deposit") to establish a reimbursement account. The City shall pay the Design Firm from the Deposit and will provide to the Society copies of the invoices from the Design Firm and a record of the payments made by the City to the Design Firm for future reimbursements.

C. The City shall be solely responsible for ensuring that all Contractor invoices are correct and accurately reflect the work completed for (or to be completed) or related to, the Renewal Project.

D. The City shall be solely responsible for ensuring that the invoices paid by the City are for work completed to the City's satisfaction.

E. For the costs of the construction of the Project, the City shall pay invoices approved by it, and shall notify the Society of the invoices paid by it for which it desires reimbursement from the Society on a monthly basis (each a "Monthly Reimbursement Request"), with such Monthly Reimbursement Request to include the name(s) of the Contractors paid and a brief description of the work performed by each Contractor. The City shall provide copies of the contractor invoices or other supporting documentation with respect to its Monthly Reimbursement Requests.

2. **THE SOCIETY'S OBLIGATIONS**:

A. The Society shall reimburse the City on a monthly basis with respect to all Monthly Reimbursement Requests submitted as to work completed and paid for by the City during the prior month. The Society, as applicable, shall issue a check (or arrange for electronic transfer of funds) within ten (10) business days of the Monthly Reimbursement Request.

B. The City agrees to use Chautauqua Hall Donation funds only for the restoration of Chautauqua Hall, as approved by the Society Board for the amount awarded for the project. The Heritage Society shall reimburse the City, limited to a maximum of $176,608 plus a 10% contingency, for

Chautauqua Hall restoration activities as described in Exhibit A 'Chautauqua Hall Design Fees'.

C. Nothing in this Agreement shall give the Society the right to deny or dispute payment of invoices, certify the completion of work on the Project, or otherwise interfere with any City decision pertaining to the Renewal Project. The City shall remain solely responsible for overseeing the Renewal Project and determining whether the work performed has been performed to the City's satisfaction and whether Contractor invoices are to be paid.

3. INDEMNIFICATION

A. City Indemnification Obligation. The City shall indemnify, defend and hold harmless the Society and such Parties' officers, directors, agents, employees and volunteers against any loss, cost, damage, expense, claim, suit, demand, or liability of any kind or character, including but not limited to reasonable attorney fees and costs (collectively "Claims or Losses"), arising from or relating to any negligent or wrongful act or omission of the Indemnifying Party, its officers, agents or employees (including, without limitation, its contractors and subcontractors), which occurs in the performance of, or otherwise in connection with, this Agreement and the Chautauqua Hall Restoration Project, including without limitation, all Claims or Losses arising out of or related the City's failure to pay any contractor or subcontractor for services performed or materials provided in connection with the Chautauqua Hall Restoration Project and all Claims or Losses arising out of any alleged defect in the work performed by the City and its contractors and subcontractors.

B. Society Indemnification Obligation. The Society shall indemnify, defend and hold harmless the City and its officers, agents and employees from and against all Claims or Losses arising out of any alleged negligent act or omission of the Heritage Society in administering or disbursing any funds that were donated or granted to such Parties, including, without limitation, any Claims or Losses asserted by any donor or grantor and any Claims or Losses arising out any alleged breach of fiduciary duty by the officers or directors of the Society in approving the expenditure of funds of the Society.

4. REPORTING

A. The City shall provide quarterly updates to the Society on City Funds remaining for disbursement. The Society shall provide quarterly reports to City with respect to donation funds remaining for disbursement at such time as such funds are to be disbursed and shall promptly notify the City if the Society determines any expenditures submitted for reimbursement are determined not to qualify for reimbursement from donations funds.

5. NOTICES

Notices required under this Agreement shall be delivered to the City and the Society at the address listed below:

For the CITY:

City of Pacific Grove
300 Forest Ave
Pacific Grove, CA 93950

For the Society:

Heritage Society of Pacific Grove
P.O. Box 1007
Pacific Grove, CA 93950

Attn: Daniel Gho Attn: Mark Travaille

6. **DISPUTE RESOLUTION**. In the event of a dispute arising out of the performance of this Agreement, the Parties shall make good faith efforts to resolve the dispute. Any of the Parties may, as soon as a conflict is identified, submit a written statement of the conflict to the other Party. Within five (5) business days of receipt of such a statement of conflict, the Party shall respond, and a meeting will be arranged within ten (10) business days thereafter to arrive at a negotiated settlement or procedure for settlement. If, within thirty (30) business days from the initial filing of a statement of conflict, a settlement cannot be reached, the Parties agree to submit the matter to the Administrative Services Director to determine the funding dispute.

7. **MISCELLANEOUS PROVISIONS.**

A. Amendment. This Agreement may be amended or modified only by an instrument in writing signed by the Parties. The Parties agree that the Prior Agreements is amended in part by this Agreement.

B. Waiver. Any waiver of any terms and conditions of this Agreement must be in writing and signed by all of the Parties. A waiver of any of the terms and conditions of this Agreement shall not be construed as a waiver of any other terms or conditions in this Agreement.

C. Headings. The headings are for convenience only and shall not be used to interpret the terms of this Agreement.

D. Governing Law. This Agreement shall be governed by and interpreted under the laws of the State of California. Venue shall be in Monterey County.

E. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.

F. Authority. Any individual executing this Agreement on behalf of the City, the Friends, or the Foundation represents and warrants hereby that he or she has the requisite authority to enter into this Agreement on behalf of such party and bind the party to the terms and conditions of this Agreement.

G. Integration. The First Agreement, Second Agreement, and this Agreement represent the entire Agreement between the Parties with respect to the subject matter of this Agreement and shall supersede all prior negotiations, representations, or agreements, either written or oral, between or among the Parties as of the Effective Date of this Agreement, which is the date that the City signs the Agreement.

H. Severability. If any of the provisions contained in the Agreement are held illegal, invalid, or unenforceable, the enforceability of the remaining provisions shall not be impaired thereby. If a part of this Agreement is valid, all valid parts that are severable from the invalid part remain in effect. If a part of this Agreement is invalid in one or more of its applications, the part remains in effect in all valid applications that are severable from the invalid applications.

I. Successors and Assigns. This Agreement shall be binding on, and inure to the benefit of, the Parties' successors and assigns.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the day and year written below

Heritage Society of Pacific Grove

_____ _____

Mark Travaille Date
President, The Heritage Society of Pacific Grove

_____ _____

Jean Anton Date
Secretary, The Heritage Society of Pacific Grove

Recipient:
CITY OF PACIFIC GROVE

_____ _____

Nick Smith, Mayor Date

Approved as to Form:

_____ _____

City Attorney Date
City of Pacific Grove

EXHIBIT A

DESCRIPTION OF CHAUTAUQUA HALL RENOVATION PROJECT

CHAUTAUQUA HALL DESIGN FEES

Discipline	**Firm**	**Proposed Fee**
Architecture	Hunter Porter Eldridge Architecture	$88,000.00
Landscape Architecture	Oona Johnson Landscape Architecture	$15,500.00
Kitchen Consultant	Patrick Stein	$17,933.00
ADA Consultant	Eagle Project Management	$4,125.00
Mechanical/Plumbing	Cole Briet Engineering	$20,000.00
Structural	Mayone Structural Engineering	$25,000.00
A/V	Media Systems Group	$6,050.00
Total		$176,608.00

CITY OF PACIFIC GROVE

300 Forest Avenue, Pacific Grove, California 93950

AGENDA REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Fred Marsh, Administrative Services Director

MEETING DATE: January 21, 2026

SUBJECT: Annual Financial Reports and Audit

CEQA: Does not constitute a Project per California Environmental Quality Act Guidelines Section 15378

RECOMMENDATION

Receive the reports noted in this report.

DISCUSSION

The City contracted with The Pun Group, a firm of independent certified public accountants, to audit the City of Pacific Grove's financial statements for the fiscal year ending June 30, 2025. The audit was performed in conformance with Generally Accepted Auditing Standards (GAAS).

A copy of the following reports for Fiscal Year 2024-25 are attached for the Board's review:

- Annual Comprehensive Financial Report (ACFR)
- Popular Annual Financial Report (PAFR)
- Report on Agreed-Upon Procedures Applied to the Appropriations Limit Schedule (GANN Limit)
- Transportation Safety and Investment Plan Account Fund (TAMC Measure X) Report
- Auditor's Required Communication (AU-C 260)

The PAFR provides an executive summary of the ACFR, including financial statements for the General Fund and the City's other major and enterprise funds. The City's General Fund met the Board adopted policy for reserves for Fiscal Year 2024-25 of 25% of its annual expenditures. The Independent Auditor's Report, indicates that the financial statements in the ACFR present fairly, in all material respects, the financial position of the City. This "unmodified" opinion is the optimal opinion to receive from an external auditor.

The single audit report will be completed at a later date prior to the submission deadline of March 31, 2026 for fiscal year 2024-25 as the City did receive over $750,000 in federal grants for FY 24-25. There were no recommendations for improvements in internal controls noted by the auditors or exceptions noted in the City's calculation of the GANN limit. Both the ACFR and PAFR have been submitted to the Government Finance Officers Association (GFOA) for consideration as part of their awards programs, for which the Agency has won awards in prior years for its ACFR and PAFR.

OPTIONS
Take alternative action.

FINANCIAL IMPACT:
There is no financial impact associated with receiving this report.

FOCUSED PRIORITY AREA: Not Applicable.

Attachments

Annual Financial Reports Presentation
2025 PAFR
2025_Pacific Grove City of_AU-C 260_Conclusion
2025_Pacific Grove, City of_ACFR_FINAL
2025_Pacific Grove, City of_Measure X_FINAL
2026_Pacific Grove_GANN Report_FINAL

Annual Financial Reports and Audit

Fiscal Year 2024-25

City Council

City of Pacific Grove

Background – Annual Financial Reports and Audit

- City contracted with The Pun Group, a firm of independent CPAs to audit the City's financial statements for FY 2024-25
- The audit was performed in conformance with Generally Accepted Auditing Standards (GAAS).
- The City received an "unmodified" opinion on its financials, the optimal opinion to receive from an external auditor.
- There were no recommendations for improvements in internal controls reported by the auditor.

Reports Included

- Annual Comprehensive Financial Report (ACFR)
- Popular Annual Financial Report (PAFR)
- Report on Agreed-Upon Procedures Applied to the Appropriations Limit Schedule (GANN Limit) for FY 25-26
- Transportation Safety and Investment Plan Account Fund (TAMC Measure X) Report
- Auditor's Required Communication (AU-C 260)

Additional Highlights

- The PAFR provides a summary of the ACFR, including financial statements for the General Fund and other major and enterprise funds
- The City's General Fund met the Board adopted policy for reserves for Fiscal Year 2024-25 of 25% of its annual expenditures
- The single audit report will be completed at a later date prior to the submission deadline of March 31, 2026 for fiscal year 2024-25 as the City did receive over $750,000 in federal grants for FY 24-25.
- Both the ACFR and PAFR have been submitted to the Government Finance Officers Association (GFOA) for consideration as part of their awards programs

Recommendation

Receive the Reports Noted in This Report

City of Pacific Grove
California

Popular Annual Financial Report

For the Fiscal Year Ended June 30, 2025



Website: www.cityofpacificgrove.gov
Facebook: CityofPacificGrove
X/Twitter: @PacificGrove

City of Pacific Grove PAFR Fiscal Year 2024-25

Welcome Message From the City Manager

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Management Discussion and Analysis 6

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Economic Factors / Next Year's Budget 17

Mission and Vision

- Mission: To deliver quality professional public services in the City and region
- Vision: To thoughtfully grow as an inclusive community, protecting its character

Core Values

- Leadership: Uphold the highest work ethic
- Inclusiveness: Cultivate an environment of trust
- Integrity: Safeguard public trust
- Collaboration: Promote transparent engagement
- Stewardship: Protect our natural environment

Focused Priority Areas and Goals

- Recreation: Robust and accessible activities
- Infrastructure: Maintain community assets
- Stewardship: Implement sustainable practices
- Housing: Diversity affordable opportunities

Overview of Goals

City Council has developed goals (focus areas) which have been incorporated into the two year budget and capital improvement plan. Staff creates a related work plan to measure progress on these goals. Periodic progress reports are presented to Council to provide status updates on these goals.

The City of Pacific Grove presents its Popular Annual Financial Report (PAFR) for the Fiscal Year ended June 30th.

The PAFR is designed to present the City's financial condition in a concise, easy to read format for all users.



Matthew Mogensen
City Manager

Summary of Annual Report

This report summarizes the Annual Comprehensive Financial Report (ACFR), containing more detailed financial information. Certain disclosures required by generally accepted accounting principles (GAAP) are omitted.

Government Finance Officers Association

Award for Outstanding Achievement in Popular Annual Financial Reporting

Audit Opinion / Awards for Excellence

The City has received a "clean" unmodified audit opinion for its ACFR, and a Certificate of Achievement for Excellence in Financial Reporting (COA) from the Government Finance Officers Association (GFOA). In addition, the City has received awards for excellence for its operating budget from GFOA and the California Society of Municipal Finance Officers and from GFOA for its PAFR. These awards focus on providing informative documents for the public.

Social Media for the City

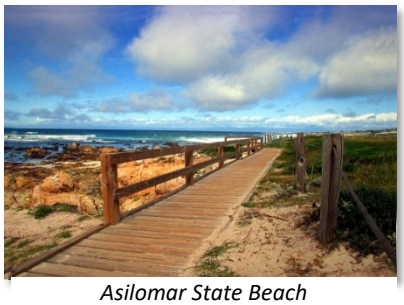
Website: cityofpacificgrove.org

Facebook: CityofPacificGrove

X/Twitter: @PacificGrove

City Profile / Demographics

The City is a small coastal community located in Monterey County that occupies just under three square miles, with a population of approximately 15,000 residents, ranked number 327 in size in California, ↓ 0.4% for the current year and ↓ 0.2% since 2020. Of the adults, 97% have high school degrees and 59% have college degrees, with an average household income of over $100K and median sales price of over $1 million, with 49% of the residential properties owner occupied.



Asilomar State Beach

Climate / Location

The City is situated on a peninsula which is bordered by Monterey, Pebble Beach, the Pacific Ocean, and Monterey Bay with a County unemployment rate of approximately 7%. Pacific Grove has a very temperate climate year round, with high temperatures ranging from the 70s in the late summer to the 50s in the winter. Pacific Grove has over 1,300 registered historical homes built prior to 1926.

Education

The Pacific Grove Unified School District (PGUSD) serves the City and portions of Pebble Beach. Based on the California Department of Education's Academic Performance Index scores, PGUSD has received the highest overall ranking of all public schools on the Monterey Peninsula. Schools within the district include Pacific Grove High School, Pacific Grove Middle School, Robert Down Elementary School, and Forest Grove Elementary School. Residents can take advantage of nearby colleges, including Monterey Peninsula College, the Middlebury Institute of International Studies at Monterey, California State University Monterey Bay, and the Hopkins Marine Institute.



Pacific Grove Elementary School

Businesses / Additional Demographics

The City has a wide variety of businesses ranging from professional services to health care; and retail sales to lodging accommodations. Tourism is a key economic driver for the City, with a large number classified as either in the accommodation, food service or retail industries. Top employers within the City include the City and school district, Asilomar Hotel and Conference Center, three retirement communities and the local supermarkets. Hospitals in the vicinity include the Community Hospital of the Monterey Peninsula (CHOMP), Natividad Medical Center and Salinas Valley Memorial Hospital, while airports in the vicinity include Monterey Regional Airport, Marina Municipal Airport and San Jose International Airport. Additional demographics are below using the Quickfacts section of Census.gov:

Category	Amount	Category	Amount
Persons 65 and older	29%	Married	55%
Persons 0-18 / 19-64	16% / 55%	Poverty Level	7.1%
High School Graduates	97%	College Graduates	59%
Median Monthly Rent	$2,384	Mean Travel Time to Work	21 minutes
Persons per household	2.09	% in Workforce	56%

Community Attractions and Events

The City is home to many attractions, including Point Pinos Lighthouse, Hopkins Marine Station, Asilomar State Beach, Lovers Point Park and Beach, Butterfly House, the Monterey Bay Coastal Recreation Trail and Shoreline Park. The city also offers many special events during the year, including:

- Good Old Days
- Butterfly Parade
- Butterfly Ball
- City 4th of July Celebration
- Monterey Bay Half Marathon
- Christmas at the Inns
- Farmers' Market
- Holiday Parade of Lights
- Little Car Show
- Holiday Tree Lighting





Fourth of July and Butterfly Parades

City Government Structure and Services

Pacific Grove is a Charter City which was incorporated in 1889. The City operates under the Council-City Manager form of government with a seven-member City Council elected by the citizens. The Mayor is elected to serve a two-year term and Council members are elected to four-year terms. The Council has the authority to establish all laws and regulations, subject only to the limits of the City Municipal Code and State legislation. The City Council appoints a City Manager to serve as the chief administrative officer.

Key Performance Statistics		
Police Calls for Service	13,316	↑ 1%
Fire Calls for Service	2,042	↑ 5%
Public Works Work Orders	1,327	↓ 26%
Building Permits	1,234	↑17%
Library Materials Circulated	238,000	↓16%
Street/Sewer Miles Maintained	55 / 58	↔
Parks Maintained	19	↔

The City provides police protection, street, park and facility maintenance, recreational, planning, zoning, economic development, library, administrative and financial services for Pacific Grove. Fire protection services are provided through a contract with the City of Monterey. Additional services include sewer operations, a municipal golf course, Point Pinos Lighthouse, cemetery, a monarch butterfly sanctuary and habitat preserve, several local parks, trails and open space and a local water reclamation facility. The City has approximately 100 full-time employees.

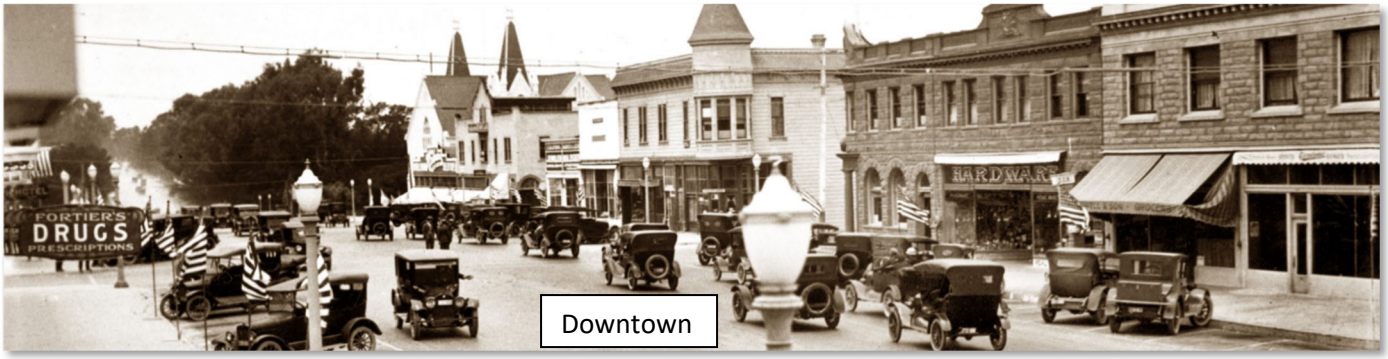
History

Native Americans, which are currently known as the Ohlone/Costanoan-Esselen Nation originally occupied the coastal and inland areas, which included Pacific Grove. In 1852, development began when Congress commissioned the building of eight lighthouses on the West Coast. Pacific Grove's Point Pinos location was selected as one of the first seven sites in California to receive a lighthouse. The Point Pinos Lighthouse was completed in 1854.



Lover's Point

David Jacks owned most of the land that now constitutes Pacific Grove. In 1875, he consented to the development of a Methodist Christian Seaside Retreat on 100 acres of pine-covered coastal land. Other in habitants included Chinese immigrants who established a thriving fishing village. As time went on, Pacific Grove began enticing more visitors. The first hotel opened in 1887, followed by the incorporation of the City and the addition of a railroad in 1889. Within ten years, the Pine Street School, the Hopkins Seaside Lab, and the Pacific Grove Bath House were built, and in 1908 through a $10,000 Carnegie grant and a land donation, the City opened a public library.



Downtown

Selected Departmental Achievements – Current Fiscal Year

The City strived to make progress on a number of significant goals previously established including the following, which address all of the City's areas of focus. A significant portion of these goals are funded by the General Fund, with applicable portions being funded by grants and the City's enterprise, capital and special revenue funds.

City Manager

- Implemented an electronic performance management system
- Ongoing importing of contracts into Laserfiche (past & present)
- Continued implementation of the retention and recruitment plan



Police

Administrative Services – Information Services

- Completed Cybersecurity Assessment project
- Enhanced internet reliability and performance at the City Hall, PD, and Library
- Completed network and server upgrades, implement maps application



Downtown Pacific Grove

Administrative Services - Finance

- Received an award for excellence for the City's Financials (ACFR) from GFOA
- Received awards for the City's operating budget from GFOA and CSMFO
- Enhanced the transparency of the department's section of the City's website



Fire Contract with Monterey

Community Development

- Submitted second draft to the California Department of Housing (HCD)
- Offered next day inspection services, with a focus on the new downtown hotel
- Sought qualifying housing rehabilitation projects for use of CDBG funds

Fire

- Completed significant fire station upgrades including roof and tower repair
- Began Advanced Life Support (ALS) paramedic service
- Began a Defensible Space program to inspect high fire severity zones



Lovers Point

Library

- Successful efforts helped to support intergenerational events and programming
- Opened dialogue with local libraries about establishing partnerships
- Investigated the feasibility of developing a small/private meeting space for users

Police

- Maximized social media presence and expanded community outreach efforts
- Facilitated educational workshops on the dangers of opioids/fentanyl
- Hosted workshops on traffic safety, leverage technology, increase enforcement



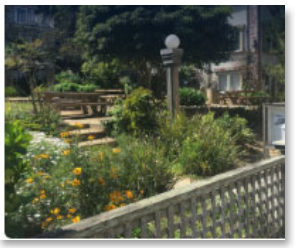
Esplanade Park

Public Works

- Maintained over 600,000 SF of roadway, enhanced pedestrian safety
- Finalized sidewalk dining guidelines, completed sidewalk extension project
- Completed five Facility Conditions Assessments

Recreation

- Added new Summer Sports - Junior Golf Camp and Basketball Camp
- Ensured continued availability of youth center throughout the school year
- Expanded existing Youth Soccer League adding an additional 70 registrations



Elmarie Dyke Open Space



This discussion and analysis (MD&A) includes an overview of the City of Pacific Grove's (City's) financial activities and performance for the fiscal year ended June 30, 2025. This discussion and analysis is intended to serve as an introduction to the City's basic financial statements, which consists of three parts: (1) Government-Wide Financial Statements, (2) Fund Financial Statements, and (3) Notes to the Basic Financial Statements.

This report also contains other supplementary information in addition to the basic financial statements themselves. The financial statements presented herein include all of the activities of the City and its component units. Please read the MD&A in conjunction with the transmittal letter, the basic financial statements, and the accompanying notes to those financial statements in the Annual Comprehensive Annual Report (ACFR).



Government-Wide Financial Statements

These provide readers with a broad view of the City's finances, using the economic resources measurement focus and accrual basis of accounting. These accounting methods are similar to those used by private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. Additionally, certain interfund receivables, payables, and interfund activity have been eliminated. An overview of the City's functions associated with each classification is listed below.

- **Governmental Activities** – All of the City's basic services are considered to be governmental activities. This includes general government, public safety, public works, recreation, library, museum, and community development. These services are supported by general City revenues such as taxes, and by specific program revenues such as development and recreation program fees.



- **Business-Type Activities** – The City's enterprise activities include cemetery, sewer, water reclamation and golf operations. Unlike governmental activities, these services are fully supported by charges paid by users based on the amount of services they use.

The Statement of Net Position presents financial information on all of the City's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or declining. The Statement of Activities shows how the net position changed during the recent fiscal year.



Fund Financial Statements

These provide readers with additional information about the City's major funds, how services were financed in the short term, and fund balances available for financing future projects. Most of the City's funds, excluding the City's General Fund and Internal Service Funds, have significant restrictions, commitments, or other limitations, which affect the availability of their fund resources for future use.

Notes to the Financial Statements / Supplementary Information

These provide additional information to give the reader a better understanding of the data provided in the Government-Wide Financial Statements and Fund Financial Statements. In addition to the basic financial statements and accompanying notes, this report also presents certain Required Supplementary Information concerning the City's progress in funding its obligation to provide pension and retiree health benefits to its employees. The combining statements for non-major and internal service funds are presented immediately following the required supplementary information.



Financial Highlights

Statements of Net Position and of Activities



Net Position – Representing the difference between assets plus deferred outflows of resources less liabilities plus deferred inflows of resources is ↑ $1.5 million to $56.8 million, due to higher revenues from taxes and sewer fees. Note that there was a prior period adjustment to the beginning Net Position of $1.2 million as discussed in Note 16.

Working Capital – Representing current assets less current liabilities was ↑ $ 4.9 million to $35.8 million, due to increased revenues from taxes and sewer fees.



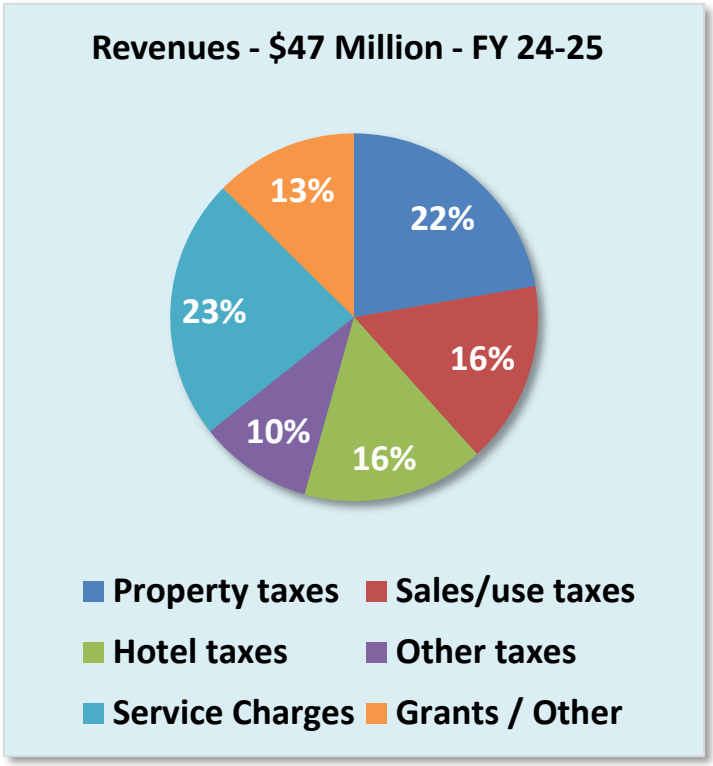
Net Investment in Capital Assets – The City's largest portion of net position reflects investments in net capital assets less any related debt that was used to acquire those assets. The ending balance was $66.5 million, reflecting the completion of capital projects during the fiscal year.

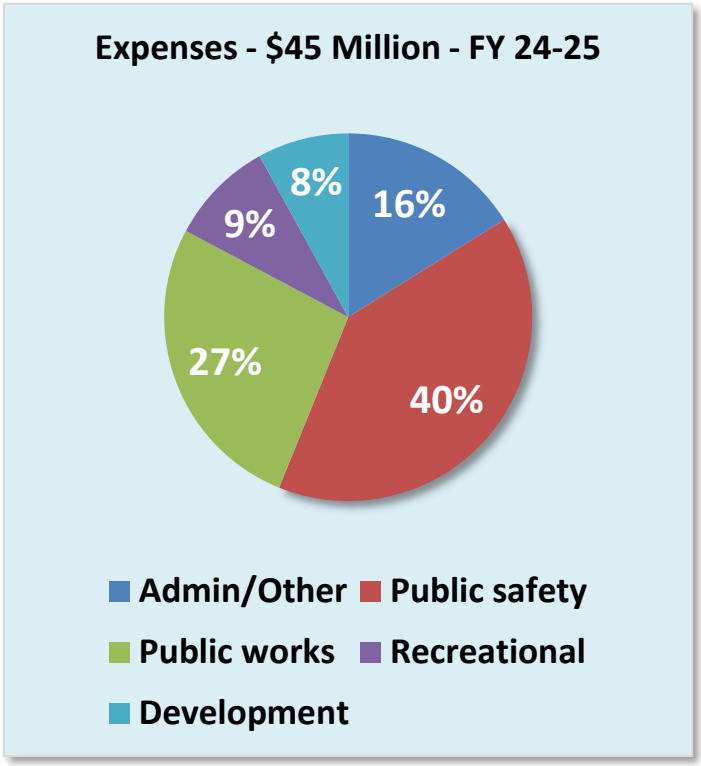
Unrestricted Net Position – The City had a deficit in unrestricted net position of $20.1 million at the end of the fiscal year. Many different items comprise the unrestricted net position, including the City's net pension liability offset.



Change in Net Position - Was $2.6 million during the year, comprised of a net change from governmental activities of $0.7 million and from business type activities of $1.9 million.

Operating Revenues / Expenses – Operating revenues consisted of $10.9 million for Charges for Services, $1.6 million for Operating Grants and Contributions, $451K for Capital Grants and Contributions, $30.4 million for taxes and $3.9 million for general revenues. Operating expenses consisted of $38.4 million for governmental activities and $6.2 million for business type activities.





Financial Highlights (Continued)

The increase in assets and net position in the Statement of Net Position is due to increased tax receipts and sewer revenues, as well as other revenue and expense variances noted elsewhere in this document. The deficit of Net Position is net of pension related liabilities, inflows and outflows. The restricted net position can only be used for specific activities. The net investment for capital assets is non liquid and not available for spending.

Summary of Net Position (In Thousands)

	Governmental		Business-Type		Totals		
	2025	2024	2025	2024	2025	2024	2023
Assets							
Current assets	$ 32,815	$ 31,319	$ 13,211	$ 12,591	$ 46,026	$ 43,910	$ 38,549
Capital assets	44,774	43,403	28,447	28,484	73,221	$ 71,887	71,235
Other assets	7,254	8,806	1,000	1,328	8,254	10,134	11,323
Total Assets	**$ 84,843**	**$ 83,528**	**$ 42,658**	**$ 42,403**	**$ 127,501**	**$125,931**	**$ 121,107**
Deferred Outflows Resources	**$ 15,323**	**$ 20,365**	**$ 335**	**$ 356**	**$ 15,658**	**$ 20,721**	**$ 21,318**
Liabilities							
Current liabilities	$ 9,335	$ 12,197	$ 928	$ 1,956	$ 10,263	$ 14,153	$ 13,244
Noncurrent/other liabilities	62,702	63,260	7,113	7,302	69,815	70,562	71,014
Total Liabilities	**$ 72,037**	**$ 75,457**	**$ 8,041**	**$ 9,258**	**$ 80,078**	**$ 84,715**	**$ 84,258**
Deferred Inflows Resources	**$ 4,888**	**$ 5,943**	**$ 1,408**	**$ 1,825**	**$ 6,296**	**$ 7,768**	**$ 9,109**
Net Position							
Net investment capital assets	$ 44,104	$ 42,671	$ 22,386	$ 21,252	$ 66,490	$ 63,923	$ 63,954
Restricted	10,396	9,526			10,396	9,526	10,354
Unrestricted (deficit)	(31,260)	(29,703)	11,158	10,425	(20,102)	(19,278)	(25,251)
Total Net Position	**$ 23,240**	**$ 22,494**	**$ 33,544**	**$ 31,677**	**$ 56,784**	**$ 54,171**	**$ 49,057**

Current and Other Assets
Includes unrestricted cash and investments, receivables, inventory and prepaid items expected to be converted into cash within one year.

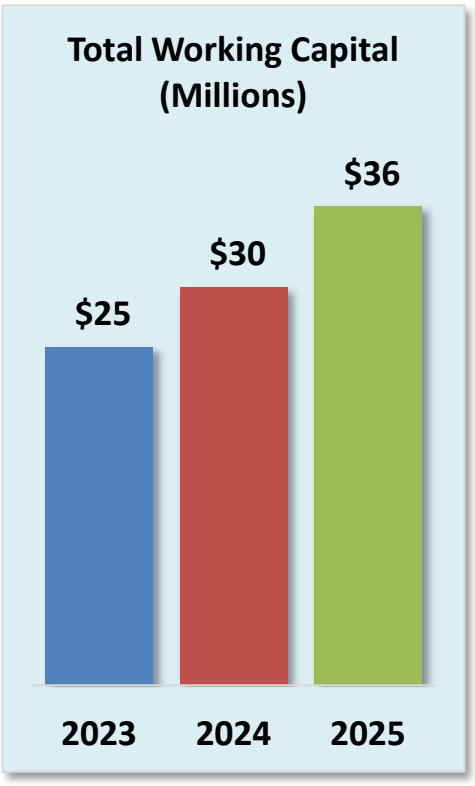
Capital Assets
Includes land, buildings, improvements, infrastructure, and right-to-use assets. These items are not available for future spending.

Deferred Outflows / Inflows Resources
A consumption / acquisition of net assets by the government that is applicable to a future reporting period.

Current and Other Liabilities
Represents liabilities expected to be paid with cash within one year.

Long Term Liabilities
Includes the outstanding obligations for the City, including pensions, OPEB and bonded debt.

Net Position
Net investment in capital assets is capital assets net of depreciation and related debt. The restricted portion is subject to externally imposed restrictions for activities such as capital projects, debt service, and community development and is not available for general operations.



Financial Highlights (Continued)

The Statement of Changes in Net Position reflects the fact that the City's net position increased by approximately $2.6 million in the current fiscal year.

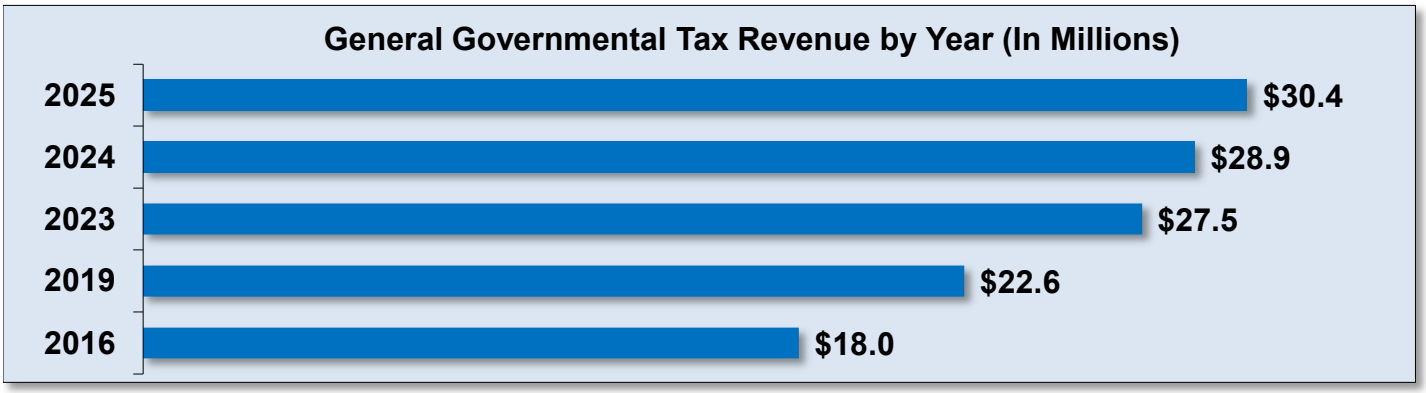
The increase in net position is due to increases in tax and sewer fee revenues received due to increases in the assessed value of property in the City and an increase in sewer rates assessed for the fiscal year.



Summary of Statement of Changes in Net Position (In Thousands)

	Governmental		Business-Type		Totals		
Functions/Programs	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**	**2023**
Program Revenues							
Charges for services	$ 3,930	$ 3,821	$ 6,937	$ 6,314	$10,867	$ 10,135	$ 9,499
Operating grants/contributions	1,627	858			1,627	858	2,690
Capital grants/contributions	452	474			452	474	1,109
Total Program Revenues	**6,009**	**5,153**	**6,937**	**6,314**	**12,946**	**11,467**	**13,298**
General Revenues							
Taxes	30,369	28,931			30,369	28,931	27,481
Investment earnings	1,102	1,444	460	511	1,562	1,955	497
Other revenues	2,320	1,151			2,320	1,151	1,991
Total General Revenues	**33,791**	**31,526**	**460**	**511**	**34,251**	**32,037**	**29,969**
Total Revenues	**39,800**	**36,679**	**7,397**	**6,825**	**47,197**	**43,504**	**43,267**
Expenses							
Government Activities *	38,418	34,203			38,418	34,203	17,361
Business-Type Activities *			6,165	4,188	6,165	4,188	3,934
Total Expenses	**38,418**	**34,203**	**6,165**	**4,188**	**44,584**	**38,391**	**21,295**
Excess/(Deficiency) before Transfers	**1,382**	**2,476**	**1,232**	**2,637**	**2,613**	**5,113**	**21,972**
Transfers	(635)	(188)	635	188	-	-	-
Increase/(Decrease) in Net Position	**747**	**2,288**	**1,867**	**2,825**	**2,613**	**5,113**	**21,972**
Net Position, Beginning Year (restated)	**22,494**	**20,206**	**31,677**	**28,851**	**54,171**	**49,057**	**27,251**
Net Position, End of Year	**$23,241**	**$22,494**	**$ 33,544**	**$31,676**	**$56,784**	**$ 54,170**	**$49,223**

* See following page for detailed breakouts of these expenses



Financial Highlights (Continued)

Revenues include charges for services such as sewer charges, grants, and governmental funding to finance the costs of special programs, and taxes, including property, sales, franchise, transient occupancy, and business license taxes. The City share of the 1% levy per Prop. 13 is 16%. Expenses include Administration, Police, Fire, Public Works, Community Development, Recreation, the City's golf course, Sewer collection system, Cemetery and the City's local water project. Expenses for FY 2023 were affected by significant pension actuarial adjustments.



Statement of Changes in Net Position (Continued)

	Fiscal Year Ended June 30				
	2023	2024	2025	%	Variance
Program Expenses					
General government	$ 3,241,604	$ 6,440,878	$ 6,769,288	15%	$ 328,410
Public safety	7,895,196	15,217,138	17,847,637	40%	2,630,499
Public works	2,809,143	5,230,431	5,714,615	13%	484,184
Recreation	554,042	1,562,919	2,136,618	5%	573,699
Library / Museum	964,612	1,608,628	1,965,667	4%	357,039
Community Development	1,426,245	3,666,942	3,574,254	8%	(92,688)
Interest and fiscal charges LT debt	470,144	476,107	410,376	1%	(65,731)
Total governmental activities expenses	17,360,986	34,203,043	38,418,455	86%	4,215,412
Cemetery	469,815	452,270	816,575	2%	364,305
Sewer	1,045,865	1,224,324	1,483,581	3%	259,257
Local Water Project	2,136,404	2,042,255	3,059,850	7%	1,017,595
Golf	282,177	468,767	805,394	2%	336,627
Total business-type activities expenses	3,934,261	4,187,616	6,165,400	14%	1,977,784
Total primary government expenses	$ 21,295,247	$ 38,390,659	$ 44,583,855	100%	$ 6,193,196
Program Revenues					
Charges for services:					
General government	$ 1,439,808	$ 1,210,812	$ 1,268,917	10%	$ 58,105
Public safety / Public Works	614,858	601,498	631,542	5%	30,044
Recreation / Library / Museum	452,660	601,947	718,141	6%	116,194
Community Development	1,134,102	1,406,529	1,311,599	10%	(94,930)
Operating grants and contributions	2,689,705	858,172	1,626,687	13%	768,515
Capital grants and contributions	1,109,485	474,137	451,865	3%	(22,272)
Governmental activities program revenues	9,958,525	5,153,095	6,008,751	46%	855,656
Cemetery	773,195	716,931	614,897	5%	(102,034)
Local Water Project	597,011	1,026,820	1,328,142	10%	301,322
Sewer	3,693,156	3,825,616	4,115,081	32%	289,465
Golf	791,881	745,216	879,140	7%	133,924
Business-type activities program revenues	5,855,243	6,314,583	6,937,260	54%	622,677
Primary government program revenues	13,297,993	12,416,782	12,946,011	100%	
Governmental activities	(9,918,236)	(29,049,948)	(32,409,704)		
Business-type activities	1,920,982	2,126,967	771,860		
Primary government net (expense)/revenue	$ (7,997,254)	$(26,922,981)	$ (31,637,844)		

Financial Highlights (Continued)

Governmental Activities

The total cost of services for all governmental activities in FY 24-25 was $38.4 million, with program revenues of $6.0 million resulting in a net cost of $32.4 million. The remaining portion was covered by taxes and other revenues, such as interest and other miscellaneous revenue. The cost of services went up driven by cost escalations and the impact of labor agreements and the most recent pension actuarial.

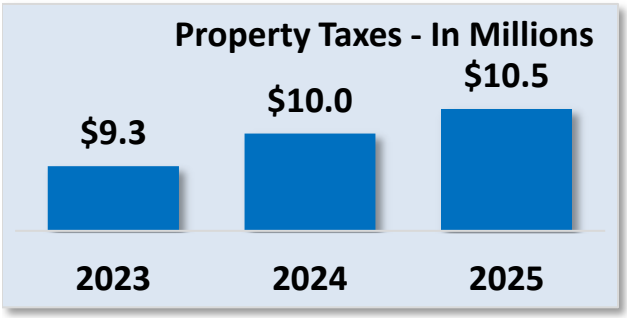


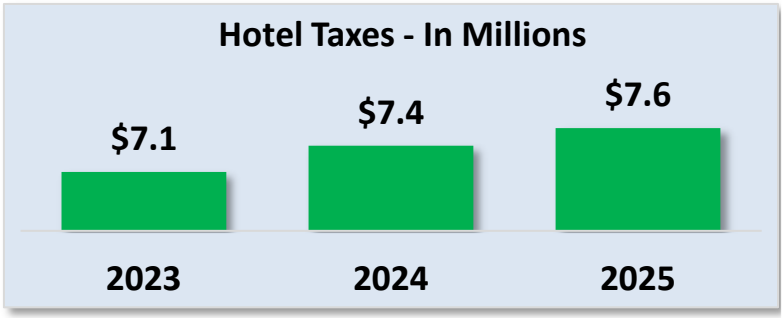
Business Activities

The total cost of all Business-Type activities this year was $6.2 million. As shown in the Statement of Activities, these were funded by charges for services totaling $6.9 million amounts paid by users of the systems, along with interest earned on invested cash balances. Net position increased by $1.9 million for business-type activities (including investment earnings and transfers) to $33.5 million.

Statement of Changes in Net Position (Continued)

	Fiscal Year Ended June 30				
	2023	2024	2025	%	Variance
General Revenues / Other Changes in Net Assets					
Governmental activities:					
Taxes					
Property taxes	$ 9,330,981	$10,001,561	$10,516,128	32%	$ 514,567
Sales and use taxes	6,734,940	7,146,935	7,589,358	23%	442,423
Franchise taxes	1,620,136	1,682,562	1,589,922	5%	(92,640)
Transient occupancy (Hotel) taxes	7,105,256	7,375,869	7,556,230	23%	180,361
Utility users taxes	2,097,934	2,118,068	2,435,825	7%	317,757
Business license tax	425,691	427,918	501,858	2%	73,940
Property transfer tax	150,278	159,401	156,698	0.5%	(2,703)
Property taxes in lieu of motor vehicle fee	15,335	18,480	23,616	0.1%	5,136
Unrestricted Investment earnings	179,637	1,443,592	1,102,043	3%	(341,549)
Miscellaneous or Other revenues	1,143,687	1,150,805	2,319,504	7%	1,168,699
Transfers	(162,500)	(187,500)	(635,188)	-2%	(447,688)
Total governmental activities	28,641,375	31,337,691	33,155,994	100%	1,818,303
Business-type activities:					
Unrestricted Investment earnings	151,223	511,470	459,953		
Miscellaneous or Other revenues					
Transfers	162,500	187,500	635,188		
Total business-type activities	313,723	698,970	1,095,141		
Total primary government	$ 28,955,098	$32,036,661	$34,251,135		





Financial Analysis of the City's Governmental Funds

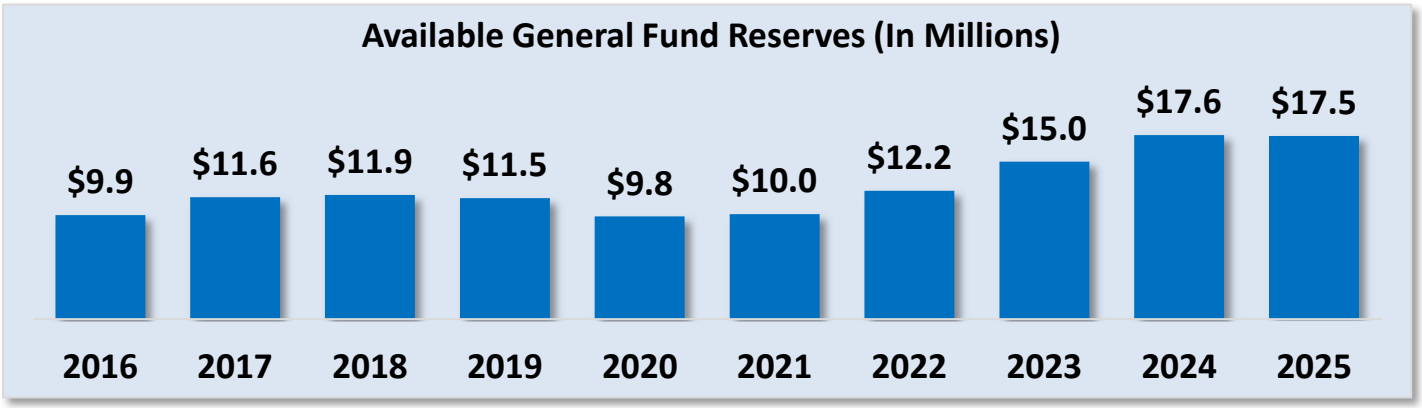
The Fund Financial Statements focus on individual parts of the City's government, reporting operations in more detail than the Government-Wide Statements. These funds report on near-term inflows, outflows and balances of spendable resources. The City's governmental funds reported a combined fund balance at June 30, 2025 of $30.1 million, an increase of $3.3 million over the end of the previous fiscal year. Major changes are noted below.

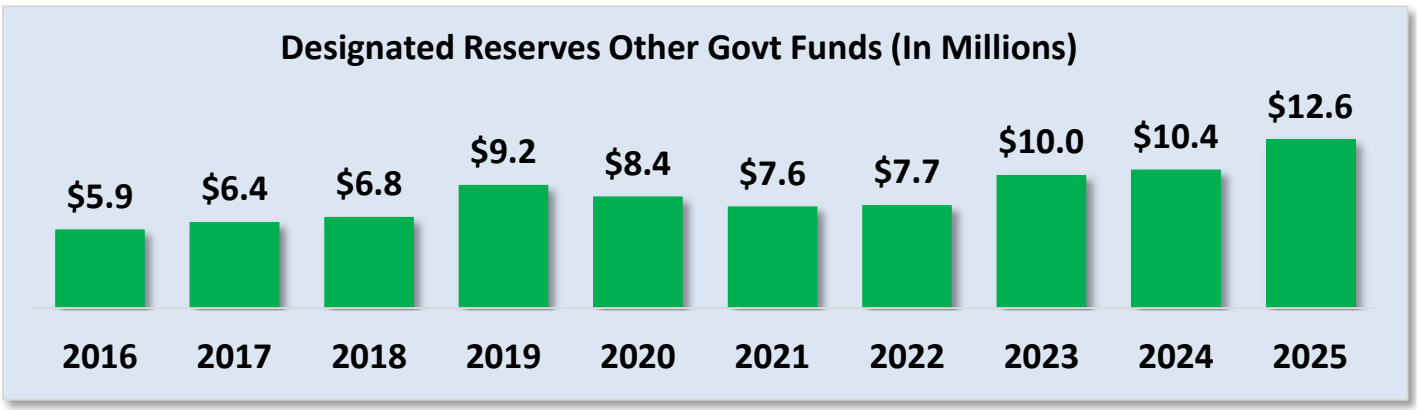


Summary of Changes in Fund Balance - Governmental Funds (In Millions)

	Fund Name / Type					
	General Fund	RSTP Fund	CDBG Grant Fund	Capital Projects Fund	Other Govt. Funds	Total
Total Revenues	**$ 35.3**	**$ 0.5**	**$ 0.02**		**$ 4.4**	**$ 40.2**
Total Expenditures	**31.3**	**0.1**	**0.0**	**1.0**	**4.2**	**36.6**
Revenues Over (Under) Expenditures	4.0	0.4	-	(1.0)	0.2	3.6
Transfers in	0.1			3.0	0.3	3.4
Transfers out	(4.0)				(0.1)	(4.1)
Proceeds from sale of assets						-
Inception of subscription liabilities					0.4	0.4
Net change in fund balances (deficit)	**0.1**	**0.4**	**-**	**2.0**	**0.8**	**3.3**
Beginning Fund Balance (deficit) - restated	**17.4**	**(0.4)**	**1.3**	**0.3**	**8.2**	**26.8**
End of year Fund Balance (deficit)	**$ 17.5**	**$ -**	**$ 1.3**	**$ 2.3**	**$ 9.0**	**$ 30.1**

The General Fund is the chief operating fund of the City and reflects an increase of $0.1 million in fund balance. Capital Projects fund balances increased $2.0 million due to the carryover of capital projects to Fiscal Year 25-26.





Budgetary Highlights - General Fund

During the fiscal year, the City Council revised the City's budget with adjustments for various revenue and expenditure changes. After taking into account these adjustments, General Fund revenues were higher than the final budget by $2.0 million, which is attributable to higher tax collections and the receipt of one-time funds for various projects, and General Fund expenditures were under budget by $2.9 million, due to personnel cost savings resulting from vacancies in several of the City's departments. Significant variances are shown below. The City is projecting to meet its 25% reserve target for Fiscal Years 2025-26 and 2026-27.

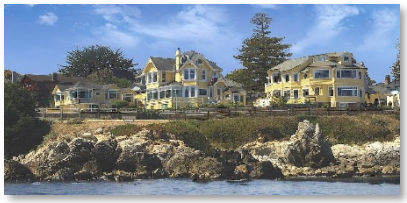


General Fund Budget Actual (In Thousands)

Functions/Programs	Original Budget	Final Budget	Actual	Variance
Revenues				
Property taxes	$ 10,296,000	$ 10,296,000	$ 10,516,128	$ 220,128
Sales and use taxes	6,194,000	6,194,000	6,360,487	166,487
Franchise and other taxes	1,659,000	1,659,000	1,547,278	(111,722)
Transient occupancy taxes	7,012,000	7,012,000	6,960,718	(51,282)
Utility user taxes	2,043,000	2,043,000	2,435,825	392,825
Business license / Other taxes	543,000	543,000	665,849	122,849
Total Taxes	**27,747,000**	**27,747,000**	**28,486,285**	**739,285**
Licenses, permits and impact fees	1,325,000	1,325,000	1,154,121	(170,879)
Intergovernmental / Fines and Forfeitures	535,250	535,250	467,227	(68,023)
Charges for services	1,882,590	1,882,590	1,940,548	57,958
Interest, rents and concessions	558,200	558,200	874,568	316,368
Other revenues	1,260,687	1,260,687	2,339,408	1,078,721
Total Revenues	**33,308,727**	**33,308,727**	**35,262,157**	**1,953,430**
Expenses				
General government	5,684,861	5,902,161	5,253,961	648,200
Public Safety - Police	8,931,103	9,069,754	8,328,813	740,941
Public Safety - Fire	4,915,600	4,920,982	5,022,031	(101,049)
Public works	5,144,860	5,712,860	4,619,697	1,093,163
Recreation	1,623,839	1,683,839	1,697,656	(13,817)
Library / Museum	1,596,317	1,626,694	1,605,538	21,156
Community development	2,983,158	3,391,158	2,995,511	395,647
Capital Outlay	505,100	305,342	173,561	131,781
Debt Service (Principal / Interest)	1,462,562	1,462,562	1,546,488	(83,926)
Total Expenses	**32,847,400**	**34,075,352**	**31,243,256**	**2,832,096**
Other Financing Uses (Net)	**(1,551,187)**	**(3,718,220)**	**(3,899,615)**	**181,395**
Increase / (Decrease) in Net Position	**$ (1,089,860)**	**$ (4,484,845)**	**119,286**	**$ 4,604,131**
Net Position, Beginning of Year			**17,364,795**	
Net Position, End of Year	`		**$ 17,484,081**	

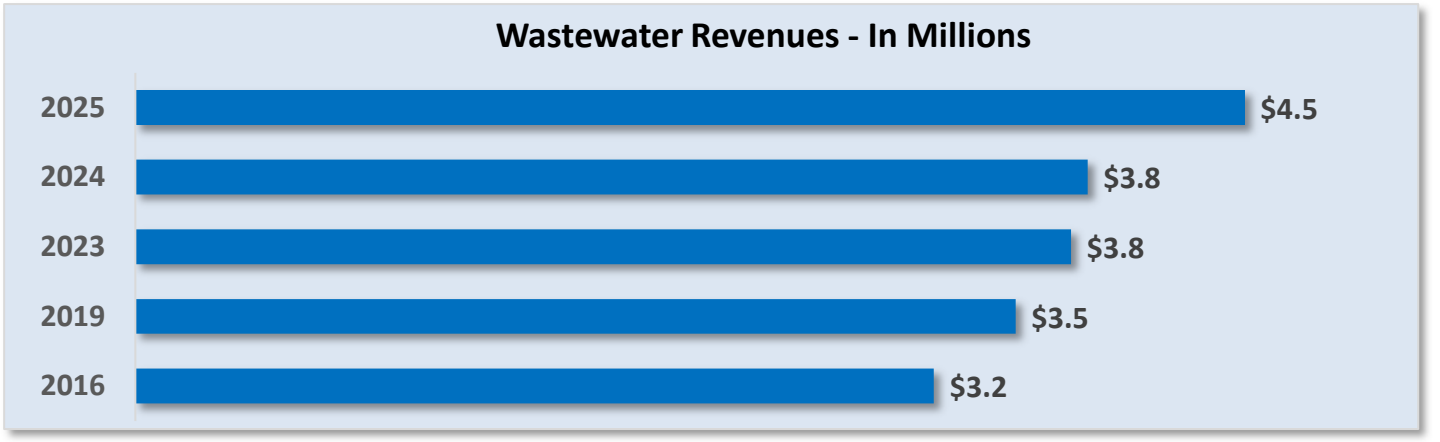
Budgetary Highlights - Proprietary Funds

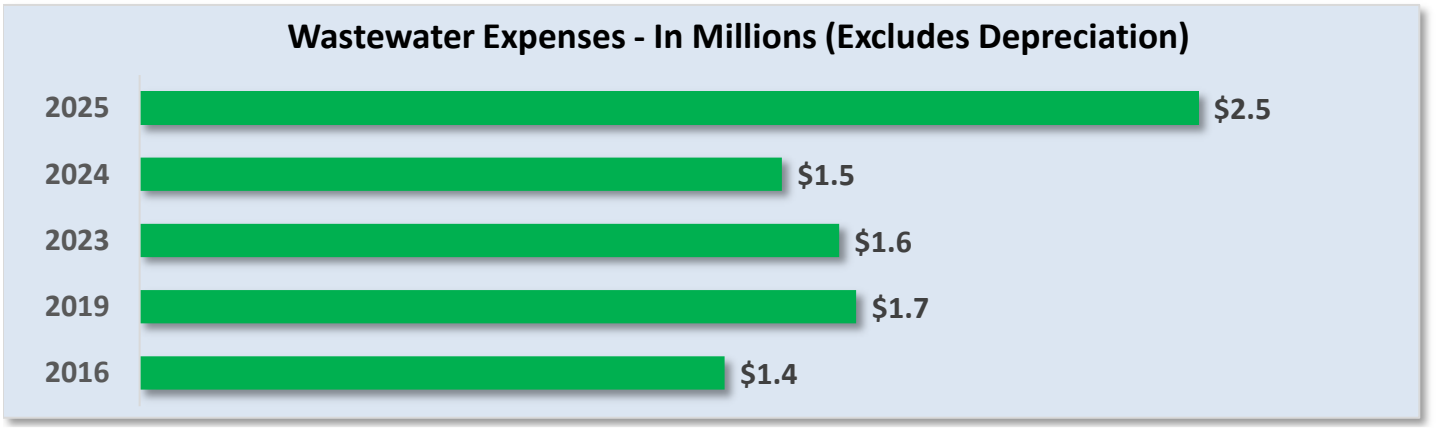
These funds provide the same type of information found in the Government-Wide Financial Statements but in more detail. Factors concerning these funds have previously been addressed in the discussion of business-type activities under the Government-Wide Statements.



Summary of Changes in Net Position - Proprietary Funds (In Millions)

	Business Type Activities					Governmental Activities
	Cemetery Fund	Local Water Project Fund	Sewer Fund	Golf Course Fund	Total	Internal Service Funds
Total Operating Revenues	**$ 0.6**	**$ 1.3**	**$ 4.1**	**$ 0.9**	**$ 6.9**	**$ 2.7**
Total Operating Expenses	**0.8**	**1.4**	**3.0**	**0.7**	**5.9**	**3.3**
Revenues Over (Under) Expenses	(0.2)	(0.1)	1.1	0.2	1.0	(0.6)
Transfers in		0.6			0.6	
Investment Earnings			0.3	0.1	0.4	
Interest Expense				(0.1)	(0.1)	
Net change in Net Position	**(0.2)**	**0.5**	**1.4**	**0.2**	**1.9**	**(0.6)**
Beginning of year Net Position	**1.3**	**1.1**	**25.3**	**4.0**	**31.7**	**0.8**
End of year Net Position	**1.1**	**1.6**	**26.7**	**4.2**	**33.6**	**0.2**
Ending Working Capital	**$ 1.0**	**$ -**	**$ 10.1**	**$ 1.0**	**$ 12.1**	**$ 1.3**





Capital Assets

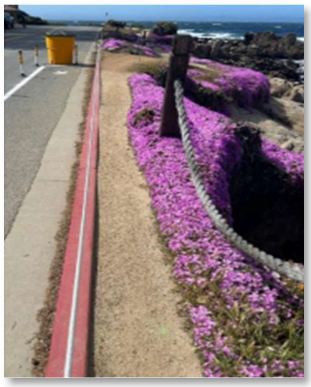
The City of Pacific Grove's investment in capital assets as of June 30, 2025 amounts to $73.2 million (net of accumulated depreciation and amortization). This includes net capital assets from governmental activities of $44.8 million and net capital assets from business type activities at $28.5 million. This investment in capital assets includes land, buildings and systems, improvements, machinery and equipment, park facilities, roads, and sewer systems. The table below summarizes the City's capital assets net of depreciation for the last three fiscal years:



Summary of Capital Assets at Year End (In Thousands)

	Governmental		Business-type		Totals		
	2025	2024	2025	2024	2025	2024	2023
Land	$ 2,338	$ 2,338	$ 363	$ 363	$ 2,701	$ 2,701	$ 2,701
Construction in progress	1,665	5,525	1,107	983	2,772	6,508	6,040
Buildings and improvement	9,250	8,449	4,485	4,608	13,735	13,057	13,655
Infrastructure	30,162	25,910	22,142	22,136	52,304	48,046	47,150
Machinery and equipment	845	883	350	394	1,195	1,277	1,259
Subscriptions (SBITAs)	514	298		-	514	298	430
Total Capital Assets, Net	**$44,774**	**$43,403**	**$28,447**	**$28,484**	**$73,221**	**$71,887**	**$ 71,235**

Major capital projects and capital outlay during the fiscal year included the following:



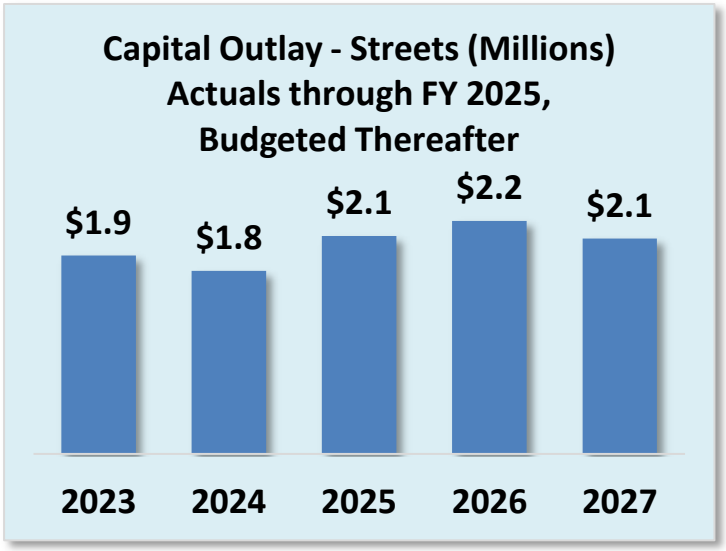
Capital Outlay

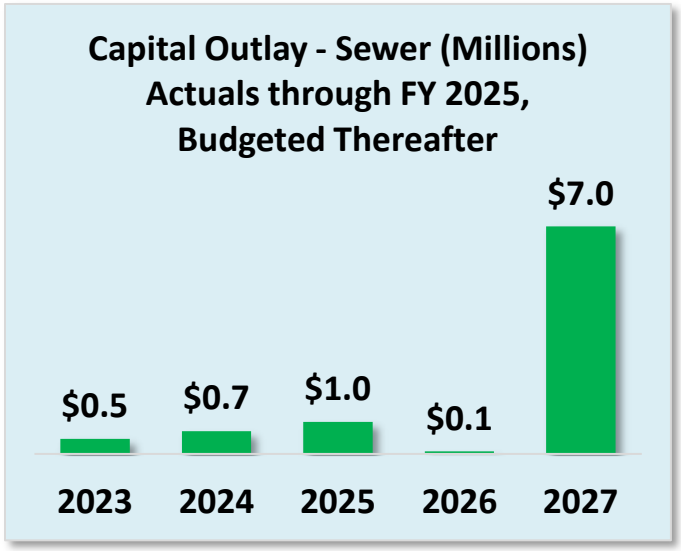
- IT Network Upgrade
- VMWARE Upgrade and Server Refresh
- Phone System Upgrades
- Redundant Internet and Firewall
- Patrol Vehicle Purchase
- Police Equipment
- Fire Equipment

Capital Projects

- Pedestrian Safety - Central
- Pump Station 15.5
- Street Crack and Slurry Seal
- Street Rehabilitation
- Golf Cart Path Improvements
- Golf Tee Expansion / Renovation
- Recreation Trail Improvements

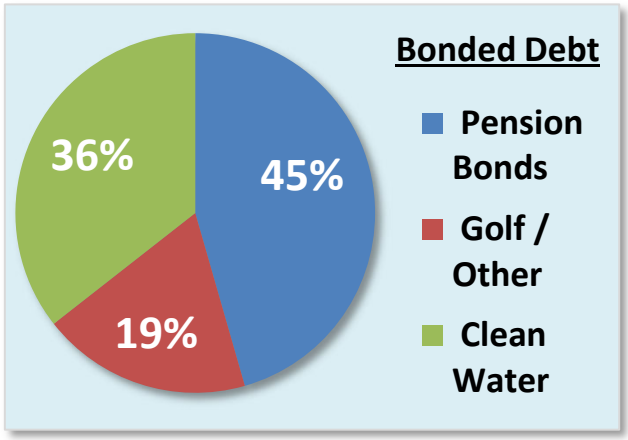
Additional information on capital asset activity is described in Note 7 to the financial statements.





Long-Term Debt, Pension and Other Post Employment Benefit (OPEB) Obligations

Standard and Poor's and Moody's assigned ratings of SP-1+ and MIG 1 to the 2006 Pension Obligation Bonds. The City has not received any updates to this rating. The City does not have any General Obligation Bonds (GO). The California Government Code, Section 43605 caps GO debt at 15% of the assessed value of all real and personal property within the City. The legal debt margin for Fiscal Year 2024-25 is $749 million. Additional information is described in Note 8 to the financial statements.



The City's net pension and net OPEB obligations as of June 30, 2025 were $54.7 million and $3.2 million respectively. As of June 30, 2024, the City's net pension obligation was 78.1% funded. During the year, Long-Term Debt from governmental activities decreased due to debt service payments. Debt for business type activities decreased by 13% due to debt service on the following:



Pension Obligation Bond - In 2006, the City issued Taxable Pension Obligation Bonds in the amount of $19.4 million as part of the California Statewide Communities Development Authority Program.

Clean Water State Revolving Fund Loan - In 2015, the City secured State Water Resources Control Board ("SWRCB") funding for $5.3 million to construct a recycled water treatment plant, sewer diversion structure, waste pump station, and user connections.



Golf Course / Wastewater Revenue Refunding Bonds - The City has a $3.1 million Site Lease with Columbia Bank to refund its 2014 Golf Course Certificate of Participation, secured by the transfer of property rights. The City also issued Wastewater Revenue Refunding Bonds for $1.2 million, which refinances the California State Community Development Authority Series 2001B Revenue Bonds.

Summary of Outstanding Bonded/Lease Long-Term Debt at Fiscal Year End (In Thousands)

	FY 25-26 *	2025	2024	2023	Maturity	Interest
Pension Obligation Bonds	1,500	5,409	$ 6,458	7,404	2029	5.67-6.12%
PG&E Loan	13	19	31	51	2027	Varies
SBITA Liability	102	402	201	318	2032	Varies
Total Debt - Governmental Activities	**$ 1,615**	**$ 5,830**	**$ 6,690**	**$ 7,773**		
2013 Wastewater Revenue Refunding Bonds	88	503	$ 574	640	2031	3.35%
Golf Course COP Refunding	272	1,318	1,526	1,725	2030	4.35%
Clean Water State Revolving Fund Loan	206	4,223	4,386	4,547	2048	1.00%
Total Debt - Business Type Activities	**$ 566**	**$ 6,044**	**$ 6,486**	**$ 6,912**		

* Includes interest as part of the debt service for the fiscal year

Economic Factors / Next Year's Budget

The City prepares an annual budget based on council-set goals and priorities, which contains a multi-year financial plan that focuses on long-term financial viability and allows decision-makers to understand the impact of their policy decisions. Budget development is guided by a series of policies adopted by the City Council, which guides long-term planning, minimum reserve levels, employee compensation, cash and debt management, information technology, and utility rates. The budget was based on these key assumptions:

Property Taxes

Proposition 13 limits the property tax to 1% of each property's full value, plus any additional percentages for specific voter approved indebtedness and limits the growth rate to a maximum of 2% for any given year. The County Assessor re-appraises each real property parcel when there are purchases, construction, or other changes in ownership. The City receives approximately sixteen cents of every dollar of property taxes, with the balance distributed to the Pacific Grove Unified School District, County of Monterey, and local special districts.

Sales and Use Taxes

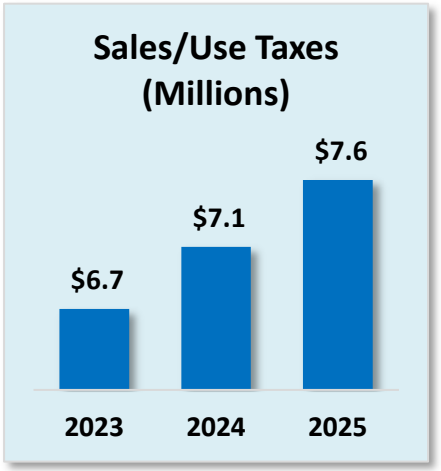
In April 2022, approximately 60% of voters approved Measure A, a new 0.50% transaction and use tax. This increased the combined sales tax rate to 9.25% in October 2022. The General Fund portion of the City sales tax is comprised of a 1% Bradley-Burns statutory sales tax rate; and Measure U, a 1% transaction and use tax that was approved by voters in 2008. The tax rate increased to 1.5% when Measure A became effective.

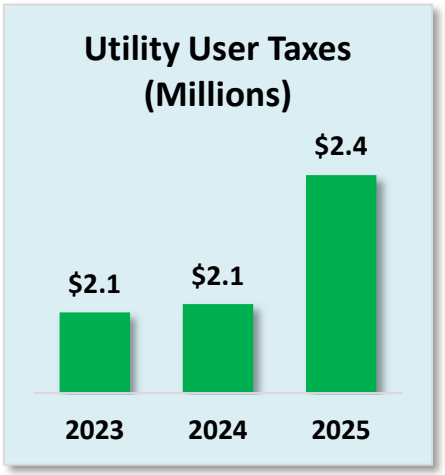
Utility Users Tax

The City imposes a utility users' tax to residents and businesses within the City that utilize water, gas, electricity, telephone, and cable services. This tax is assessed at a rate of 5% of the amount charged by the utility; and it is paid by the person consuming the service. The amount of revenues received is dependent on the underlying rate structures and new development projects.

Transient Occupancy (Hotel) Tax (TOT)

TOT Is a lodging tax that is collected on overnight rental accommodation stays of 30 consecutive days or less. In 2010, the City updated its municipal code and began collecting TOT on residential or short-term rental properties (STRS). In Fiscal Year 17/18, the City approved an ordinance to reduce the number of short-term rentals. In Fiscal Year 19/20, there were approximately 200 properties, with an additional 12 home-sharing licenses. In November of 2018, 74.9% of voters approved Measure U, allowing the City to increase the TOT rate from 10% to 12%. This new rate became effective on July 1, 2019. This increased tax has been partially offset by Measure M, which eliminated STRS outside of the Coastal and Commercial zones, effective as of May of 2020.





Key U.S. Economic Statistics (November 2025)	
3.49%	2 Year Treasury
$53 Billion	Trade Deficit
↑ 4.3%	GDP
4.6%	Unemployment
$ 59	Oil Price per Barrel
↑ 2.7%	Inflation
$ 1.16	Euro / Dollar
↑ 3.5%	Retail Sales
↑ 1.4%	Home Prices



City of Pacific Grove
Map of Pacific Grove and
Elected Officials







Nick Smith
Mayor



Joe Amelio
Mayor Pro Tempore



Cynthia Garfield
Councilmember



Lori McDonnell
Councilmember



Chaps Poduri
Councilmember



Tina Rau
Councilmember



Paul Walkingstick
Councilmember

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ACCOUNTANTS & ADVISORS

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Santa Ana, California 92707

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December 18, 2025

To the Honorable Mayor and Members of the City Council
of the City of Pacific Grove
Pacific Grove, California

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Pacific Grove (the "City") for the year ended June 30, 2025, and have issued our report thereon dated December 18, 2025. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards* and Uniform Guidance, as well as certain information related to the scope and timing of our audit. We have communicated such information in our letter to you dated July 1, 2025. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City are described in Note 1 to the basic financial statements.

New Accounting Standards

GASB Statement No. 101 – In June 2022, GASB issued Statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. Implementation of this Statement had a moderate effect on the City's financial statements for the fiscal year ended June 30, 2025.

GASB Statement No. 102 – In December 2023, GASB issued Statement 102, *Certain Risk Disclosures.* The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. That objective is achieved by requiring governments to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. The statement also requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. Implementation of this Statement did not have a significant effect on the City's financial statements for the fiscal year ended June 30, 2025.

The most sensitive estimates affecting the City's financial statements were:

- Management's estimate of the fair value of investments is based on information provided by the State of California, U.S. Treasury, and financial institutions. We evaluated the key factors and assumptions used to develop the investment fair market value in determining that it is reasonable in relation to the financial statements taken as a whole.

- Management's estimate of the depreciation on capital assets is based on the industry standard and past experience on actual useful life of the asset groups. We evaluated the key factors and assumptions used to develop the depreciation on capital assets in determining that it is reasonable in relation to the financial statements taken as a whole.
- Management's estimate of the net other postemployment benefits ("OPEB") liability is based on the actuarial valuation on total OPEB liability. We evaluated the key factors and assumptions used to develop the total OPEB liability in determining that it is reasonable in relation to the financial statements taken as a whole.
- Management's estimate of the net pension liabilities is based on the proportionate share of actuarial valuation on total pension liability and the proportionate share of the fiduciary net position for CalPERS plans. We evaluated the key factors and assumptions used to develop the net pension liability in determining that it is reasonable in relation to the financial statements taken as a whole.
- Management's estimate for the "more likely than not" amount of sick leave to be accrued in the compensated absences liability is based on historical "days used" data determined by taking a sample of historic sick leave usage patterns.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were:

- Note 1 – Summary of Significant Accounting Policies
- Note 4 – Leases Receivable and Lease Related Deferred Inflows of Resources
- Note 10 – Risk Management
- Note 11 – Defined Benefit Pension Plan
- Note 12 – Other Post-Employment Benefits (OPEB)
- Note 13 – Commitments and Contingencies
- Note 14 – Stewardship, Compliance and Accountability
- Note 16 – Restatement and Prior Period Adjustments of Beginning Net Position

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated December 18, 2025.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the Management's Discussion and Analysis, the Budgetary Comparison Schedules – General Fund and Major Special Revenue Funds, the Schedule of Changes in the Net Pension Liability and Related Ratios, the Schedule of the City's Proportionate Share of the Net Pension Liability Schedule of Contributions - Pensions, and the Schedule of Changes in Net OPEB Liability and Related Ratios, which are required supplementary information ("RSI") that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the Combining and Individual Nonmajor Fund Financial Statements and Budgetary Comparison Schedules, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the Introductory and Statistical Sections, which accompany the financial statements but are not RSI. We did not audit or perform other procedures on this other information and we do not express an opinion or provide any assurance on it.

Restriction on Use

This information is intended solely for the use of the City Council and management of the City and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

The Pun Group, LLP

Santa Ana, California

City of Pacific Grove
California

Annual Comprehensive Financial Report

For the Fiscal Year Ended June 30, 2025



Website: www.cityofpacificgrove.gov
Facebook: CityofPacificGrove
X/Twitter: @PacificGrove

Cover: Lover's Point: A Coastal Gem of Pacific Grove



Nestled along the rugged coast of California's Monterey Peninsula lies Lover's Point, a picturesque and historically rich landmark. The name itself is said to date back to the late 19th century, when Pacific Grove served as a Methodist retreat and seaside resort. In its early days, the location was referred to as a "Lover's Lane" of sorts — a place where couples could stroll or meet privately.

Ecological and Geological Significance



Located on the Pacific Ocean, Lover's Point is part of the Monterey Bay National Marine Sanctuary. The intertidal zone around Lover's Point offers an excellent opportunity for tide pooling, where visitors can observe marine organisms in their natural habitat. The coastal bluffs and beach provide both aesthetic value and serve as a natural buffer against ocean swells, demonstrating a balance between beauty and ecological function.

Recreational Use and Community Engagement



Today, Lover's Point serves as a recreational hub for the Pacific Grove community and its visitors. The calm waters of the cove are particularly inviting, thanks to its sheltered orientation compared to more exposed coastal areas. Each year, Lover's Point is also a focal point for several community events. Additionally, the point marks the start of the scenic Pacific Grove Coastal Trail, a segment of the larger Monterey Bay Coastal Recreation Trail.

Cultural and Aesthetic Value



Beyond its recreational and ecological roles, Lover's Point has deep cultural resonance. It has been a subject for artists, poets, and photographers who are drawn to its changing light, vivid sunsets, and views of the expansive Pacific.

Preserving the natural beauty of Lover's Point is an ongoing challenge, particularly in the face of increasing tourism and climate-related pressures. Coastal erosion, rising sea levels, and marine pollution threaten the fragile balance of the ecosystem.



Programs like beach cleanups, habitat restoration projects, and citizen science events invite the community to participate in stewardship. These efforts underscore the importance of maintaining Lover's Point for future generations, both as an ecological haven and a cultural landmark.

City of Pacific Grove, California

Annual Comprehensive Financial Report

Fiscal Year Ended June 30, 2025



Prepared by the Administrative Services Department


CITY OF PACIFIC GROVE, CA.
INC. 1889

City of Pacific Grove
Annual Comprehensive Financial Report
For the Year Ended June 30, 2025

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CITY OF PACIFIC GROVE, CA.
INC. 1889

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December 18, 2025

Citizens and City Council,

The City of Pacific Grove (City) is submitting its Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2025, including an unmodified opinion from its independent auditors. State law and bond covenants require the City to obtain an annual audit of its financial statements. This annual report was prepared in accordance with accounting principles generally accepted in the United States of America. (GAAP). Internal controls have been established to provide reasonable assurance regarding the reliability of reporting and compliance with applicable laws and regulations. Management assumes responsibility for the contents in this report.





The ACFR is presented in three sections: introductory, financial, and statistical. The introductory section includes this transmittal letter, the City's organizational chart and a list of municipal officers and officials. The financial section includes management's discussion and analysis (MD&A), government-wide financial statements, fund financial statements, notes to the financial statements, and required supplementary information, as well as the auditor's report on the financial statements and schedules. The MD&A provides additional information regarding management of the City's finances and should be read in conjunction with the transmittal letter. The statistical section includes selected financial and demographic information of the City.



Budget Process and Controls

In accordance with the City's Budget and Financial Management Policy, the City Manager recommends the budget and presents it to the City Council in May. After public input and discussion is received, the City Council may request modifications to the budget or introduce an ordinance adopting the budget. The City's budget is then adopted by ordinance and becomes effective on July 1st of each fiscal year.



Budgetary controls are set at the department level and are maintained to ensure compliance with the budget approved by the Board. The City Manager or the Administrative Services Director has the discretion to transfer between activities. City Council approval is required for any overall increase in the budget for any fund or changes to the Capital Improvement Program.

All governmental, enterprise, and internal service funds are appropriated annually. The governmental funds include general, special revenue, capital project, and permanent funds. The Annual Comprehensive Financial Report includes all financial activities of the City. Financial data for all funds through which services are provided by the City have been included in this report. The City maintains an encumbrance accounting system as part of maintaining budgetary control. Encumbered amounts lapse at the end of the fiscal year. However, outstanding encumbrances are reappropriated as part of next year's budget after staff review to determine if they are still needed. The guidelines used in developing the budget are recommended by the California Society of Municipal Finance Officers (CSMFO) and the Government Finance Officers Association (GFOA).



City Profile / Demographics

The City is a small coastal community located in Monterey County that occupies just under three square miles, with a population of approximately 15,000 residents, ranked number 327 in size in California, ↓ 0.4% for the current year and ↓ 0.2% since 2020. Of the adults, 97% have high school degrees and 59% have college degrees, with an average household income of over $100K and median sales price of over $1 million, with 49% of the residential properties owner occupied.



Climate / Location

The City is situated on a peninsula which is bordered by Monterey, Pebble Beach, the Pacific Ocean, and Monterey Bay with a County unemployment rate of approximately 7%. Pacific Grove has a very temperate climate year round, with high temperatures ranging from the 70s in the late summer to the 50s in the winter. Pacific Grove has over 1,300 registered historical homes built prior to 1926.

Education

The Pacific Grove Unified School District (PGUSD) serves the City and portions of Pebble Beach. Based on the California Department of Education's Academic Performance Index scores, PGUSD has received the highest overall ranking of all public schools on the Monterey Peninsula. Schools within the district include Pacific Grove High School, Pacific Grove Middle School, Robert Down Elementary School, and Forest Grove Elementary School. Residents can take advantage of nearby colleges, including Monterey Peninsula College, the Middlebury Institute of International Studies at Monterey, California State University Monterey Bay, and the Hopkins Marine Institute operated by Stanford University. An educational profile is provided below.

Businesses / Additional Demographics

The City has a wide variety of businesses ranging from professional services to health care; and retail sales to lodging accommodations. Tourism is a key economic driver for the City, with a large number classified as either in the accommodation, food service or retail industries. Top employers within the City include the City and school district, Asilomar Hotel and Conference Center, three retirement communities and the local supermarkets. Hospitals in the vicinity include the Community Hospital of the Monterey Peninsula (CHOMP), Natividad Medical Center and Salinas Valley Memorial Hospital, while airports in the vicinity include Monterey Regional Airport, Marina Municipal Airport and San Jose International Airport. Additional demographics are below using the Quickfacts section of Census.gov:

Category	Amount	Category	Amount
Persons 65 and older	29%	Married	55%
Persons 0-18 / 19-64	16% / 55%	Poverty Level	7.1%
Median Monthly Rent	$2,384	Mean Travel Time to Work	21 minutes
Persons per household	2.09	% in Workforce	56%

Community Attractions and Events

The City is home to many attractions, including Point Pinos Lighthouse, Hopkins Marine Station, Asilomar State Beach, Lovers Point Park and Beach, Butterfly House, the Monterey Bay Coastal Recreation Trail and Shoreline Park. The city also offers many special events during the year, including:

- Good Old Days
- Butterfly Parade
- Butterfly Ball
- City 4th of July Celebration
- Monterey Bay Half Marathon
- Pet Parade
- Christmas at the Inns
- Farmers' Market
- Holiday Parade of Lights
- Little Car Show
- Holiday Tree Lighting
- Summer Lights





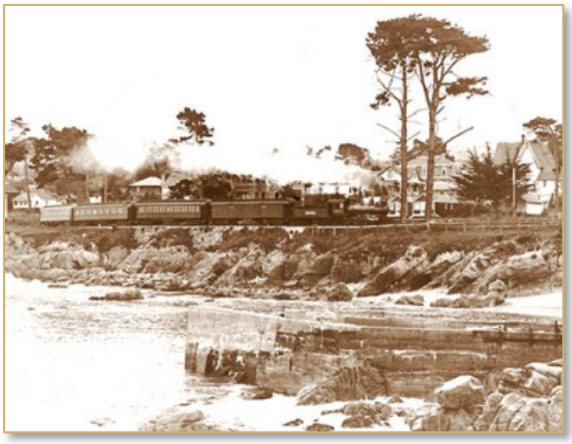
City Government Structure and Services



Pacific Grove is a Charter City which was incorporated in 1889. The City operates under the Council-City Manager form of government with a seven-member City Council elected by the citizens. The Mayor is directly elected to serve a two-year term and Council members are elected to alternating four-year terms. The Council has the authority to establish all laws and regulations, subject only to the limits of the City Municipal Code and State legislation. The City Council appoints a City Manager to serve as the City' s chief administrative officer. The City Manager provides direction to all City departments and ensures that all Council policies are implemented.

The City provides police protection, street, park and facility maintenance, recreational, planning, zoning, economic development, library, administrative and financial services for Pacific Grove. Fire protection services are provided through a contract with the City of Monterey. Additional services include sewer operations, a municipal golf course, Point Pinos Lighthouse, cemetery, a monarch butterfly sanctuary and habitat preserve, several local parks, trails and open space and a local water reclamation facility.

History



The natural advantages of settling along the Monterey Peninsula were recognized thousands of years before Pacific Grove was founded. Native Americans, which are currently known as the Ohlone/Costanoan-Esselen Nation occupied the coastal and inland areas, which included Pacific Grove.

In 1852, development began when Congress commissioned the building of eight lighthouses on the West Coast. Pacific Grove's Point Pinos location was selected as one of the first seven sites in California to receive a lighthouse. The construction of the Point Pinos Lighthouse was completed in 1854, with the lens installation taking place in 1855. The first lighthouse keepers lived a rugged life, with the town only accessible through forest and sand dunes. Supplies arrived periodically by sea, while the keepers also raised a portion of their own food.

During the 1870's many small towns were founded in California. During that period, Pacific Grove was founded for a religious retreat. David Jacks, a wealthy landowner and rancher, owned most of the land that now constitutes Pacific Grove. In 1875, he consented to the development of a Methodist Christian Seaside Retreat on 100 acres of pine-covered coastal land. The Retreat was conceived as a place to worship in a quiet and beautiful natural environment. The first two-week Methodist camp meeting was held in August 1875, with annual meetings following for several decades. Other inhabitants included Chinese immigrants who established a thriving fishing village.

Gradually, sections of Mr. Jacks' property were divided into lots, which later were sold for year-round homes and stores. By 1883, David Jacks sold his remaining Pacific Grove land, which included Point Pinos to the Pacific Improvement Company (PIC). The PIC was a subsidiary of the Southern Pacific Railroad which supported the development of a seaside resort to attract railway passengers. One of the PIC's first accomplishments in Pacific Grove was to connect the town's water supply to the Carmel River to ensure an adequate water system. The PIC also graded and leveled streets; surveyed lots, and established sewage, drainage, and trash pick-up.

As time went on, Pacific Grove began enticing more visitors. The first hotel opened in 1887, followed by the incorporation of the City and the addition of a railroad in 1889. Within ten years, the Pine Street School, the Hopkins Seaside Lab, and the Pacific Grove Bath House were built; and the community began to benefit from electric lights and a telephone exchange. Through a $10,000 Carnegie grant and a land donation, the City opened a public library in 1908. The Mission style Library, with expansive interior arches, is still actively serving the community.

Selected Departmental Achievements – Current Fiscal Year

The City strived to make progress on a number of significant goals previously established including the following, which address all of the City's areas of focus. A significant portion of these goals are funded by the General Fund, with applicable portions being funded by grants and the City's enterprise, capital and special revenue funds:

City Manager

- Implemented an electronic performance management system
- Ongoing importing of contracts into Laserfiche (past & present)
- Continued implementation of the retention and recruitment plan



Police

Administrative Services – Information Services

- Completed Cybersecurity Assessment project
- Enhanced internet reliability and performance at the City Hall, PD, and Library
- Completed network and server upgrades, implement maps application



Downtown Pacific Grove

Administrative Services - Finance

- Received an award for excellence for the City's Financials (ACFR) from GFOA
- Received awards for the City's operating budget from GFOA and CSMFO
- Enhanced the transparency of the department's section of the City's website



Fire Contract with Monterey

Community Development

- Submitted second draft to the California Department of Housing (HCD)
- Offered next day inspection services, with a focus on the new downtown hotel
- Sought qualifying housing rehabilitation projects for use of CDBG funds

Fire

- Completed significant fire station upgrades including roof and tower repair
- Began Advanced Life Support (ALS) paramedic service
- Began a Defensible Space program to inspect high fire severity zones



Lovers Point

Library

- Successful efforts helped to support intergenerational events and programming
- Opened dialogue with local libraries about establishing partnerships
- Investigated the feasibility of developing a small/private meeting space for users

Police

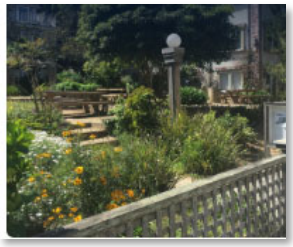
- Maximized social media presence and expanded community outreach efforts
- Facilitated educational workshops on the dangers of opioids/fentanyl
- Hosted workshops on traffic safety, leverage technology, increase enforcement



Esplanade Park

Public Works

- Maintained over 600,000 SF of roadway, enhanced pedestrian safety
- Finalized sidewalk dining guidelines, completed sidewalk extension project
- Completed five Facility Conditions Assessments



Elmarie Dyke Open Space

Recreation

- Added new Summer Sports - Junior Golf Camp and Basketball Camp
- Ensured continued availability of youth center throughout the school year
- Expanded existing Youth Soccer League adding an additional 70 registrations

Key Departmental Goals – Next Two Fiscal Years

Despite limited resources available, the City has developed an ambitious work plan for the next two years including the following, which address the City's Areas of Focus of Financial Sustainability, Infrastructure, Environmental Stewardship and Community Development. A significant portion of these goals are funded by the General Fund, with applicable portions being funded by grants and the City's enterprise, capital and special revenue funds:

City Manager

- Negotiate new MOUs for all bargaining units
- Streamline the Business License application process
- Implement a comprehensive community outreach program

Administrative Services – Information Services

- Complete Next Phase of Cybersecurity Assessment project
- Implement Security Cameras at certain key locations
- Implement Cloud Backup Solution to enhance Disaster Recovery capabilities

Administrative Services - Finance

- Select a vendor to assist the City with the selection of a new ERP system
- Issue interim financial and investment reports on a quarterly basis
- Continue to update the City website on a timely basis

Community Development

- Achieve HCD certification of the 6th Cycle housing element
- Initiate zoning ordinance amendments to streamline project reviews
- Complete grant funded local plan amendments addressing coastal hazards

Fire

- Install a new Station Alerting system compliant with County upgrades
- Place new fire engine in service
- Continue efforts towards education and community fire risk reduction

Library

- Enhance the website with improved design and navigation, and updated content
- Look to develop a partnership with organizations to implement a literacy program
- Increase the number of intergenerational programs by 50%

Police

- Expand and modernize the department's digital and social media presence
- Modernize internal training and leadership development
- Strengthen crime prevention through technology and community-led models

Public Works

- Finalize facility assessments, incorporate into 5 year Capital Improvement Plan
- Finalize Climate Action and Adaptation Plan
- Begin development 10-year sewer master plan and associated user fee study

Recreation

- Evaluate programming to maximize participation
- Continued with expanded youth basketball and soccer programs
- Enhance the online rental portal, to ensure seamless customer service



Chautauqua Hall



Senior Center



Farmers Market



Arnett Park



Platt Park



Morris Dill Tennis Courts

Ten Year Trend Information

Trend information is in the Annual Comprehensive Financial Report (ACFR) and budget. This data can show trends in operating revenues and expenses, which will impact the City's ability to increase its reserves and fund capital projects in the future. Categories include:

- Financial Trends
- Revenue Capacity
- Debt Capacity
- Assessed Values
- Tax Revenues
- Fund Balances
- Demographic Information
- Economic Information
- Operating Information

Budgetary Controls

In accordance with the City's Budget and Financial Management Policy, the City Manager recommends the budget and presents it to the City Council in May and June. After public input and discussion is received, the City Council may request modifications to the budget or introduce an ordinance adopting the budget. The City's budget is then adopted by ordinance and becomes effective on July 1st of each fiscal year. Budgetary controls are set at the department level for the general fund and fund level for all other funds and are maintained to ensure compliance with the budget approved by the Board. The City Manager or the Administrative Services Director has the discretion to transfer between activities. City Council approval is required for any overall increase in the budget for any fund or changes to the Capital Improvement Program.



Berwick Park

All governmental, enterprise, and internal service funds are appropriated annually. The governmental funds include general, special revenue, capital project, and permanent funds. The Annual Comprehensive Financial Report includes all financial activities of the City. Financial data for all funds through which services are provided by the City have been included in this report. The City maintains an encumbrance accounting system as part of maintaining budgetary control. Encumbered amounts lapse at the end of the fiscal year. However, outstanding encumbrances are reappropriated as part of next year's budget after staff review to determine if they are still needed.



Seven Gables Inn

Financial Policies

The City has established financial policies to provide guidance on several financial areas, including the following which are part of the adopted budget and summarized below.

- Budget and Financial Management (City Council Policy 400-6)
- Investments (City Council Policy 400-5)
- Fees, Charges and Cost Recovery (City Council Policy 400-4)



Butterfly House

Category	Policy
Balanced Budget	Operating Revenues >= Operating Expenditures (Use of Reserves allowed to balance budget)
General Fund Reserves	Recommended 25% of Budgeted Expenditures
Golf Fund Reserves	Recommended 25% of Revenues of the Golf Fund
Pension / Capital Reserves	Recommended $1 million minimum for each
Sewer Fund Reserves	Recommended Two Years Funding of Capital Projects
Worker's Compensation Fund	At least 75% of total fund liabilities
Liability Insurance Fund	At least 75% of total fund liabilities
Year End Surplus	Ensure General Fund (GF)/Insurance Reserves are met, with remainder allocated 1/3 to Pension Reserve, Capital Reserve and GF Reserves

Risk Management

The City is a member of the California Joint Powers Insurance Authority (the "Authority"). The Authority is composed of 124 California public entities and is organized under a joint powers agreement pursuant to California Government Code §6500 et seq. The Authority arranges and administers programs for the pooling of self-insured losses, purchases excess insurance and reinsurance, and arranges for group purchased insurance for property and other lines of coverage. The California JPIA began covering claims of its members in 1978.

Each member government has an elected official as its representative on the Authority's Board of Directors. The Board operates through a nine-member Executive Committee. During the past three fiscal years, none of the above programs of protection experienced settlements or judgments that exceeded pooled or insured coverage.

Appropriations Limit

Under Article XIII-B of the California Constitution (the Gann Spending Limitation Initiative), California governmental agencies are restricted as to the amount of annual appropriations from proceeds of taxes. Beginning in Fiscal Year 1990-91, the appropriations limit is required to be calculated bas ed on the limit for the fiscal year 1986-87, adjusted for a.) either the annual percentage change of the jurisdiction's own population or the annual percentage change in population of the county where the jurisdiction is located and b.) an inflation factor either being the annual percentage change in per capita personal income or the percentage change in the local assessment roll from the preceding year due to the change of local nonresidential construction. The City's appropriations remain under this limit.





Lovers Point

Appendix

Included in the appendix of the Budget is a list of key acronyms, a glossary with key terms used in the documents and an index to key sections of the documents. The appendix of the Budget also includes calculations of the annual appropriations limit, detailed information on debt obligations, and resolutions adopting the budget and appropriation limit.



Recreation Trail

Awards

The City has received from GFOA and from the California Society of Municipal Finance Officers (CSMFO) awards for excellence in reporting for its budget and from GFOA for its ACFR and Popular Annual Financial Report (PAFR). These awards focus on providing high quality documents for the citizens, City Council, customers, regulators and other interested parties. The City will submit the budget to GFOA and CSMFO and the ACFR/PAFR to GFOA in accordance with their award programs.



Acknowledgements

We wish to recognize the City Council for their leadership, support and commitment to fiscal sustainability and long-term financial planning. We also express appreciation to all departments for providing sound fiscal management and their assistance with preparation of the ACFR and budget, with special thanks to the staff of the Finance Division of the Administrative Services Department who assisted with the preparation of both.

Respectfully submitted,

Matt Mogensen
City Manager

Fred Marsh
Administrative Services Director

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Pacific Grove
California

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2024

Christopher P. Morrill

Executive Director/CEO

City of Pacific Grove Budget
City Organization Chart
Fiscal Year 2024-25

Residents of the City of Pacific Grove

City Attorney (Contract)

Mayor and City Council

Boards and Commissions

City Manager

City Manager's Office	Administrative Services	Community Development	Fire (Contract)
Museum (Contract)	Police	Public Works	Recreation

City Manager's Office
• City Clerk
• Economic Development
• Human Resources
• Outreach

Administrative Services
• Administrative Services
• Finance / Risk Mgmt
• Cemetery
• Information Services

Community Development
• Community Development
• Planning
• Building (Contract)
• Code Compliance

Fire
• Plan Review
• Fire Suppression
• Disaster Preparedness
• Emergency Medical Aid

Police
• Police
• Animal Control
• Records
• Parking

Public Works
• Public Works
• Buildings / Grounds
• Capital Improvements
• Golf Course / Lighthouse

Boards/Commissions
• Administrative Enforcement Hearing Officer
• Architectural Review
• Beautification and Natural Resources
• Diversity, Equity and Inclusion
• Downtown Business Improvement District
• Historic Resources
• Hospitality Improvement District
• Library
• Museum
• Planning
• Recreation
• Site Plan Review
• Traffic Safety
• Other Ad Hoc Committees
• Zoning Administrator







City of Pacific Grove
Principal Officials
Fiscal Year 2024-25



Nick Smith
Mayor



Joe Amelio
Councilmember



Cynthia Garfield
Councilmember



Lori McDonnell
Councilmember



Chaps Poduri
Councilmember



Tina Rau
Councilmember



Paul Walkingstick
Councilmember



Matt Mogensen
City Manager



Brian Pierik
City Attorney

Department Heads

Administrative Services:	Fred Marsh	**Police:**	Casey Day
City Clerk:	Sandra Kandell	**Community Development:**	Jon Biggs
Human Resources:	Leticia Livian	**Public Works:**	Daniel Gho
Library:	Rachel Gaither	**Fire (Contract):**	Andrew Miller

City of Pacific Grove
Map of Pacific Grove and the
Monterey Peninsula




CITY OF PACIFIC GROVE, CA.
INC. 1889

THE PUN GROUP
ACCOUNTANTS & ADVISORS

6 Hutton Centre Drive, Suite 1200
Santa Ana, California 92707

www.pungroup.cpa

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and the Members of the City Council
of the City of Pacific Grove
Pacific Grove, California

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Pacific Grove, California (the "City"), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States ("*Government Auditing Standards*"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matters

Prior Period Adjustments

As discussed in the Note 16 to the basic financial statements, the City also recorded prior period adjustment in the governmental activities and business-type activities in the amount of $1,162,521 and $3,576, due to correction of recording unearned revenue in the ARPA fund and Capital Improvement Project funds in amount of $821,953 and $123,575. In addition, the revenue correction was made in amount of $216,993 in the general fund. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Budgetary Comparison Schedules – General Fund and Major Special Revenue Funds, the Schedule of Proportionate Share of Net Pension Liability, Schedule of Contributions - Pensions, and the Schedule of Changes in Net OPEB Liability and Related Ratios be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the Required Supplementary Information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

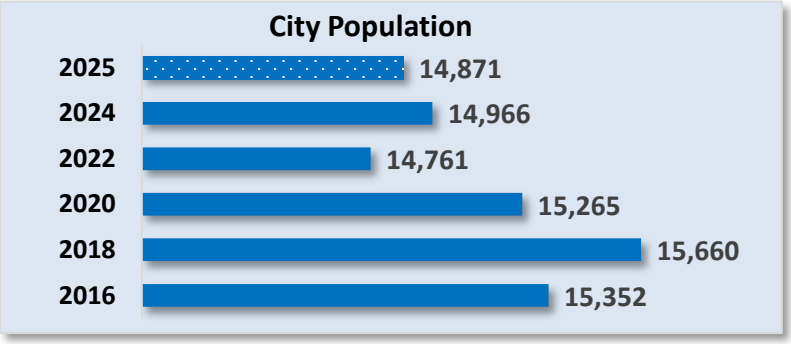
In accordance with *Government Auditing Standards*, we have also issued our report dated December 18, 2025, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

The Pun Group, LLP

Santa Ana, California
December 18, 2025


CITY OF PACIFIC GROVE, CA.
INC. 1889

This discussion and analysis (MD&A) includes an overview of the City of Pacific Grove's (City's) financial activities and performance for the fiscal year ended June 30, 2025. This discussion and analysis is intended to serve as an introduction to the City's basic financial statements, which consists of three parts: (1) Government-Wide Financial Statements, (2) Fund Financial Statements, and (3) Notes to the Basic Financial Statements.



This report also contains other supplementary information in addition to the basic financial statements themselves. The financial statements presented herein include all of the activities of the City and its component units. Please read the MD&A in conjunction with the transmittal letter, the basic financial statements, and the accompanying notes to those financial statements in the Annual Comprehensive Annual Report (ACFR).

Government-Wide Financial Statements

These provide readers with a broad view of the City's finances, using the economic resources measurement focus and accrual basis of accounting. These accounting methods are similar to those used by private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. Additionally, certain interfund receivables, payables, and interfund activity have been eliminated. An overview of the City's functions associated with each classification is listed below.

Governmental Activities – All of the City's basic services are considered to be governmental activities. This includes general government, public safety, public works, recreation, library, museum, and community development. These services are supported by general City revenues such as taxes, and by specific program revenues such as development and recreation program fees.

Business-Type Activities – The City's enterprise activities include cemetery, sewer, water reclamation and golf operations. Unlike governmental activities, these services are fully supported by charges paid by users based on the amount of services they use.

The Statement of Net Position presents financial information on all of the City's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or declining. The Statement of Activities shows how the net position changed during the recent fiscal year.

Fund Financial Statements

These provide readers with additional information about the City's major funds, how services were financed in the short term, and fund balances available for financing future projects. Most of the City's funds, excluding the City's General Fund and Internal Service Funds, have significant restrictions, commitments, or other limitations, which affect the availability of their fund resources for future use.

Notes to the Financial Statements / Supplementary Information

These provide additional information to give the reader a better understanding of the data provided in the Government-Wide Financial Statements and Fund Financial Statements. In addition to the basic financial statements and accompanying notes, this report also presents certain Required Supplementary Information concerning the City's progress in funding its obligation to provide pension and retiree health benefits to its employees. The combining statements for non-major and internal service funds are presented immediately following the required supplementary information.

Financial Highlights

Statement of Net Position

Net Position – Representing the difference between assets plus deferred outflows of resources less liabilities plus deferred inflows of resources is ↑ $1.5 million to $56.8 million, due to higher revenues from taxes and sewer fees. Note that there was a prior period adjustment to the beginning Net Position of $1.2 million as discussed in Note 16.

Working Capital – Representing current assets less current liabilities was ↑ $ 4.9 million to $35.8 million, due to increased revenues from taxes and sewer fees.

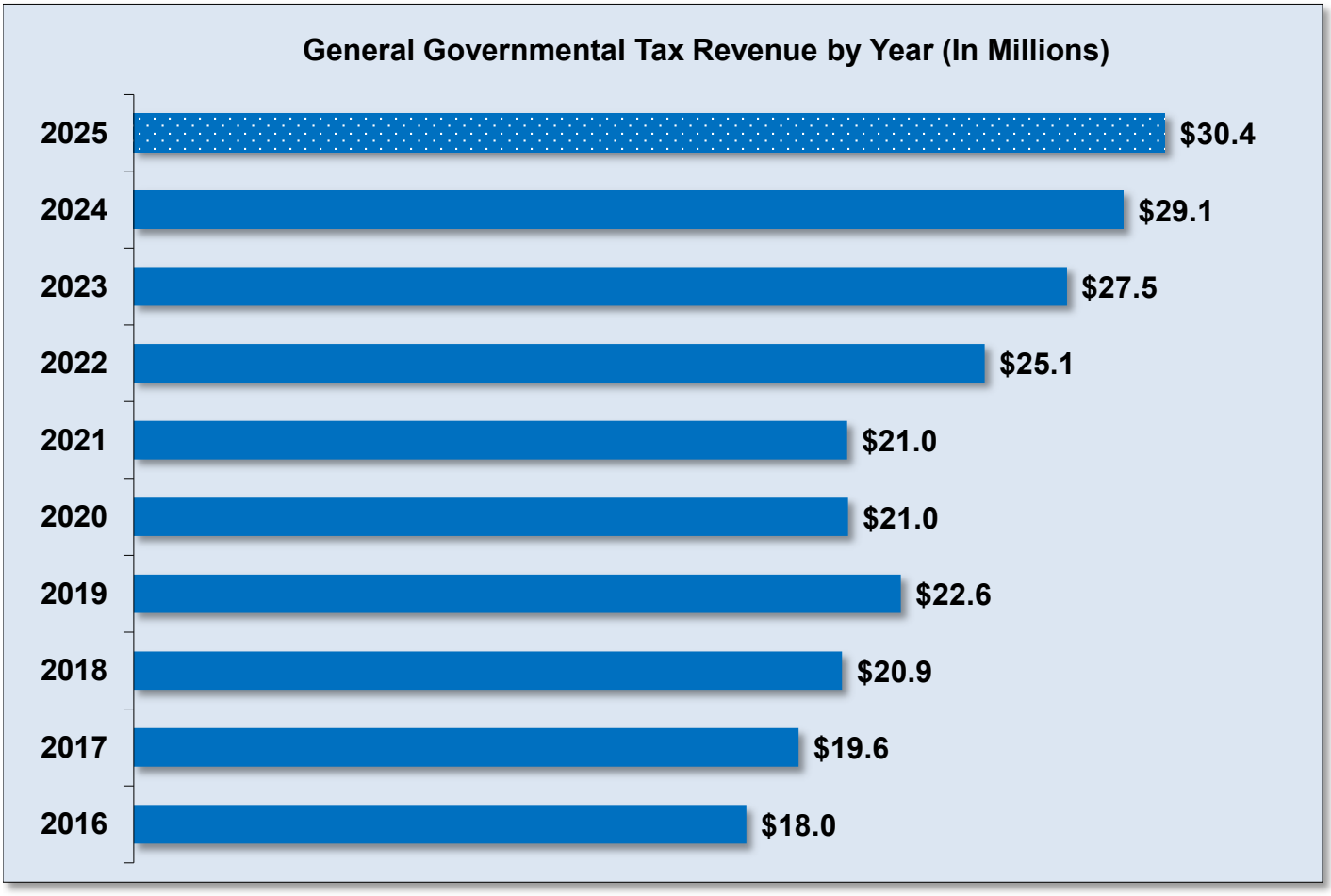
Net Investment in Capital Assets – The City's largest portion of net position reflects investments in net capital assets less any related debt that was used to acquire those assets. The ending balance was $66.5 million, reflecting the completion of capital projects during the fiscal year.

Unrestricted Net Position – The City had a deficit in unrestricted net position of $20.1 million at the end of the fiscal year. Many different items comprise the unrestricted net position, including the City's net pension liability offset.

Statement of Activities

Change in Net Position - Was $2.6 million during the year, comprised of a net change from governmental activities of $0.7 million and from business type activities of $1.9 million.

Operating Revenues / Expenses – Operating revenues consisted of $10.9 million for Charges for Services, $1.6 million for Operating Grants and Contributions, $451K for Capital Grants and Contributions and $34.3 million for taxes and general revenues. Operating expenses consisted of $38.4 million for governmental activities and $6.2 million for business type activities.



Statement of Net Position

The increase in assets and net position in the Statement of Net Position is due to increased tax receipts and sewer revenues, as well as other revenue and expense variances noted elsewhere in this document. The deficit of Net Position is net of pension related liabilities, inflows and outflows.

Summary of Net Position (In Thousands)

	Governmental Activities		Business-Type Activities		Totals	
	2025	2024	2025	2024	2025	2024
Assets						
Current assets	$ 32,815	$ 31,319	$ 13,211	$ 12,591	$ 46,026	$ 43,910
Capital assets	44,774	43,403	28,447	28,484	73,221	$ 71,887
Other assets	7,254	8,806	1,000	1,328	8,254	10,134
Total Assets	$ 84,843	**$ 40,125**	**$ 42,658**	**$ 13,919**	**$ 127,501**	**$ 125,931**
Deferred Outflows Resources	**$ 15,323**	**$ 20,365**	**$ 335**	**$ 356**	**$ 15,658**	**$ 20,721**
Liabilities						
Current liabilities	$ 9,335	$ 12,197	$ 928	$ 1,956	$ 10,263	$ 14,153
Noncurrent/other liabilities	62,702	63,260	7,113	7,302	69,815	70,562
Total Liabilities	**$ 72,037**	**$ 75,457**	**$ 8,041**	**$ 9,258**	**$ 80,078**	**$ 84,715**
Deferred Inflows Resources	**$ 4,888**	**$ 5,943**	**$ 1,408**	**$ 1,825**	**$ 6,296**	**$ 7,768**
Net Position						
Net investment capital assets	$ 44,104	$ 42,671	$ 22,386	$ 21,252	$ 66,490	$ 63,923
Restricted	10,396	9,526			10,396	9,526
Unrestricted (deficit)	(31,260)	(29,703)	11,158	10,425	(20,102)	(19,278)
Total Net Position	**$ 23,240**	**$ 22,494**	**$ 33,544**	**$ 31,677**	**$ 56,784**	**$ 54,171**

Current and Other Assets
This includes unrestricted cash and investments and items such as receivables, inventory and prepaid items expected to be converted into cash within one year.

Capital Assets
Consisting of land, buildings, improvements, infrastructure, vehicles, equipment, and the right-to-use assets. These items are not available for future spending.

Deferred Outflows / Inflows Resources
A consumption / acquisition of net assets by the government that is applicable to a future reporting period.

Current and Other Liabilities
Represents liabilities expected to be paid with cash within one year.

Long Term Liabilities
Includes the outstanding obligations for the City, including pensions, OPEB, compensated absences, leases, subscription, and bonded debt.

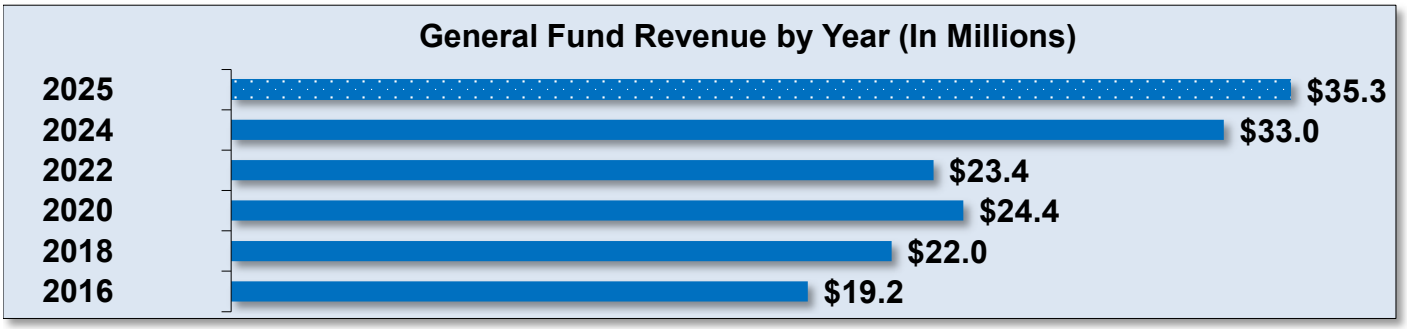
Net Position
Net investment in capital assets represents capital assets net of accumulated depreciation and related debt. The restricted portion is subject to externally imposed restrictions for activities such as capital projects, debt service, and community development and is not available for general operations. The unrestricted portion is available for general operations. The deficit amount shown in Governmental Activities is due to pension obligations.

Statement of Changes in Net Position

The Statement of Changes in Net Position reflects the fact that the City's net position increased by approximately $2.6 million in the current fiscal year. The increase in net position is due to increases in tax and sewer fee revenues received.

Summary of Statement of Changes in Net Position (In Thousands)

	Governmental		Business-Type		Totals	
Functions/Programs	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**
Program Revenues						
Charges for services	$ 3,930	$ 3,821	$ 6,937	$ 6,314	$ 10,867	$ 10,135
Operating grants/contributions	1,627	858	-	-	1,627	858
Capital grants/contributions	452	474	-	-	452	474
Total Program Revenues	**6,009**	**5,153**	**6,937**	**6,314**	**12,946**	**11,467**
General Revenues					-	-
Taxes	30,369	28,931	-	-	30,369	28,931
Investment earnings	1,102	1,444	460	511	1,562	1,955
Other revenues	2,320	1,151			2,320	1,151
Total General Revenues	**33,791**	**31,526**	**460**	**511**	**34,251**	**32,037**
Total Revenues	**39,800**	**36,679**	**7,397**	**6,825**	**47,197**	**43,504**
Expenses					-	-
General government	6,769	6,441			6,769	6,441
Public safety	17,848	15,217			17,848	15,217
Public works	5,715	5,230			5,715	5,230
Recreation	2,137	1,563			2,137	1,563
Library	1,550	1,248			1,550	1,248
Museum	416	360			416	360
Community development	3,574	3,667			3,574	3,667
Interest on fiscal charges	410	477			410	477
Cemetery operating			816	452	816	452
Sewer operating			1,484	1,224	1,484	1,224
Local water project			3,060	2,042	3,060	2,042
Golf course			805	469	805	469
Total Expenses	**38,419**	**34,203**	**6,165**	**4,187**	**44,584**	**38,390**
Excess/(Deficiency) before Transfers	**1,381**	**2,476**	**1,232**	**2,638**	**2,613**	**5,114**
Transfers	(635)	(188)	635	188	-	-
Increase/(Decrease) in Net Position	**746**	**2,288**	**1,867**	**2,826**	**2,613**	**5,114**
Net Position, Beginning Year (restated)	**22,494**	**20,206**	**31,677**	**28,851**	**54,171**	**49,057**
Net Position, End of Year	**$ 23,240**	**$ 22,494**	**$ 33,544**	**$ 31,677**	**$ 56,784**	**$ 54,171**



Statement of Changes in Net Position (Continued)

	Fiscal Year Ended June 30		
	2024	2025	% of Total
Program Expenses			
General government	$ 6,440,878	$ 6,769,288	15.2%
Public safety	15,217,138	17,847,637	40.0%
Public works	5,230,431	5,714,615	12.8%
Recreation	1,562,919	2,136,618	4.8%
Library / Museum	1,608,628	1,965,667	4.4%
Community Development	3,666,942	3,574,254	8.0%
Interest and fiscal charges on long-term debt	476,107	410,376	0.9%
Total governmental activities expenses	34,203,043	38,418,455	86.2%
Cemetery	452,270	816,575	1.8%
Sewer	1,224,324	1,483,581	3.3%
Local Water Project	2,042,255	3,059,850	6.9%
Golf	468,767	805,394	1.8%
Total business-type activities expenses	4,187,616	6,165,400	13.8%
Total primary government expenses	$ 38,390,659	$ 44,583,855	100%
Program Revenues			
Charges for services:			
General government	$ 1,210,812	$ 1,268,917	9.8%
Public safety / Public Works	601,498	631,542	4.9%
Recreation	599,573	716,285	5.5%
Library / Museum	2,374	1,856	0.0%
Community Development	1,406,529	1,311,599	10.1%
Operating grants and contributions	858,172	1,626,687	12.6%
Capital grants and contributions	474,137	451,865	3.5%
Total governmental activities program revenues	5,153,095	6,008,751	46.4%
Charges for services:			
Cemetery	716,931	614,897	4.7%
Local Water Project	1,026,820	1,328,142	10.3%
Sewer	3,825,616	4,115,081	31.8%
Golf	745,216	879,140	6.8%
Total business-type activities program revenues	6,314,583	6,937,260	53.6%
Total primary government program revenues	12,416,782	12,946,011	100%
Governmental activities	(29,049,948)	(32,409,704)	
Business-type activities	2,126,967	771,860	
Total primary government net (expense)/revenue	$ (26,922,981)	$ (31,637,844)	

Revenues - Include charges for services such as sewer charges, grants, and funding received from other organizations to finance the costs of special programs, and taxes, including property, sales, franchise, transient occupancy, and business license taxes. The City share of the 1% levy per Prop. 13 is 15.92%, net of the Educational Revenue Augmentation Fund (ERAF) share (3.69% of the 1%) that is deducted by the State.

Expenses - Include Administration, Police, Fire, Public Works, Community Development, Recreation, the City's golf course, Sewer collection system, Cemetery and the City's local water project.

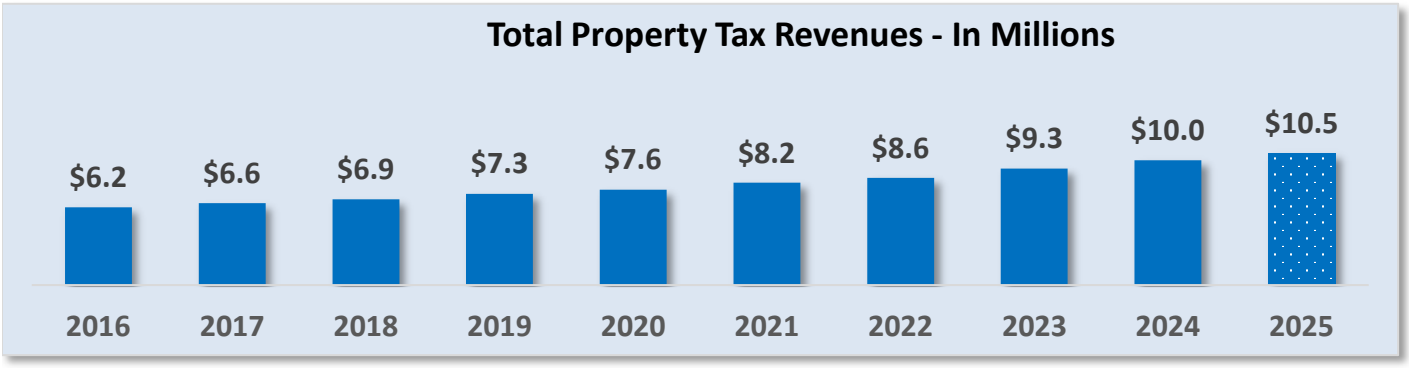
	Fiscal Year Ended June 30		% of
	2024	2025	Total
General Revenues and Other Changes in Net Assets			
Governmental activities:			
Taxes			
Property taxes	$ 10,001,561	$ 10,516,128	31.7%
Sales and use taxes	7,146,935	7,589,358	22.9%
Franchise taxes	1,682,562	1,589,922	4.8%
Transient occupancy taxes	7,375,869	7,556,230	22.8%
Utility users taxes	2,118,068	2,435,825	7.3%
Business license tax	427,918	501,858	1.5%
Property transfer tax	159,401	156,698	0.5%
Property taxes in lieu of motor vehicle fee	18,480	23,616	0.1%
Unrestricted Investment earnings	1,443,592	1,102,043	3.3%
Miscellaneous or Other revenues	1,150,805	2,319,504	7.0%
Transfers	(187,500)	(635,188)	-1.9%
Total governmental activities	31,337,691	33,155,994	100%
Business-type activities:			
Unrestricted Investment earnings	511,470	459,953	
Miscellaneous or Other revenues			
Transfers	187,500	635,188	
Total business-type activities	698,970	1,095,141	
Total primary government	$ 32,036,661	$ 34,251,135	

Governmental Activities

The total cost of services for all governmental activities in FY 24-25 was $38.4 million, with program revenues covering $6.0 million resulting in a net cost of $32.4 million. The remaining portion of governmental activities was covered by taxes (some of which can only be used for certain programs) and other revenues, such as interest and other miscellaneous revenue. The cost of services went up driven by cost escalations and the impact of negotiated labor agreements and the most recent pension actuarial.

Business Activities

The total cost of all Business-Type activities this year was $6.2 million. As shown in the Statement of Activities, these were funded by charges for services totaling $6.9 million amounts paid by users of the systems, along with interest earned on invested cash balances. Net position increased by $1.9 million for business-type activities (including investment earnings and transfers) to $33.5 million.



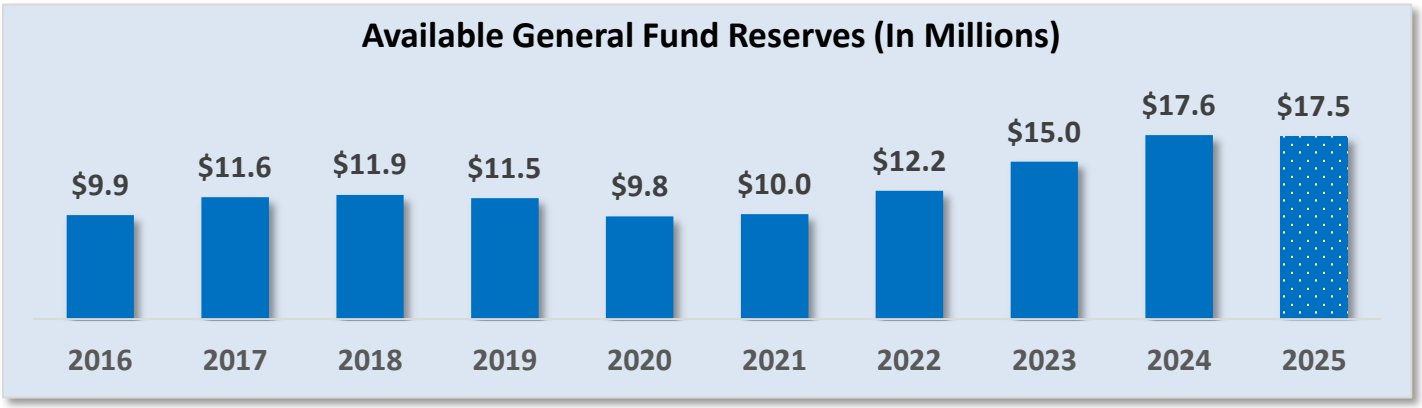
Financial Analysis of the City's Governmental Funds

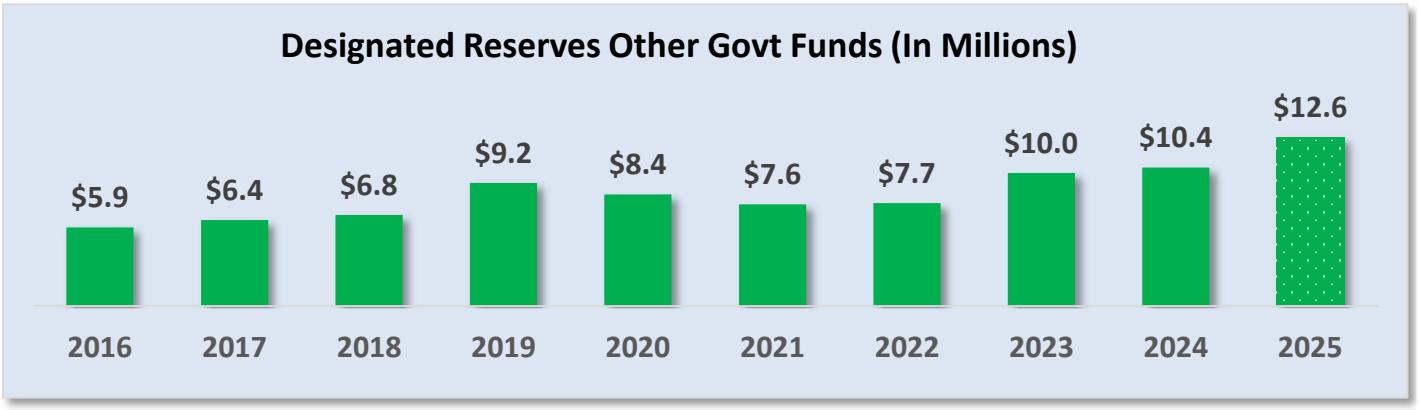
The Fund Financial Statements focus on individual parts of the City's government, reporting operations in more detail than the Government-Wide Statements. The City's governmental funds provide information on near-term inflows, outflows and balances of spendable resources. The City's governmental funds reported a combined fund balance at June 30, 2025 of $30.1 million, an increase of $3.3 million over the end of the previous fiscal year. Major changes are noted below.

Summary of Changes in Fund Balance - Governmental Funds (In Thousands)

	Fund Name / Type					
	General Fund	RSTP Fund	CDBG Grant Fund	Capital Projects Fund	Other Govt. Funds	Total
Total Revenues	**$ 35.3**	**$ 0.5**	**$ 0.02**		**$ 4.4**	**$ 40.2**
Total Expenditures	**31.3**	**0.1**	**0.0**	**1.0**	**4.2**	**36.6**
Revenues Over (Under) Expenditures	4.0	0.4	-	(1.0)	0.2	3.6
Transfers in	0.1			3.0	0.3	3.4
Transfers out	(4.0)				(0.1)	(4.1)
Proceeds from sale of assets						-
Inception of subscription liabilities					0.4	0.4
Net change in fund balances (deficit)	**0.1**	**0.4**	**-**	**2.0**	**0.8**	**3.3**
Beginning Fund Balance (deficit) - restated	**17.4**	**(0.4)**	**1.3**	**0.3**	**8.2**	**26.8**
End of year Fund Balance (deficit)	**$ 17.5**	**$ -**	**$ 1.3**	**$ 2.3**	**$ 9.0**	**$ 30.1**

The General Fund is the chief operating fund of the City and reflects an increase of $0.1 million in fund balance. Capital Projects fund balances increased $2.0 million due to the carryover of capital projects to Fiscal Year 25-26.





Budgetary Highlights - General Fund

Over the course of the year, the City Council revised the City's budget with adjustments for various revenue and expenditure changes. After taking into account these adjustments, General Fund revenues were higher than the final budget by $2.0 million, which is attributable to higher tax collections and the receipt of one-time funds for various projects, and General Fund expenditures were under budget by $2.9 million, due to personnel cost savings resulting from vacancies in several of the City's departments. Significant variances are shown below:

General Fund Budget Actual (In Thousands)

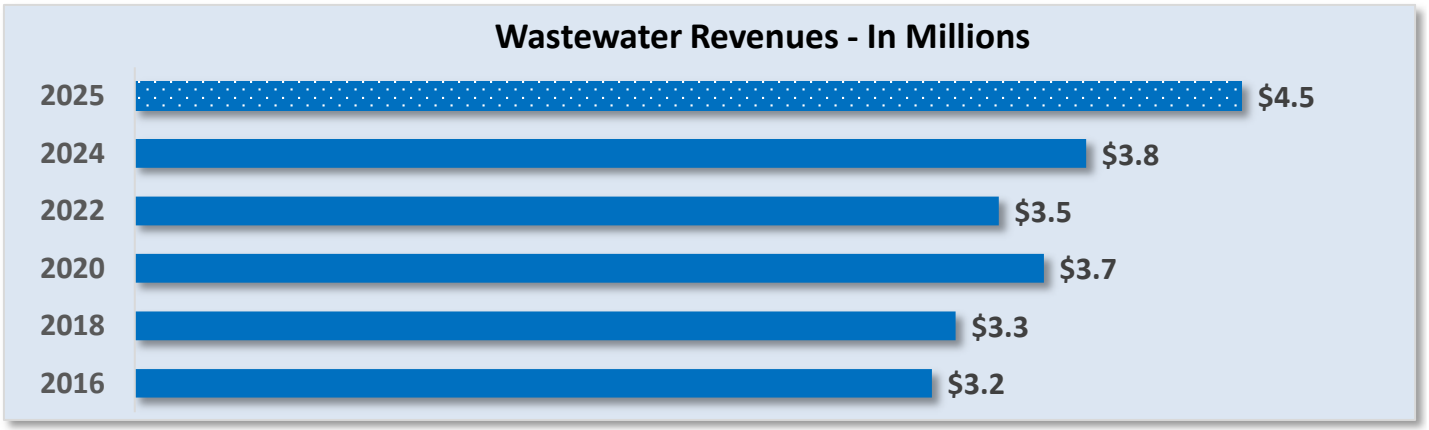
Functions/Programs	Original Budget	Final Budget	Actual	Variance
Revenues				
Property taxes	$ 10,296,000	$ 10,296,000	$ 10,516,128	$ 220,128
Sales and use taxes	6,194,000	6,194,000	6,360,487	166,487
Franchise and other taxes	1,659,000	1,659,000	1,547,278	(111,722)
Transient occupancy taxes	7,012,000	7,012,000	6,960,718	(51,282)
Utility user taxes	2,043,000	2,043,000	2,435,825	392,825
Business license tax	393,000	393,000	485,535	92,535
Other taxes	150,000	150,000	180,314	30,314
Total Taxes	**27,747,000**	**27,747,000**	**28,486,285**	**739,285**
Intergovernmental	51,000	51,000	150,704	99,704
Licenses, permits and impact fees	1,325,000	1,325,000	1,154,121	(170,879)
Fines and Forfeitures	484,250	484,250	316,523	(167,727)
Charges for services	1,882,590	1,882,590	1,940,548	57,958
Interest, rents and concessions	558,200	558,200	874,568	316,368
Other revenues	1,260,687	1,260,687	2,339,408	1,078,721
Total Revenues	**33,308,727**	**33,308,727**	**35,262,157**	**1,953,430**
Expenses				
General government	5,684,861	5,902,161	5,253,961	648,200
Public Safety - Police	8,931,103	9,069,754	8,328,813	740,941
Public Safety - Fire	4,915,600	4,920,982	5,022,031	(101,049)
Public works	5,144,860	5,712,860	4,619,697	1,093,163
Recreation	1,623,839	1,683,839	1,697,656	(13,817)
Library	1,212,017	1,242,394	1,223,426	18,968
Museum	384,300	384,300	382,112	2,188
Community development	2,983,158	3,391,158	2,995,511	395,647
Capital Outlay	505,100	305,342	173,561	131,781
Debt Service:				-
Principal retirement	556,910	556,910	556,910	-
Interest	905,652	905,652	989,578	(83,926)
Total Expenses	**32,847,400**	**34,075,352**	**31,243,256**	**2,832,096**
Other Financing Uses (Net)	**(1,551,187)**	**(3,718,220)**	**(3,899,615)**	**181,395**
Increase / (Decrease) in Net Position	**$ (1,089,860)**	**$ (4,484,845)**	**119,286**	**$ (4,604,131)**
Net Position, Beginning of Year			**17,364,795**	
Net Position, End of Year	`		**$ 17,484,081**	

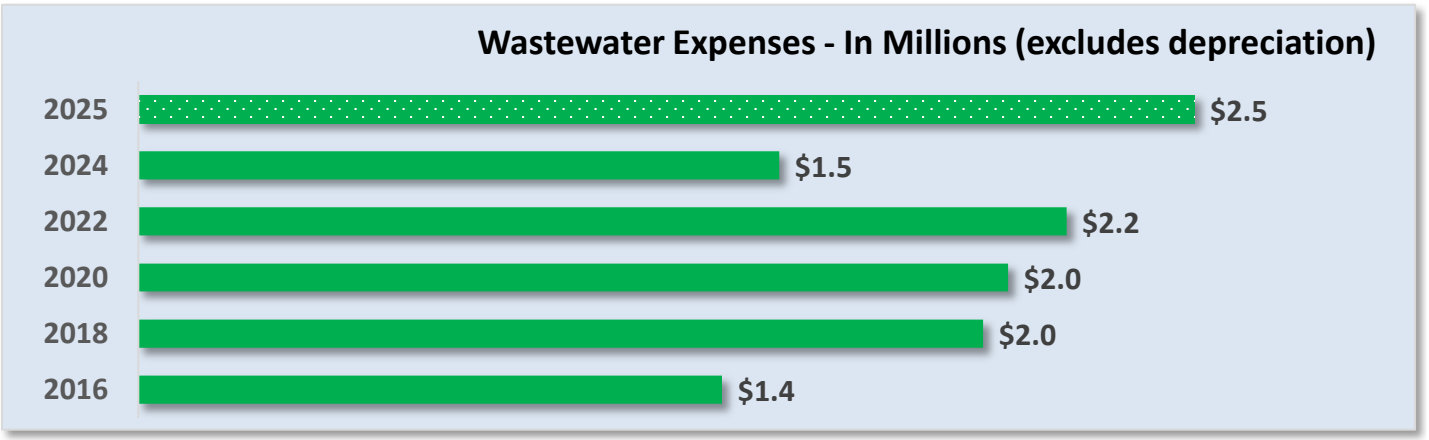
Budgetary Highlights - Proprietary Funds

These funds provide the same type of information found in the Government-Wide Financial Statements but in more detail. Factors concerning these funds have previously been addressed in the discussion of business-type activities under the Government-Wide Statements.

Summary of Changes in Net Position - Proprietary Funds (In Thousands)

	Business Type Activities					Governmental Activities
	Cemetery Fund	Local Water Project Fund	Sewer Fund	Golf Course Fund	Total	Internal Service Funds
Total Operating Revenues	$ 0.6	$ 1.3	$ 4.1	$ 0.9	$ 6.9	$ 2.7
Total Operating Expenses	0.8	1.4	3.0	0.7	5.9	3.3
Revenues Over (Under) Expenses	(0.2)	(0.1)	1.1	0.2	1.0	(0.6)
Transfers in		0.6			0.6	
Investment Earnings			0.3	0.1	0.4	
Interest Expense				(0.1)	(0.1)	
Net change in Net Position	(0.2)	0.5	1.4	0.2	1.9	(0.6)
Beginning of year Net Position	1.3	1.1	25.3	4.0	31.7	0.8
End of year Net Position	1.1	1.6	26.7	4.2	33.6	0.2
Ending Working Capital	$ 1.0	$ -	$ 10.1	$ 1.0	$ 12.1	$ 1.3





Capital Assets

The City of Pacific Grove's investment in capital assets as of June 30, 2025 amounts to $73.2 million (net of accumulated depreciation and amortization). This includes net capital assets from governmental activities of $44.8 million and net capital assets from business type activities at $28.5 million. This investment in capital assets includes land, buildings and systems, improvements, machinery and equipment, park facilities, roads, and sewer systems. The table below summarizes the City's capital assets net of depreciation:



Summary of Capital Assets at Year End (In Thousands)

	Governmental Activities		Business-type Activities		Totals	
	2025	2024	2025	2024	2025	2024
Land	$ 2,338	$ 2,338	$ 363	$ 363	$ 2,701	$ 2,701
Construction in progress	1,665	5,525	1,107	983	2,772	6,508
Buildings and improvement	9,250	8,449	4,485	4,608	13,735	13,057
Infrastructure	30,162	25,910	22,142	22,136	52,304	48,046
Machinery and equipment	845	883	350	394	1,195	1,277
Subscriptions (SBITAs)	514	298		-	514	298
Total Capital Assets, Net	**$ 44,774**	**$ 43,403**	**$ 28,447**	**$ 28,484**	**$ 73,221**	**$ 71,589**

Major capital projects and capital outlay during the fiscal year included the following:

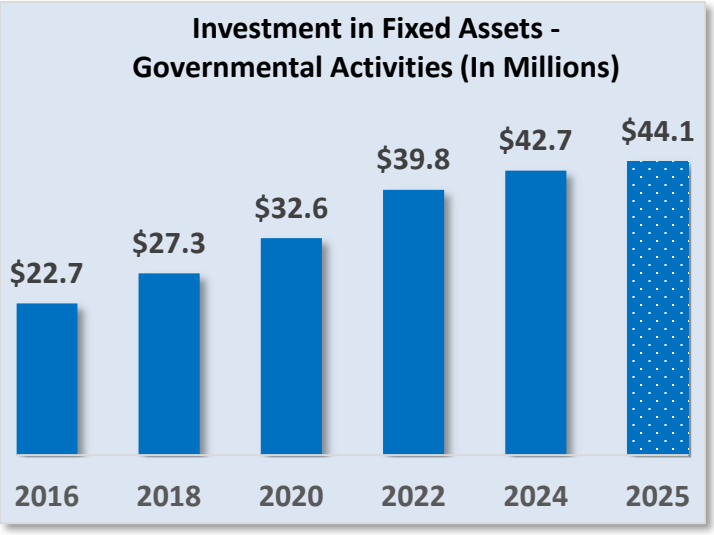
Capital Outlay

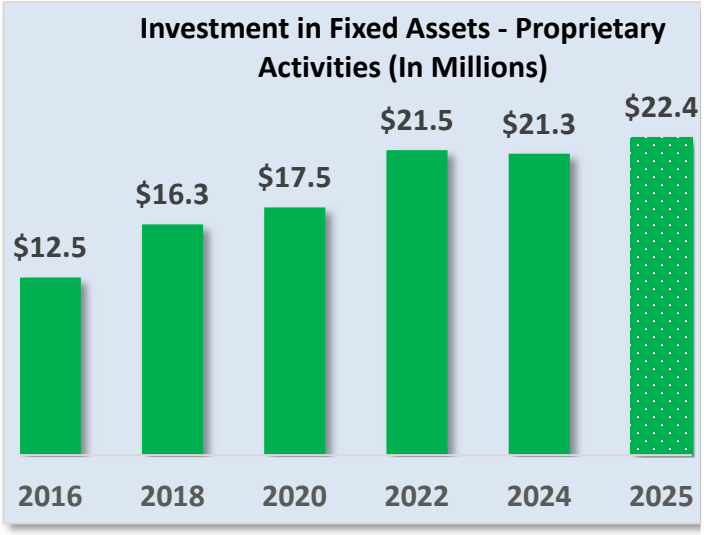
- IT Network Upgrade
- VMWARE Upgrade and Server Refresh
- Phone System Upgrades
- Redundant Internet and Firewall
- Patrol Vehicle Purchase
- Police Equipment
- Fire Equipment

Capital Projects

- Pedestrian Safety - Central
- Pump Station 15.5
- Street Crack and Slurry Seal
- Street Rehabilitation
- Golf Cart Path Improvements
- Golf Tee Expansion / Renovation
- Recreation Trail Improvements

Additional information on capital asset activity is described in Note 7 to the financial statements.





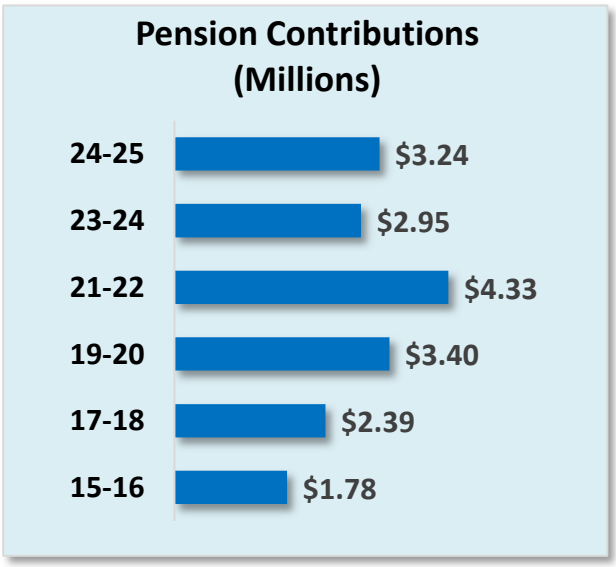
Long-Term Debt, Pension and Other Post Employment Benefit (OPEB) Obligations

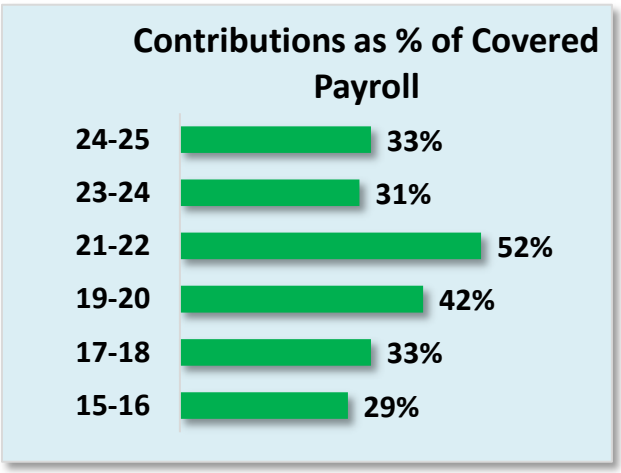
The City's net pension and net OPEB obligations as of June 30, 2025 were $54.7 million and $3.2 million respectively. As of June 30, 2024, the City's net pension obligation was 78.1% funded. During the year, Long-Term Debt from governmental activities decreased by $0.9 million, primarily due to regular debt service payments. Long-term debt attributable to business type activities decreased by 13% million due to regular debt service payments on the following bond issues:

Pension Obligation Bond
In 2006, the City issued Taxable Pension Obligation Bonds in the amount of $19.4 million as part of the California Statewide Communities Development Authority Program.

Clean Water State Revolving Fund Loan
In 2015, the City secured State Water Resources Control Board ("SWRCB") funding for $5.3 million to construct a recycled water treatment plant, sewer diversion structure, waste pump station, and user connections.

Golf Course / Wastewater Revenue Refunding Bonds
The City entered into a $3.1 million Site Lease with Umpqua Bank to refund its 2014 Golf Course Certificate of Participation, secured by the transfer of property rights to Umpqua Bank. The City also issued Wastewater Revenue Refunding Bonds for $1.2 million, which refinances the California State Community Development Authority Series 2001B Revenue Bonds.





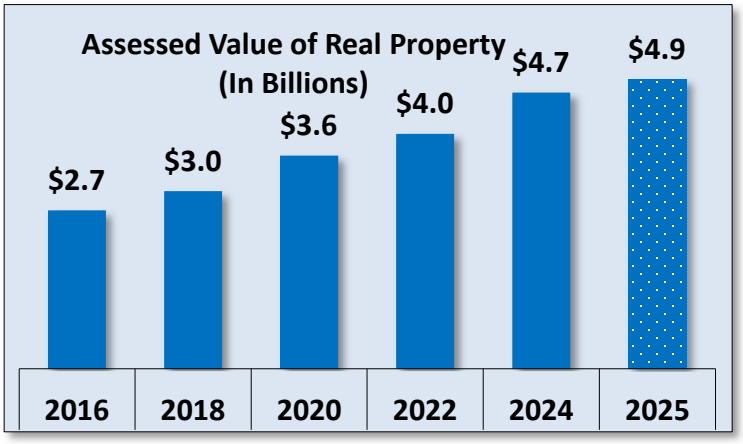
Summary of Outstanding Long-Term Debt at Fiscal Year End (In Thousands)

	Governmental Activities				
	2025	2024	% Change	Maturity	Interest
Pension Obligation Bonds	5,409	$ 6,458	-16.2%	2029	5.67-6.12%
PG&E Loan	19	31	-38.7%	Varies	Varies
SBITA Liability	402	201	100.0%	Varies	Varies
Total Debt - Governmental Activities	**$ 5,830**	**$ 6,690**	**-12.9%**		
2013 Wastewater Revenue Refunding Bonds	503	$ 574	-12.4%	2031	3.35%
Golf Course COP Refunding	1,318	1,526	-13.6%	2030	4.35%
Clean Water State Revolving Fund Loan	4,223	4,386	-3.7%	2048	1%
Total Debt - Business Type Activities	**$ 6,044**	**$ 6,486**	**-6.8%**		

City Bond Rating / GO Bonds - Standard and Poor's Rating Services and Moody's Investor Services Inc., assigned a rating of SP-1+ and MIG 1, respectively, to the City's 2006 Pension Obligation Bonds. The City has not received any updates to this rating. The City does not have any General Obligation Bonds (GO). The California Government Code, Section 43605 caps GO debt at 15% of the assessed value of all real and personal property within the City. The legal debt margin for Fiscal Year 2024-25 is $749 million. Additional information is described in Note 8 to the financial statements.

Economic Factors / Next Year's Budget

The City prepares an annual budget based on council-set goals and priorities, which contains a multi-year financial plan that focuses on long-term financial viability and allows decision-makers to understand the impact of their policy decisions. Budget development is guided by a series of policies adopted by the City Council, which guides long-term planning, minimum reserve levels, employee compensation, cash and debt management, information technology, and utility rates. The budget was based on these key assumptions:



Property Taxes

Proposition 13 set the Fiscal Year 75/76 assessed values as the base year for future annual inflationary assessed values, with a growth rate limited to 2% for any given year. The County Assessor also re-appraises each real property parcel when there are purchases, construction, or other statutorily defined, “changes in ownership”. Proposition 13 limits the property tax to 1% of each property’s full value, plus any additional percentages for specific voter approved indebtedness. The City receives approximately sixteen cents of every dollar of the property tax paid on properties assessed within the City, with the balance distributed to the Pacific Grove Unified School District, County of Monterey, and local special districts.

Sales Tax

In April 2022, approximately 60% of voters approved Measure A, a new 0.50% transaction and use tax. This increased the combined sales tax rate to 9.25% in October 2022. The General Fund portion of the City sales tax is comprised of a 1% Bradley-Burns statutory sales tax rate; and Measure U, a 1% transaction and use tax that was approved by voters in 2008. The tax rate increased to 1.5% when Measure A became effective.

Utility Users Tax

The City imposes a utility users’ tax to residents and businesses within the City that utilize water, gas, electricity, telephone, and cable services. This tax is assessed at a rate of 5% of the amount charged by the utility; and it is paid by the person consuming the service. The amount of revenues received is primarily influenced by updates to the underlying rate structures or new development projects.

Transient Occupancy Tax (TOT)

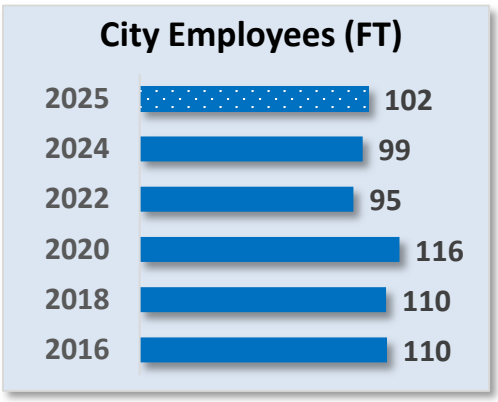
TOT Is a lodging tax that is collected on overnight rental accommodation stays of 30 consecutive days or less. In 2010, the City updated its municipal code and began collecting TOT on residential or short-term rental properties (STRS). In Fiscal Year 17/18, the City approved an ordinance to reduce the number of short-term rentals, with an effective date of April 30, 2019. At the beginning of Fiscal Year 19/20, there were approximately 200 properties, with an additional 12 home-sharing licenses. In November of 2018, 74.9% of voters approved Measure U, allowing the City to increase the TOT rate from 10% to 12%. This new rate became effective on July 1, 2019. This increased tax has been partially offset by Measure M, which eliminated STRS outside of the Coastal and Commercial zones, which became effective in May of 2020.



Economic Factors / Next Year's Budget

Personnel costs

These are based on approved staffing levels for Fiscal Year 25-26. Impacts of labor agreements effective July 1, 2022, through June 30, 2026, have been included and COLA adjustments are accounted for in outer years.



Health Costs

Based upon information provided by our health care providers, the City's health costs are projected to increase significantly in FY 25-26 and beyond. The budget assumes sharing between the City and employees for any increases in health premiums for future fiscal years.

Pension Costs

Pension rates for FY 25-26 are based on information provided by CalPERS, which assumes that they meet their targeted net discount rate of 6.8%.

Internal Service Funds (ISF) Funding

Funding to the City's ISFs has been adjusted in FY 25-26 to fund operational and reserve levels for general and worker's compensation insurance claims. In past years, the City underfunded its ISF reserves to maintain the General Fund reserve levels at 25%, as mandated by Council Policy 400-6 on Budget and Financial Management.

Capital Projects

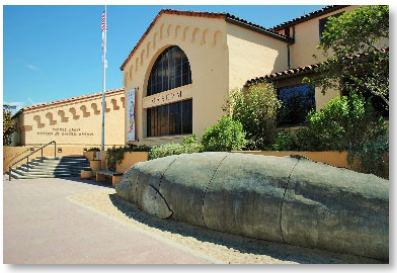
The City's adopted capital improvement program (CIP) for FY 25-26 is $4.2 million and $0.5 million for capital outlay. The CIP is designed to meet community needs, with special emphasis on those projects that contribute to the City's economic vitality and quality of life. Some of the projects and capital outlay funded for Fiscal Year 2025-26 include the following:

Capital Projects	Capital Outlay
Street Rehabilitation Project	Phone System Improvements
Crack and Slurry Seal	Police Door Access Upgrade
Chautauqua Hall Building Improvements	Redundant Internet And Firewall
Chinese Pavillion / Moon Gate	City Hall Door Access
Fire Station Alerting System	Police Equipment
Library Backup Power System	Light Fixtures
Sewer Main Replacement - Arena Ave	Equipping New Fire Engine
Sewer Collection System	City Council Chambers Equipment

Additional information related to the City's key revenues, expenditures, and major initiatives are included in the Transmittal Section of this document.

Request for Financial Information

This financial report is designed to provide a general overview of the City of Pacific Grove's finances for all of Pacific Grove's residents, taxpayers, customers, investors, and creditors. This financial report seeks to demonstrate the City's accountability for the money it receives. Questions regarding this report or requests for additional information should be addressed to the Department of Finance at 300 Forest Avenue, Pacific Grove, CA 93950, or visit the City of Pacific Grove webpage at www.cityofpacificgrove.org.




CITY OF PACIFIC GROVE, CA.
INC. 1889



Hopkins Marine Station



Rip Van Winkle Open Space


CITY OF PACIFIC GROVE, CA.
INC. 1889



Monarch Grove Sanctuary



Pacific Grove Museum of Natural History

City of Pacific Grove
Statement of Net Position
June 30, 2025

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current assets:			
Cash and investments	$ 28,606,138	$ 11,858,787	$ 40,464,925
Restricted cash and investments	70,237	-	70,237
Receivables:			
Taxes	2,562,756	-	2,562,756
Accounts	1,405,783	1,009,529	2,415,312
Loans, due within one year	-	35,413	35,413
Leases, due within one year	33,787	304,602	338,389
Interest	103,756	2,250	106,006
Prepaid items	32,836	-	32,836
Total current assets	32,815,293	13,210,581	46,025,874
Noncurrent assets:			
Loans receivable, due in more than one year	1,089,703	-	1,089,703
Leases receivable, due in more than one year	1,530,821	1,000,342	2,531,163
Available for sale assets	4,633,074	-	4,633,074
Capital assets:			
Nondepreciable/amortizable	4,003,565	1,469,723	5,473,288
Depreciable/amortizable, net	40,770,431	26,977,423	67,747,854
Total capital assets	44,773,996	28,447,146	73,221,142
Total noncurrent assets	52,027,594	29,447,488	81,475,082
Total assets	84,842,887	42,658,069	127,500,956
DEFERRED OUTFLOWS OF RESOURCES			
Related to pensions	15,177,236	322,533	15,499,769
Related to OPEB	145,446	12,220	157,666
Total deferred outflows of resources	15,322,682	334,753	15,657,435

See accompanying Notes to the Basic Financial Statements.

City of Pacific Grove
Statement of Net Position (Continued)
June 30, 2025

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
LIABILITIES			
Current liabilities:			
Accounts payable	1,499,024	350,072	1,849,096
Accrued payroll	358,869	24,194	383,063
Deposits and other liabilities	54,325	-	54,325
Interest payable	6,530	45,709	52,239
Unearned revenue	4,891,234	-	4,891,234
Claims payable - due within one year	427,678	-	427,678
Compensated absences - due within one year	355,588	43,464	399,052
Long-term debt - due within one year	1,605,248	452,853	2,058,101
Total OPEB liability - due within one year	136,181	11,441	147,622
Total current liabilities	9,334,677	927,733	10,262,410
Noncurrent liabilities:			
Long-term debt - due in more than one year	4,224,601	5,592,203	9,816,804
Claims payable - due in more than one year	1,058,177	-	1,058,177
Compensated absences - due in more than one year	1,066,762	130,391	1,197,153
Net pension liability	53,514,653	1,151,995	54,666,648
Total OPEB liability - due in more than one year	2,838,386	238,455	3,076,841
Total noncurrent liabilities	62,702,579	7,113,044	69,815,623
Total liabilities	72,037,256	8,040,777	80,078,033
DEFERRED INFLOWS OF RESOURCES			
Related to leases	1,436,567	1,231,327	2,667,894
Related to pensions	1,904,432	46,632	1,951,064
Related to OPEB	1,547,422	130,000	1,677,422
Total deferred inflows of resources	4,888,421	1,407,959	6,296,380
NET POSITION			
Net investment in capital assets	44,103,523	22,385,756	66,489,279
Restricted for:			
Insurance	70,237	-	70,237
Social service programs	1,013,995	-	1,013,995
Public safety	578,565	-	578,565
Community development	6,350,896	-	6,350,896
Street improvements	2,382,661	-	2,382,661
Debt service	-	-	-
Total restricted	10,396,354	-	10,396,354
Unrestricted (deficit)	(31,259,985)	11,158,330	(20,101,655)
Total net position	$ 23,239,892	$ 33,544,086	$ 56,783,978

See accompanying Notes to the Basic Financial Statements.

City of Pacific Grove
Statement of Activities
For the Year Ended June 30, 2025

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Program Revenues: Total Program Revenues
Governmental activities:					
General government	$ 6,769,288	$ 1,268,917	$ 51,170	$ -	$ 1,320,087
Public safety	17,847,637	629,908	1,364,325	-	1,994,233
Public works	5,714,615	1,634	36,977	451,865	490,476
Recreation	2,136,618	716,285	13,138	-	729,423
Library	1,550,383	1,856	83,879	-	85,735
Museum	415,284	-	-	-	-
Community development	3,574,254	1,311,599	77,198	-	1,388,797
Interest	410,376	-	-	-	-
Total governmental activities	38,418,455	3,930,199	1,626,687	451,865	6,008,751
Business-type Activities:					
Cemetery	816,575	614,897	-	-	614,897
Local Water Project	1,483,581	1,328,142	-	-	1,328,142
Sewer	3,059,850	4,115,081	-	-	4,115,081
Golf	805,394	879,140	-	-	879,140
Total business-type activities	6,165,400	6,937,260	-	-	6,937,260
Total primary government	$ 44,583,855	$ 10,867,459	$ 1,626,687	$ 451,865	$ 12,946,011

See accompanying Notes to the Basic Financial Statements.

City of Pacific Grove
Statement of Activities (Continued)
For the Year Ended June 30, 2025

Functions/Programs	Net (Expense) Revenue and Changes in Net Position		
	Governmental Activities	Business-Type Activities	Total
Governmental activities:			
General government	$ (5,449,201)	$ -	$ (5,449,201)
Public safety	(15,853,404)	-	(15,853,404)
Public works	(5,224,139)	-	(5,224,139)
Recreation	(1,407,195)	-	(1,407,195)
Library	(1,464,648)	-	(1,464,648)
Museum	(415,284)	-	(415,284)
Community development	(2,185,457)	-	(2,185,457)
Interest	(410,376)	-	(410,376)
Total governmental activities	(32,409,704)	-	(32,409,704)
Business-type Activities:			
Cemetery	-	(201,678)	(201,678)
Local Water Project	-	(155,439)	(155,439)
Sewer	-	1,055,231	1,055,231
Golf	-	73,746	73,746
Total business-type activities	-	771,860	771,860
Total primary government	(32,409,704)	771,860	(31,637,844)
General revenues and transfers:			
General revenues:			
Taxes:			
Property taxes	10,516,128	-	10,516,128
Sales and use taxes	7,589,358	-	7,589,358
Franchise and other taxes	1,589,922	-	1,589,922
Transient occupancy taxes	7,556,230	-	7,556,230
Utility users taxes	2,435,825	-	2,435,825
Business license tax	501,858	-	501,858
Property transfer tax	156,698	-	156,698
Property taxes in lieu of motor vehicle fee	23,616	-	23,616
Total taxes	30,369,635	-	30,369,635
Investment income	1,102,043	459,953	1,561,996
Miscellaneous	2,319,504	-	2,319,504
Total general revenues	33,791,182	459,953	34,251,135
Transfers	(635,188)	635,188	-
Changes in net position	746,290	1,867,001	2,613,291
Net position - beginning, as previously reported	23,656,123	31,680,661	55,336,784
Error correction (Note 16)	(1,162,521)	(3,576)	(1,166,097)
Net position - beginning, as restated (Note 16)	22,493,602	31,677,085	54,170,687
Net position - end of year	$ 23,239,892	$ 33,544,086	$ 56,783,978

See accompanying Notes to the Basic Financial Statements.


CITY OF PACIFIC GROVE, CA.
INC. 1889

City of Pacific Grove, California
Fund Financial Statements

This section includes Governmental, Proprietary and Fiduciary Fund Financial Statements.



Point Pinos Lighthouse



Pacific Grove Golf Links


CITY OF PACIFIC GROVE, CA.
INC. 1889

GOVERNMENTAL FUND FINANCIAL STATEMENTS

General Fund - To account for and report all financial resources not accounted for and reported in another fund.

RSTP Fund - This fund receives federal and state transportation funding through the Transportation Agency for Monterey County (TAMC). TAMC allocates these funds to local agencies. Funds are used for variety of projects including bicycle and pedestrian projects, local roads, and transit.

Community Development Block Grant (CDBG) Fund - This special revenue fund was established to account for amounts received from Community Development Block Grants and for the loan and administrative activities of the City's various CDBG grants.

Capital Improvement Projects Fund - This Capital Improvement Projects Fund accounts for capital projects funded fully or in part by discretionary General Fund revenues. These projects are distinct from projects funded by the self- supporting Enterprise Funds or Special Revenue Funds.

Nonmajor Governmental Funds - To account for the aggregate of all the nonmajor governmental funds.


CITY OF PACIFIC GROVE, CA.
INC. 1889

City of Pacific Grove
Balance Sheet
Governmental Funds
June 30, 2025

	Major Funds					
	General Fund	RSTP Fund	CDBG Grant Fund	Capital Improvement Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS						
Cash and investments	$ 16,189,176	$ -	$ 389,793	$2,430,896	$ 8,303,968	$ 27,313,833
Receivables:						
Accounts	214,667	101,730	190,000	-	453,036	959,433
Taxes	2,446,384	-	-	-	116,372	2,562,756
Loans	-	-	744,739	-	344,964	1,089,703
Leases	1,564,608	-	-	-	-	1,564,608
Interest	103,756	-	-	-	-	103,756
Prepaid items	32,836	-	-	-	-	32,836
Due from other funds	-	-	-	-	90,431	90,431
Total assets	$ 20,551,427	$ 101,730	$1,324,532	$2,430,896	$ 9,308,771	$ 33,717,356
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities:						
Accounts payable	$ 1,037,782	$ 5,828	$ -	$ 166,777	$ 209,550	$ 1,419,937
Payroll-related liabilities	344,639	-	-	-	12,023	356,662
Deposits and other liabilities	54,325	-	-	-	-	54,325
Due to other funds	-	90,431	-	-	-	90,431
Unearned revenue	194,033	-	-	-	64,127	258,160
Total liabilities	1,630,779	96,259	-	166,777	285,700	2,179,515
Deferred inflows of resources:						
Lease-related	1,436,567	-	-	-	-	1,436,567
Total deferred inflows of resources	1,436,567	-	-	-	-	1,436,567
Fund balances:						
Nonspendable:						
Prepaid items	32,836	-	-	-	-	32,836
Permanent funds	-	-	-	-	3,694,644	3,694,644
Restricted:						
Social service programs	-	-	-	-	1,035,481	1,035,481
Public safety	-	-	-	-	578,565	578,565
Community development	-	-	1,324,532	-	1,331,720	2,656,252
Street improvements	-	-	-	-	2,382,661	2,382,661
Committed	12,033,000	-	-	-	-	12,033,000
Assigned:						
Capital projects	-	5,471	-	2,264,119	-	2,269,590
Unassigned	5,418,245	-	-	-	-	5,418,245
Total fund balances	17,484,081	5,471	1,324,532	2,264,119	9,023,071	30,101,274
Total liabilities, deferred inflows of resources, and fund balances	$ 20,551,427	$ 101,730	$1,324,532	$2,430,896	$ 9,308,771	$ 33,717,356

See accompanying Notes to the Basic Financial Statements.

City of Pacific Grove
Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position
June 30, 2025

Total Fund Balances - Total Governmental Funds	$	30,101,274
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities were not current financial resources. Therefore, they were not reported in the Governmental Funds Balance Sheet. The capital assets were adjusted as follows:		
Capital assets, not being depreciated		4,003,565
Capital assets, depreciable/amortizable		73,171,549
Less accumulated depreciation/amortization		(32,401,118)
Interest payable on long-term debt did not require current financial resources. Therefore, interest payable was not reported as a liability in the Governmental Funds Balance Sheet.		(6,530)
Long-term liabilities were not due and payable in the current period. Therefore, they were not reported in the Governmental Funds' Balance Sheet.		
Long-term debt - due within one year		(1,605,248)
Long-term debt - due in more than one year		(4,224,601)
Compensated absences - due within one year, net of $1,034 reported in the internal service funds		(354,554)
Compensated absences - due in more than one year, net of $3,436 reported in the internal service funds		(1,063,326)
Net pension liability and the related deferred outflows of resources and deferred inflows of resources are not due and payable in the current period or not available for current expenditures and are not reported in the governmental fund financial statements:		
Pension related deferred outflows of resources, net of $15,283 reported in the internal service funds		15,161,953
Aggregate net pension liabilities, net of ($54,587) reported in the internal service funds		(53,460,066)
Pension related deferred inflows of resources, net of ($2,210) reported in the internal service funds		(1,902,222)
Net other postemployment benefits liability and the related deferred outflows of resources and deferred inflows of resources are not due and payable in the current period or not available for current expenditures and are not reported in the governmental fund financial statements:		
OPEB related deferred outflows of resources, net of $584 reported in the internal service funds		144,862
Aggregate net OPEB liabilities, net of ($11,931) reported in the internal service funds		(2,962,636)
OPEB related deferred inflows of resources, net of ($6,206) reported in the internal service funds		(1,541,216)
Internal service funds are used by management to charge the costs of stores, vehicle maintenance, and various insurance costs to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the Government-Wide Statement of Net Position.		178,206
Net position of governmental activities	$	23,239,892

See accompanying Notes to the Basic Financial Statements.

City of Pacific Grove
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2025

	Major Funds					
	General Fund	RSTP Fund	CDBG Grant Fund	Capital Improvement Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES:						
Taxes:						
Property taxes	$ 10,516,128	$ -	$ -	$ -	$ -	$ 10,516,128
Sales and use taxes	6,360,487	-	-	-	1,228,871	7,589,358
Franchise and other taxes	1,547,278	-	-	-	42,644	1,589,922
Transient occupancy taxes	6,960,718	-	-	-	595,512	7,556,230
Utility users taxes	2,435,825	-	-	-	-	2,435,825
Business license tax	485,535	-	-	-	16,323	501,858
Other taxes	180,314	-	-	-	-	180,314
Intergovernmental	150,704	456,517	-	-	1,786,092	2,393,313
Licenses, permits, and impact fees	1,154,121	-	-	-	820	1,154,941
Fines and forfeitures	316,523	-	-	-	-	316,523
Charges for services	1,940,548	-	-	-	178,175	2,118,723
Interest, rents, and concessions	874,568	-	22,040	29,755	452,649	1,379,012
Other revenues	2,339,408	-	-	-	104,196	2,443,604
Total revenues	35,262,157	456,517	22,040	29,755	4,405,282	40,175,751
EXPENDITURES:						
Current:						
General government	5,253,961	-	-	4,451	643,879	5,902,291
Public safety:						
Police	8,328,813	-	-	-	544,122	8,872,935
Fire	5,022,031	-	-	-	27,669	5,049,700
Public works	4,619,697	-	-	-	356,364	4,976,061
Recreation	1,697,656	-	-	-	169,101	1,866,757
Library	1,223,426	-	-	-	69,217	1,292,643
Museum	382,112	-	-	-	-	382,112
Community development	2,995,511	-	22,491	-	120,429	3,138,431
Capital outlay	173,561	101,730	-	1,014,839	2,191,571	3,481,701
Debt service:						
Principal retirement	556,910	-	-	-	107,357	664,267
Interest	989,578	-	-	-	628	990,206
Total expenditures	31,243,256	101,730	22,491	1,019,290	4,230,337	36,617,104
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	4,018,901	354,787	(451)	(989,535)	174,945	3,558,647
OTHER FINANCING SOURCES (USES):						
Transfers in	88,458	-	-	3,017,033	343,247	3,448,738
Transfers out	(3,988,073)	-	-	-	(95,853)	(4,083,926)
Inception of subscription liabilities	-	-	-	-	388,368	388,368
Total other financing sources (uses)	(3,899,615)	-	-	3,017,033	635,762	(246,820)
NET CHANGES IN FUND BALANCES	119,286	354,787	(451)	2,027,498	810,707	3,311,827
FUND BALANCES (DEFICIT):						
Beginning of year, previously reported	17,581,788	(349,316)	1,324,983	360,196	9,034,317	27,951,968
Error correction (Note 16)	(216,993)	-	-	(123,575)	(821,953)	(1,162,521)
Beginning of year, as restated (Note 16)	17,364,795	(349,316)	1,324,983	236,621	8,212,364	26,789,447
End of year	$ 17,484,081	$ 5,471	$ 1,324,532	$ 2,264,119	$ 9,023,071	$ 30,101,274

See accompanying Notes to the Basic Financial Statements.

City of Pacific Grove

Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Government-Wide Statement of Activities and Changes in Net Position

For the Year Ended June 30, 2025

Net change in fund balances - total governmental funds:		$ 3,311,827
Amounts reported for governmental activities in the Statement of Activities are different because:		
Acquisition of capital assets was reported as expenditures in the governmental funds. However, in the Government-Wide Statement of Activities, the cost of those assets was allocated over the estimated useful lives as depreciation expense. The following was the amount of capital assets recorded in the current period:		
Capital outlay ($37,934) of capital outlay expenditures were for current public works expenditures for repairs and maintenance and therefore, were not capitalized).		3,519,635
Depreciation and amortization expenses on capital and lease assets were reported in the Government-Wide Statement of Activities, but they did not require the use of current financial resources. Therefore, depreciation and amortization expenses were not reported as an expenditure in the governmental funds.		(2,148,943)
The fund financial statements record interest expenditures on the current financial resources measurement focus whereas the Government-Wide financial statements recognize interest expense on the accrual basis. The reconciling amount was the change in accrued interest from the prior year.		981,675
Long-term compensated absences expense was reported in the Government-Wide Statement of Activities, but it did not require the use of current financial resources. Therefore, the change in long-term compensated absences was not reported as an expenditure in the governmental funds.		(219,160)
Other postemployment benefits and pension expenses were reported in the Government-Wide Statement of Activities, but it did not require the use of current financial resources. Therefore, the increase in other postemployment benefits liability and net pension liabilities were not reported as an expenditure in the governmental funds.		
OPEB expense net of contribution made after measurement date reported in deferred outflows of resources in the Government-Wide Statement of Net Position but reported as OPEB expenditures in the governmental fund.		82,625
Pension expense net of contribution made after measurement date reported in deferred outflows of resources in the Government-Wide Statement of Net Position but reported as pension expenditures in the governmental funds.		(3,627,830)
Proceeds from long-term debt provided current financial resources to governmental funds, but issuing debt increased long-term liabilities in the Government-Wide Statement of Net Position. Repayment of bond principal was an expenditure in the governmental funds, but the repayment reduced long-term liabilities in the Government-Wide Statement of Net Position.		
Principal repayments of long-term debt	$ 664,267	
Accreted interest accrued in pension obligation bond	(401,141)	
Issuance of subscription liabilities	(388,368)	(125,242)
Internal service funds were used by management to charge the costs of certain activities, such as insurance, to individual funds. The net revenue of the internal service funds was reported with governmental activities.		(613,509)
Unavailable revenue is not recognized as revenue in the governmental funds since the revenue is not available to fund expenditures of the current year.		(414,788)
Change in net position of governmental activities		$ 746,290

See accompanying Notes to the Basic Financial Statements.

Cemetery Fund - accounts for revenue from cemetery site sales and the Little Chapel lease. The City operates and maintains the El Carmelo Cemetery. Expenses reflect staffing, operations and maintenance costs.

Local Water Project Fund - accounts for revenues and expenses related to the reclamation plant's operation, treatment, and sale of recycled water.

Sewer Fund - accounts for revenues and expenses of the City's sewer operations.

Golf Course Fund - accounts for revenues related to concessionaire leases for the golf course driving range, club house, pro shop, and restaurant; and operations, maintenance and interest costs on outstanding debt.

City of Pacific Grove
Statement of Net Position
Proprietary Funds
June 30, 2025

	Business-Type Activities					Governmental Activities
	Cemetery Fund	Local Water Project Fund	Sewer Fund	Golf Course Fund	Total	Internal Service Funds
ASSETS						
Current assets:						
Cash and investments	$1,048,511	$ 2,855	$ 9,813,932	$ 993,489	$11,858,787	$ 1,292,305
Restricted cash and investments	-	-	-	-	-	70,237
Accounts receivable, net	-	332,329	662,402	14,798	1,009,529	446,350
Interest receivable	-	-	-	2,250	2,250	-
Loans receivable, due within one year	-	-	35,413	-	35,413	-
Leases receivable, due within one year	-	-	-	304,602	304,602	-
Total current assets	1,048,511	335,184	10,511,747	1,315,139	13,210,581	1,808,892
Noncurrent assets:						
Leases receivable, due in more than one year	-	-	-	1,000,342	1,000,342	-
Capital assets						
Capital assets, not depreciated	20	-	1,106,750	362,953	1,469,723	-
Capital assets, depreciated, net	383,378	5,587,355	16,887,170	4,119,520	26,977,423	-
Total capital assets	383,398	5,587,355	17,993,920	4,482,473	28,447,146	-
Total noncurrent assets	383,398	5,587,355	17,993,920	5,482,815	29,447,488	-
Total assets	1,431,909	5,922,539	28,505,667	6,797,954	42,658,069	1,808,892
DEFERRED OUTFLOWS OF RESOURCES						
Related to pensions	73,970	-	248,563	-	322,533	15,283
Related to OPEB	3,343	-	8,877	-	12,220	584
Total deferred outflows of resources	77,313	-	257,440	-	334,753	15,867

(Continued)

See accompanying Notes to the Basic Financial Statements.

City of Pacific Grove
Statement of Net Position (Continued)
Proprietary Funds
June 30, 2025

	Business-Type Activities					Governmental Activities
	Cemetery Fund	Local Water Project Fund	Sewer Fund	Golf Course Fund	Total	Internal Service Funds
LIABILITIES						
Current liabilities:						
Accounts payable	7,998	98,646	215,722	27,706	350,072	79,087
Payroll and related liabilities	6,908	-	17,286	-	24,194	2,207
Interest payable	-	17,596	4,218	23,895	45,709	-
Claims payable, due within one year	-	-	-	-	-	427,678
Compensated absences, due within one year	6,852	-	36,612	-	43,464	1,034
Long-term debt, due within one year	-	164,218	71,550	217,085	452,853	-
Total OPEB liability, due within one year	3,130	-	8,311	-	11,441	547
Total current liabilities	24,888	280,460	353,699	268,686	927,733	510,553
Noncurrent liabilities:						
Claims payable, due in more than one year	-	-	-	-	-	1,058,177
Compensated absences, due in more than one year	20,556	-	109,835	-	130,391	3,436
Long-term debt, due in more than one year	-	4,058,851	432,110	1,101,242	5,592,203	-
Total OPEB liability, due in more than one year	65,229	-	173,226	-	238,455	11,384
Net pension liability	264,198	-	887,797	-	1,151,995	54,587
Total noncurrent liabilities	349,983	4,058,851	1,602,968	1,101,242	7,113,044	1,127,584
Total liabilities	374,871	4,339,311	1,956,667	1,369,928	8,040,777	1,638,137
DEFERRED INFLOWS OF RESOURCES						
Related to leases	-	-	-	1,231,327	1,231,327	-
Related to pensions	10,695	-	35,937	-	46,632	2,210
Related to OPEB	35,561	-	94,439	-	130,000	6,206
Total deferred inflows of resources	46,256	-	130,376	1,231,327	1,407,959	8,416
NET POSITION						
Net investment in capital assets	383,398	1,364,286	17,473,926	3,164,146	22,385,756	-
Restricted:						
Debt service	-	-	-	-	-	-
Insurance reserve	-	-	-	-	-	70,237
Unrestricted	704,697	218,942	9,202,138	1,032,553	11,158,330	107,969
Total net position	$1,088,095	$1,583,228	$26,676,064	$4,196,699	$33,544,086	$ 178,206

(Concluded)

See accompanying Notes to the Basic Financial Statements.


CITY OF PACIFIC GROVE, CA.
INC. 1889

City of Pacific Grove
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Year Ended June 30, 2025

	Business-Type Activities					Governmental Activities
	Cemetery Fund	Local Water Project Fund	Sewer Fund	Golf Course Fund	Total	Internal Service Funds
OPERATING REVENUES:						
Charges for services	$ 614,897	$ 1,328,142	$ 4,115,081	$ 879,140	$ 6,937,260	$ 2,837,529
Total operating revenues	614,897	1,328,142	4,115,081	879,140	6,937,260	2,837,529
OPERATING EXPENSES:						
Contractual services and utilities	387,860	1,098,528	1,246,850	485,303	3,218,541	3,049,582
Personnel	362,582	-	1,172,572	-	1,535,154	439,572
Supplies and materials	45,860	31,465	62,844	91,939	232,108	150
Depreciation	20,273	310,409	559,526	167,858	1,058,066	-
Total operating expenses	816,575	1,440,402	3,041,792	745,100	6,043,869	3,489,304
OPERATING INCOME (LOSS)	(201,678)	(112,260)	1,073,289	134,040	893,391	(651,775)
NONOPERATING REVENUES (EXPENSES):						
Investment earnings	44,157	1,350	341,069	73,377	459,953	38,970
Interest expense	-	(43,179)	(18,058)	(60,294)	(121,531)	(704)
Total nonoperating revenues (expenses)	44,157	(41,829)	323,011	13,083	338,422	38,266
INCOME (LOSS) BEFORE TRANSFERS	(157,521)	(154,089)	1,396,300	147,123	1,231,813	(613,509)
TRANSFERS:						
Transfers in	-	635,188	-	-	635,188	-
Total transfers	-	635,188	-	-	635,188	-
CHANGES IN NET POSITION	(157,521)	481,099	1,396,300	147,123	1,867,001	(613,509)
NET POSITION:						
Beginning of year, previously reported	1,245,616	1,102,129	25,279,764	4,053,152	31,680,661	791,715
Error correction (Note 16)	-	-	-	(3,576)	(3,576)	-
Beginning of year, as restated (Note 16)	1,245,616	1,102,129	25,279,764	4,049,576	31,677,085	791,715
End of year	$1,088,095	$ 1,583,228	$ 26,676,064	$ 4,196,699	$33,544,086	$ 178,206

See accompanying Notes to the Basic Financial Statements.

City of Pacific Grove
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2025

	Business-Type Activities					Governmental Activities
	Cemetery Fund	Local Water Project Fund	Sewer Fund	Golf Course Fund	Total	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES:						
Receipts from customers and users	$ 614,897	$ 1,302,201	$ 4,757,278	$ 945,049	$ 7,619,425	$ 2,405,258
Payments to suppliers	(430,797)	(1,351,332)	(2,151,287)	(562,106)	(4,495,522)	(1,766,732)
Payments to employees	(267,916)	-	(1,004,619)	-	(1,272,535)	(554,476)
Cash paid for insurance claims	-	-	-	-	-	(271,576)
Net cash provided by (used in) operating activities	(83,816)	(49,131)	1,601,372	382,943	1,851,368	(187,526)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:						
Cash received from other funds	-	257,085	350,000	-	607,085	-
Net cash provided by noncapital financing activities	-	257,085	350,000	-	607,085	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:						
Acquisition of capital assets	(17,523)	-	(986,769)	(16,850)	(1,021,142)	-
Principal payments on long-term debt	-	(162,592)	(70,044)	(207,941)	(440,577)	-
Interest paid on long-term debt	-	(43,857)	(18,645)	(64,063)	(126,565)	-
Net cash used in capital and related financing activities	(17,523)	(206,449)	(1,075,458)	(288,854)	(1,588,284)	-
CASH FLOWS FROM INVESTING ACTIVITIES:						
Payment on bank fees	-	-	-	-	-	(704)
Investment income received	44,157	1,350	341,069	73,377	459,953	38,970
Net cash provided by investing activities	44,157	1,350	341,069	73,377	459,953	38,266
Net change in cash and investments	(57,182)	2,855	1,216,983	167,466	1,330,122	(149,260)
CASH AND INVESTMENTS:						
Beginning of year	1,105,693	-	8,596,949	826,023	10,528,665	1,511,802
End of year	$ 1,048,511	$ 2,855	$ 9,813,932	$ 993,489	$ 11,858,787	$ 1,362,542
CASH AND CASH EQUIVALENTS:						
Cash and investments	$ 1,048,511	$ 2,855	$ 9,813,932	$ 993,489	$ 11,858,787	$ 1,292,305
Restricted cash and investments	-	-	-	-	-	70,237
Total cash and cash equivalents	$ 1,048,511	$ 2,855	$ 9,813,932	$ 993,489	$ 11,858,787	$ 1,362,542

(Continued)

See accompanying Notes to the Basic Financial Statements.

City of Pacific Grove
Statement of Cash Flows (Continued)
Proprietary Funds
For the Year Ended June 30, 2025

	Business-Type Activities					Governmental Activities
	Cemetery Fund	Local Water Project Fund	Sewer Fund	Golf Course Fund	Total	Internal Service Funds
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:						
Operating income (loss)	$ (201,678)	$ (112,260)	$ 1,073,289	$ 134,040	$ 893,391	$ (651,775)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:						
Depreciation and amortization expenses	20,273	310,409	559,526	167,858	1,058,066	-
Change in operating assets, liabilities, and deferred items:						
Accounts receivable	-	(25,941)	637,097	64,757	675,913	(432,271)
Prepaid items	-	-	-	-	-	-
Loan receivable	-	-	5,100	-	5,100	-
Leases receivable	-	-	-	385,362	385,362	96,086
Pension deferred outflows	(11,778)	-	20,865	-	9,087	1,157
OPEB deferred outflows	3,794	-	8,705	-	12,499	60,813
Accounts payable	2,923	(221,339)	(841,593)	15,136	(1,044,873)	2,207
Payroll and related liabilities	(6,499)	-	12,815	-	6,316	1,011,424
Claim payable	-	-	-	-	-	(251,388)
Net pension liability	93,331	-	147,570	-	240,901	(4,727)
Total OPEB liability	55	-	13,276	-	13,331	4,137
Compensated absences	23,546	-	(10,272)	-	13,274	-
Lease deferred inflows	-	-	-	(384,210)	(384,210)	(19,122)
Pension deferred inflows	(1,217)	-	(15,669)	-	(16,886)	(4,067)
OPEB deferred inflows	(6,566)	-	(9,337)	-	(15,903)	-
Total adjustments	117,862	63,129	528,083	248,903	957,977	464,249
Net cash provided by (used in) operating activities	$ (83,816)	$ (49,131)	$ 1,601,372	$ 382,943	$ 1,851,368	$ (187,526)

(Concluded)

See accompanying Notes to the Basic Financial Statements.


CITY OF PACIFIC GROVE, CA.
INC. 1889




WELCOME TO
PACIFIC GROVE


CITY OF PACIFIC GROVE, CA.
INC. 1889

City of Pacific Grove
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For the Year Ended June 30, 2025

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CITY OF PACIFIC GROVE, CA.
INC. 1889

Note 1 – Summary of Significant Accounting Policies

A. Description of the Reporting Entity

The basic financial statements of the City of Pacific Grove, California, (the "City") have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") as applied to governmental agencies. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the significant policies:

The City is primarily a residential community located at the tip of the Monterey Peninsula on the Central California coast. The community was founded as a Methodist Church summer retreat, and was incorporated as a city on July 16, 1889. It was granted a charter by the State on April 22, 1927. The City operates under a council-manager form of government. The seven-member City Council appoints a City manager, who is the administrative head of the municipal government. City amenities include a library, natural history museum, a community center, a youth center, a senior center, a golf course, a cemetery, sewer services, a monarch butterfly sanctuary and habitat preserve and general administration services.

As required by U.S. GAAP, these basic financial statements present the City and its component units, entities for which the City is considered to be financially accountable. The City Council acts as the governing board. In addition, the City staff performs all administrative and accounting functions for these entities and these entities provide their services entirely to the City. Blended component units, although legally separate entities are, in substance, part of the City's operations and data from these units are combined with data of the City. Discretely presented component units, on the other hand, are reported in a separate column in the government-wide financial statements to emphasize their legal separateness from the City. The City had no component units as of June 30, 2025.

B. Basis of Accounting and Measurement Focus

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Government–Wide Financial Statements

The City Government–Wide Financial Statements include a Statement of Net Position and a Statement of Activities and Changes in Net Position. These statements present summaries of governmental and business-type activities for the City, the primary government, accompanied by a total column. Fiduciary activities of the City are not included in these statements.

These financial statements are presented on an *"economic resources"* measurement focus and the accrual basis of accounting. Accordingly, all of the City's assets and liabilities, including capital assets, as well as infrastructure assets, and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in Net Position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred.

Note 1 – Summary of Significant Accounting Policies (Continued)

B. Basis of Accounting and Measurement Focus (Continued)

Government–Wide Financial Statements (Continued)

Certain types of transactions are reported as program revenues for the City in three categories:

- Charges for services
- Operating grants and contributions
- Capital grants and contributions

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regard to interfund activities, payables and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. However, those transactions between governmental and business-type activities have not been eliminated. The following interfund activities have been eliminated:

- Due to/from other funds
- Transfers in/out

Governmental Fund Financial Statements

Governmental Fund Financial Statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and nonmajor funds aggregated. An accompanying schedule is presented to reconcile and explain the differences between fund balance as presented in these statements to the net position presented in the Government-Wide Financial Statements. The City has presented all major funds that met the applicable criteria. Descriptions of these major funds are included as part of the Governmental Fund Financial Statements

All governmental funds are accounted for on a spending or "*current financial resources*" measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheet. The Statement of Revenues, Expenditures and Changes in Fund Balances presents increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period.

The Reconciliation of the Fund Financial Statements to the Government-Wide Financial Statements is provided to explain the differences created by the integrated approach of GASB Statement No. 34.

Revenues are recognized as soon as they are both “measurable” and “available”. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The primary revenue sources, which have been treated as susceptible to accrual by the City, are property tax, sales tax, intergovernmental revenues and other taxes. Expenditures are recorded in the accounting period in which the related fund liability is incurred.

Note 1 – Summary of Significant Accounting Policies (Continued)

B. Basis of Accounting and Measurement Focus (Continued)

Proprietary Fund Financial Statements

Proprietary fund financial statements include a Statement of Net Position, a Statement of Revenues, Expenses and Change in Net Position, and a Statement of Cash Flows for all proprietary funds.

Proprietary funds are accounted for using the "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all assets and liabilities (whether current or noncurrent) are included in the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Net Position presents increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred.

Operating revenues in the proprietary funds are those revenues that are generated from the primary operations of the fund. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as non-operating expenses.

Description of these major proprietary funds are included as part of the Proprietary Fund Financial Statement.

C. Cash and Investments

The City pools its available cash for investment purposes. Highly liquid market investments with maturities of one year or less at time of purchase are stated at amortized cost. All other investments are stated at fair value.

U.S. GAAP defines fair value, establishes a framework for measuring fair value and establishes disclosures about fair value measurement. Investments, unless otherwise specified, recorded at fair value in the financial statements, are categorized based upon the level of judgment associated with the inputs used to measure their fair value.

The three levels of the fair value measurement hierarchy are described below:

Level 1 – Inputs are unadjusted, quoted prices for identical assets and liabilities in active markets at the measurement date.

Level 2 – Inputs, other than quoted prices included in Level 1, that are observable for the assets and liabilities through corroboration with market data at the measurement date.

Level 3 – Unobservable inputs that reflect management's best estimate of what market participants would use in pricing the assets and liabilities at the measurement date.

A statement of cash flows is presented for proprietary fund types. For purposes of reporting cash flows, the City considers all highly liquid investments with maturities of three months or less when purchased and cash and investments maintained in the City's pool to be cash equivalents.

Disclosures for deposits and investment risks, as required and applicable, have been provided in Note 2:

- Interest Rate Risk
- Credit Risk
  - Overall
  - Custodial Credit Risk
  - Concentration of Credit Risk

Note 1 – Summary of Significant Accounting Policies (Continued)

D. Receivables

Billed, but unpaid, services provided to individuals or non-governmental entities are recorded as accounts receivable. The sewer customers are billed every other month by a separate government agency which forwards the collections to the City. Revenues earned but not collected by year-end are accrued. No allowance for uncollectible accounts receivable has been provided as management has determined that uncollectible accounts have historically been immaterial and the direct write-off method does not result in a material difference from the allowance method.

E. Loans Receivable

Under the City's housing assistance program, loans are made to qualified individuals and businesses within prescribed project areas for the purpose of housing acquisition, housing rehabilitation and/or economic development. The majority of these loans are on a deferred payback program. Repayments of the outstanding loans will be deducted from the loan receivable balance in the applicable funds. The City also offers sewer lateral replacement loans to homeowners. The disbursement of loans are recorded as addition of the loan receivable balance at the time of a loan and the repayment of principal will be added into loan receivable balance.

F. Prepaid Items

Prepaid items are payments made to vendors for services that will benefit periods beyond the fiscal year ended using consumption method.

G. Leases Receivable

The City is a lessor for leases of buildings and land and recognizes leases receivable and deferred inflows of resources in the financial statements. Variable payments based on future performance or usage of the underlying asset are not included in the measurement of the lease receivable.

At the commencement of a lease, the lease receivable is measured at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflows of resources are initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflows of resources are recognized as revenue over the life of the lease term in a systematic and rational method.

Key estimates and judgments include how the City determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The City uses the average of the Local Agency Investment Fund ("LAIF") rate and the incremental borrowing rate (IBR) provided by the City's financial institution for existing leases or the current rate at the time a new lease is executed.
- The lease term includes the noncancelable period of the lease plus any option periods that are likely to be exercised.
- Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

Note 1 – Summary of Significant Accounting Policies (Continued)

H. Capital Assets

Capital assets are valued at historical cost or estimated historical cost if actual historical cost was not available. Donated assets are valued at acquisition value on the date donated. City policy has set the capitalization threshold for reporting capital assets at $5,000 and at $50,000 for capital projects. Depreciation/amortization is recorded on a straight-line basis over estimated useful lives of the assets as follows:

Buildings and other improvements	100 years
Machinery and equipment	5 years
Infrastructure	10-50 years

In June 1999, the Governmental Accounting Standards Board (GASB) issued Statement No. 34 which requires the inclusion of infrastructure capital assets in local governments' basic financial statements. In accordance with GASB Statement No. 34, the City has included all infrastructure into the current Basic Financial Statements.

The City defines infrastructure as the basic physical assets that allow the City to function. The assets include streets, storm drains, and park equipment. Each major infrastructure system can be divided into subsystems. For example, the street system can be subdivided into pavement, curb and gutters, sidewalks, medians, streetlights, landscaping and land. These subsystems were not delineated in the basic financial statements. The appropriate operating department maintains information regarding the subsystems.

For all infrastructure systems, the City has elected to use the basic approach for infrastructure reporting.

I. Subscription-Based Information Technology Arrangements (SBITAs)

The City has a policy to recognize a subscription liability and a right-to-use subscription asset (subscription asset) in the financial statements. The City recognizes subscription liabilities with an initial, individual value of $50,000 or more with a subscription term greater than one year. Variable payments based on future performance of the City, usage of the underlying IT asset, or number of user seats are not included in the measurement of the subscription liability, rather, those variable payments are recognized as outflows of resources (expenses) in the period the obligation for those payments is incurred.

At the commencement of a SBITA, the City initially measures the subscription liability at the present value of payments expected to be made during the subscription term. Subsequently, the subscription liability is reduced by the principal portion of subscription payments made.

Subscription assets are recorded at the amount of the initial measurement of the subscription liabilities, less any payments made to the SBITA vendor before the commencement of the subscription term, and capitalizable initial implementation cost, less any incentives received from the SBITA vendor at or before the commencement of the subscription term.

- Preliminary Project Stage: Outlays are expensed as incurred.
- Initial Implementation Stage: Outlays are capitalized as an addition to the subscription asset.

Upon adoption, the City elected to exclude the capitalizable outlays associated with the initial implementation stage and the operation and additional implementation stage that were incurred prior to the implementation of this Statement in the measurement of subscription assets as of July 1, 2022.

Note 1 – Summary of Significant Accounting Policies (Continued)

I. Subscription-Based Information Technology Arrangements (SBITAs) (Continued)

Subscription assets are reported within capital assets and subscription liabilities are reported with long-term liabilities on the statement of net position. Subscription assets are amortized using the straight-line method over the shorter of the subscription term or the useful life of the underlying IT asset, unless the subscription contains a purchase option that the City has determined is reasonably certain of being exercised. In this case, the subscription asset is amortized over the useful life of the underlying IT asset.

Key estimates and judgments related to SBITA include how the City determines (1) the discount rate it uses to discount the expected subscription payments to present value, (2) subscription term, and (3) subscription payments.

- The City uses the interest rate charged by the SBITA vendor as the discount rate. When the interest rate charged by the SBITA vendor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for SBITA.
- The subscription term includes the noncancellable period of the SBITA. Subscription payments included in the measurement of the subscription liability are composed of fixed payments and purchase option price that the City is reasonably certain to exercise.

J. Compensated Absences

Compensated absences comprise vested accumulated vacation and sick leave. The City's liability for compensated absences is recorded in governmental or business-type activities as appropriate. The liability for compensated absences is determined annually. For all governmental funds, amounts expected to be "permanently liquidated," such as what is due to be paid because of a realized employment action, are recorded as fund liabilities; the long-term portion is recorded in the Statement of Net Position.

The liability for compensated absences is recognized as leave is earned, based on the employee's pay rate in effect at the financial statement date, including any applicable salary-related costs. The liability includes only leave attributable to services already rendered and that is more likely than not to be paid.

K. Pension

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the plans and additions to/deductions from the plans' fiduciary net position have been determined on the same basis as they are reported by the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

The following timeframes are used for pension reporting:

CalPERS	
Valuation Date	June 30, 2023
Measurement Date	June 30, 2024
Measurement Period	July 1, 2023 to June 30, 2024

Gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense systematically over time. The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and inflows of sources related to pensions and are to be recognized in further pension expense. The amortization period differs depending on the source of the gain or loss. The difference between projected and actual earnings is amortized over five years. All other amounts are amortized straight-line over the average expected remaining service lives of all members that are provided with benefits (active, inactive, and retired) as of the beginning of the measurement period.

Note 1 – Summary of Significant Accounting Policies (Continued)

L. Other Postemployment Benefits Liability (OPEB)

For purposes of measuring the OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB and OPEB expense, information about the City's OPEB plan have been determined by an independent actuary. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms.

Generally accepted accounting principles require that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used:

OPEB	
Valuation Date	June 30, 2023
Measurement Date	June 30, 2024
Measurement Period	July 1, 2023 to June 30, 2024

M. Deferred Outflows/Inflows of Resources

The statement of financial net position and balance sheet-governmental funds reports separate sections for deferred outflows of resources and deferred inflows of resources, when applicable.

Deferred Outflows of Resources represent outflows of resources represent a consumption of net assets that applies to future periods, therefore, will not be recognized as an expense until that time. The City reports pension contributions after the measurement date and deferred losses related to pensions and OPEB in this category.

Deferred Inflows of Resources represent inflows of resources represent an acquisition of net assets that applies to future periods, and that, therefore, are not recognized as revenue until that time. The City reports lease related inflows, unavailable revenues and deferred gains related to pensions and OPEB in this category.

N. Long-Term Obligations

In the Government-Wide Financial Statements, the long-term obligations are reported as liabilities in the appropriate funds. The Fund Financial Statements do not present long-term debt but are shown in the Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position.

O. Net Position

In governmental-wide and proprietary fund financial statements, net positions are categorized as follows:

Net Investment in Capital Assets – This component of net position consists of capital assets, net of accumulated depreciation/amortization, reduced by the outstanding balances of debt that are attributable to the acquisition, construction, or improvement of those assets and retention payable.

Restricted – This component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets.

Unrestricted – This component of net position is the amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

When expenses are incurred for purposes for which both restricted and unrestricted net position are available, the City's policy is to apply restricted net position first, then unrestricted net position as they are needed.

Note 1 – Summary of Significant Accounting Policies (Continued)

P. Fund Balance

In the Fund Financial Statements, fund balances are in classifications that comprise a hierarchy based primarily on the extent to which government is bound to observe constraints imposed upon the use of resources reported in the governmental funds. Fund balances are classified in the following categories:

Nonspendable – Items that cannot be spent because they are not in spendable form, such as prepaid items, inventories, and loans receivable, items that are legally or contractually required to be maintained intact, such as principal of an endowment or revolving loan funds.

Restricted – Restricted fund balances encompass the portion of net fund resources subject to externally enforceable legal restrictions. This includes externally imposed restrictions by creditors, such as through debt covenants, grantors, contributors, laws or regulations of other governments, as well as restrictions imposed by law through constitutional provisions or enabling legislation.

Committed – Committed fund balances encompass the portion of net fund resources, the use of which is constrained by limitations that the government imposes upon itself at its highest level of decision making, normally the governing body through resolutions and that remain binding unless removed in the same manner. The City Council is considered the highest authority for the City.

Assigned – Assigned fund balances encompass the portion of net fund resources reflecting the government's intended use of resources. Assignment of resources can be done by the highest level of decision making or by a committee or official designated for that purpose. The City Council has by resolution authorized the City Manager to assign fund balance. The City Council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriation in the subsequent year's appropriated budget.

Unassigned – This amount is for any portion of the fund balances that do not fall into one of the above categories. The General Fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds, it is not appropriate to report a positive unassigned fund balance amount. However, in governmental fund other than General Fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available, the City's policy is to apply restricted fund balance first. Further, when the components of unrestricted fund balance can be used for the same purpose, the City uses the unrestricted resources in the following order: committed, assigned, and unassigned. The description of each fund balance category is listed in the City's adopted Governmental Fund Balance Policy.

Q. Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Note 1 – Summary of Significant Accounting Policies (Continued)

R. Property Taxes

County tax assessments include secured and unsecured property taxes and special assessments. "Unsecured" refers to taxes on personal property. These tax assessments are secured by liens on the property being taxed.

Monterey County is responsible for the assessment, collection and apportionment of property taxes for all taxing jurisdictions. Property taxes are levied in equal installments on November 1 and February 1. They become delinquent on December 10 and April 10, respectively. The lien date is January 1 of each year.

Property taxes are accounted for in the General Fund. Property tax revenues are recognized when they become measurable and available to finance current liabilities. The City considers property taxes as available if they are collected within 60 days after year end. Property tax on the unsecured roll are due on the January 1 lien date and become delinquent if unpaid on August 31. However, unsecured property taxes are not susceptible to year end accrual.

The City is permitted by Article XIIIA of the State of California Constitution (known as Proposition 13) to levy a maximum base tax of $1.00 per $100 of full cash value.

S. Budgetary Information

In accordance with applicable sections of the California Government Code and the Pacific Grove Municipal Code, the City prepares and legally adopts an annual balanced budget on a basis consistent with accounting principles generally accepted in the United States of America. Annual appropriated budgets are adopted for the General Fund, specific Special Revenue Funds, and specific Capital Projects Funds.

Budget plans are adopted for Proprietary Funds. A proposed budget is presented to the City Council during May of each year for review. The Council holds public hearings and may add to, subtract from, or change appropriations within the revenues and reserves estimated as available. Expenditures may not legally exceed budgeted appropriations at the fund level. Supplementary appropriations which alter the total expenditures of any fund, or expenditures in excess of total budgeted fund appropriations, must be approved by the City Council.

All annual appropriations lapse at fiscal year end to the extent they have not been expended or encumbered.

T. Encumbrances

Under encumbrance accounting, purchase orders, contract and other commitments for expenditures are recorded in order to reserve that portion of the applicable appropriation. Encumbrance accounting is employed as an extension of formal budgetary integration in all funds. All appropriations and encumbrances lapse at year end, valid outstanding encumbrances (those for which performance under the executory contract is expected in the next year) are reappropriated and become part of the subsequent year’s budget pursuant to state regulations.

U. Unearned Revenue

Unearned revenue arises when assets are received before revenue recognition criteria have been satisfied. Grants and entitlements received before eligibility requirements are met are recorded as deferred inflows from unearned revenue. In the governmental fund financial statements, receivables associated with non-exchange transactions that will not be collected within the availability period have been recorded as deferred inflows from unavailable revenue.

Note 1 – Summary of Significant Accounting Policies (Continued)

V. Interfund Balances

Advances to and advances from other funds represent interfund loans in the fund financial statements. Advances between funds are offset by a fund balance reservation or by unearned revenue in the applicable governmental funds to indicate that they are not available financial resources. Any unpaid interest due to lack of funds in the borrowing fund increases the principal owed and is reported in the lending fund as unearned revenue. All other outstanding balances between funds are reported as due to and due from other funds. These are generally repaid within the following fiscal year. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

W. Deferred Compensation Plan

City employees may defer a portion of their compensation under a City sponsored deferred compensation plan created in accordance with Internal Revenue Code Section 457. Under this plan, participants are not taxed on the deferred portion of their compensation until distributed to them; distributions may be made only at termination, retirement, and death or in an emergency as defined by the Plan. The laws governing deferred compensation plan assets require plan assets to be held by a Trust for the exclusive benefit of plan participants and their beneficiaries. Since the assets held under these plans are not the City's property and are not subject to City control, they have been excluded from these financial statements.

X. Implementation of New GASB Pronouncements

GASB Statement No. 101 - In June 2022, GASB issued Statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. Implementation of this Statement had a moderate effect on the City's financial statements for the fiscal year ended June 30, 2025.

GASB Statement No. 102 – In December 2023, GASB issued Statement 102, *Certain Risk Disclosures*. The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. That objective is achieved by requiring governments to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. The statement also requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. Implementation of this Statement did not have a significant effect on the City's financial statements for the fiscal year ended June 30, 2025.

Y. New GASB Pronouncements

The City is currently evaluating its accounting practices to determine the potential impact on the financial statements for the following GASB Statements:

- In April 2024, GASB issued Statement No. 103, *Financial Reporting Model Improvements*. The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. Application of this statement is effective for the City's fiscal year ending June 30, 2026.

Note 1 – Summary of Significant Accounting Policies (Continued)

Y. New GASB Pronouncements (Continued)

- In September 2024, GASB issued Statement No. 104, *Disclosure of Certain Capital Assets*. This Statement requires certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement 34. Lease assets recognized in accordance with Statement No. 87, *Leases*, and intangible right-to-use assets recognized in accordance with Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, should be disclosed separately by major class of underlying asset in the capital assets note disclosures. Subscription assets recognized in accordance with Statement No. 96, *Subscription-Based Information Technology Arrangements*, also should be separately disclosed. In addition, this Statement requires intangible assets other than those three types to be disclosed separately by major class. Application of this statement is effective for the City's fiscal year ending June 30, 2026.

Note 2 – Cash and Investments

Cash and investments as of June 30, 2025 were classified in the accompanying financial statements as follows:

	Government-Wide Financial Statement		
	Governmental Activities	Business-Type Activities	Total
Cash and investments	$ 28,606,138	$ 11,858,787	$ 40,464,925
Restricted cash and investments	70,237	-	70,237
Total cash and investments	$ 28,676,375	$ 11,858,787	$ 40,535,162

Cash and investments as of June 30, 2025, consist of the following:

Cash:	
Petty cash	$ 1,045
Demand deposits	2,991,745
Total cash and cash equivalents	2,992,790
Investments:	
U.S. Treasury Notes	490,153
U.S. Government Bonds	5,768,642
Certificates of Deposit	8,621,856
Money Market Mutual Funds	10,678,502
Local Agency Investment Fund	9,957,907
Investment with Fiscal Agent:	
Money Market Mutual Funds	2,025,312
Total investments	37,542,372
Total cash and investments	$ 40,535,162

Note 2 – Cash and Investments (Continued)

A. Deposits

At June 30, 2025, the carrying amount of the City's deposits was $2,991,745 and the bank balance was $3,136,228. The total bank balance was covered by federal depository insurance or by collateral held by the City's agent in the City's name.

All pooled certificates of deposit and bank balances are entirely insured or collateralized. The California Government Code requires California banks and savings and loan associations to secure an agency's deposits by pledging government securities as collateral. The fair value of the pledged securities must equal at least 110% of an agency's deposits. California law also allows financial institutions to secure local agency deposits by pledging first trust deed mortgage notes having a value of 150% of a local agency's deposits. The City may waive collateral requirements for deposits which are fully insured up to $250,000 by the Federal Deposit Insurance Corporation (FDIC).

B. Authorized Investments

Under the provisions of the City's investment policy, and in accordance with California Government Code, the following investments are authorized:

- Certificates of Deposit - Non-Negotiable Certificates of Deposits will be made only in FDIC or FSLIC insured accounts. For deposits in excess of the insured maximum of $250,000, approved collateral shall be required in accordance with Government Code 53652 and/or 53651 (m) (1). Investment in these instruments shall be limited to financial institutions that in the Treasurer's judgment are of high quality, and shall not have a term exceeding five years from the date of purchase.

- Securities of the U.S. Government or its Agencies - Includes obligations issued by Federal Home Loan Banks, Government National Mortgage Association, Farm Credit System, the Federal Home Loan Bank, Federal Home Loan Mortgage Association, Federal National Mortgage Association, or obligations or other instruments of or issued by a federal agency or a United States Government sponsored enterprise. Investment in these instruments shall not have a term exceeding five years from the date of purchase.

- Treasury Bills and Notes - U.S. Treasury Bills, Notes, Bonds, or Certificates of Indebtedness, or those for which the full faith and credit of the United States are pledged for the payment of principal and interest. The term of such securities shall not exceed five years from the date of purchase.

- Local Agency Investment Fund (LAIF) - Investment of funds in the California LAIF which allows the State Treasurer to invest through the Pooled Money Investment Account (PMIA). Maximum investment is subject to state regulation. LAIF investments are available for City use.

- Repurchase Agreements - A purchase of securities by the City pursuant to an agreement by which the seller will repurchase such securities on or before a specified date, or on demand of either party, and for a specified amount. Investments in repurchase agreements will be used solely as short-term investments not to exceed 30 days.

- Other - Other investments that are, or may become, legal investments through the State of California Government Code, only with prior approval of the City Council.

Note 2 – Cash and Investments (Continued)

C. Investments Authorized by Debt Agreement

Investments held by bond fiscal agents (trustees) are governed by the provisions of the underlying indenture agreements rather than the general provisions of the City's investment policy or California Government Code.

The indenture agreements do identify the following permitted investments:

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio *	Maximum Investment in One Issuer
U.S. Treasury Obligations	5 year	None	None
U.S. Agency Securities	5 year	None	None
Banker's Acceptances	180 days	None	None
Commercial Paper	270 days	None	None
Money Market Mutual Funds	N/A	None	None
Investment Contracts	None	None	None
Certificates of Deposits	5 year	None	None
Repurchase Agreements	30 days	None	None
Local Agency Investment Fund	N/A	None	None
Municipal Bonds	None	None	None

N/A - Not Applicable

D. Investment in Local Agency Investment Fund (LAIF)

The City is a participant in LAIF which is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. As of June 30, 2025, the City had $9,957,907 invested in LAIF. LAIF determines fair value on its investment portfolio based on market quotations for those securities where market quotations are readily available and based on amortized cost or best estimate for those securities where fair value is not readily available. LAIF is reported at amortized cost, which approximates fair value.

E. Risks Disclosures

Interest Rate Risk: As a means of limiting its exposure to fair value losses arising from rising interest rates, the City's investment policy provides that final maturities of securities cannot exceed five years. Specific maturities of investments depend on liquidity needs. At June 30, 2025, the City's investments had the following maturities:

		Investment Maturities (in Years)		
Investment Type	Total	Less Than 1 Year	1 to 2 Years	2 to 5 Years
Investment:				
U.S. Treasury Notes	$ 490,153	$ 490,153	$ -	$ -
U.S. Government Bonds	5,768,642	353,562	937,964	4,477,116
Certificates of Deposit	8,621,856	3,641,040	4,980,816	-
Money Market Mutual Funds	10,678,502	10,678,502	-	-
Local Agency Investment Fund	9,957,907	9,957,907	-	-
Investment with Fiscal Agent:				
Money Market Mutual Funds	2,025,312	2,025,312	-	-
Total	$ 37,542,372	$ 27,146,476	$ 5,918,780	$ 4,477,116

Note 2 – Cash and Investments (Continued)

E. Risks Disclosures (Continued)

Credit Risk: Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by the California Government Code, the City's investment policy, or debt agreements, and the actual Moody's rating as of year-end for each investment type.

Investment Type	Total	Minimum Legal Rating
Investment:		
U.S. Treasury Notes	$ 490,153	AA/AAA
U.S. Government Bonds	5,768,642	AA/AAA
Certificates of Deposit	8,621,856	Not Rated
Money Market Mutual Funds	10,678,502	Not Rated
Local Agency Investment Fund	9,957,907	Not Rated
Investment with Fiscal Agent:		
Money Market Mutual Funds	2,025,312	
Total	$ 37,542,372	

Custodial Credit Risk: For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The California Government Code and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for investments. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools (such as LAIF).

F. Investment Valuation

At June 30, 2025, investments are reported at fair value. The following table presents the fair value measurement of investments on a recurring basis and the levels within GASB 72 fair value hierarchy in which the fair value measurements fall at June 30, 2025:

	Measurement Input			
Investment Type	Level 1	Level 2[(1)]	Uncategorized	Total
Investment:				
U.S. Treasury Notes	$ 490,153	$ -	$ -	$ 490,153
U.S. Government Bonds	-	5,768,642	-	5,768,642
Certificates of Deposit	-	8,621,856	-	8,621,856
Money Market Mutual Funds		-	10,678,502	10,678,502
Local Agency Investment Fund	-	-	9,957,907	9,957,907
Investment with Fiscal Agent:				
Money Market Mutual Funds	-	-	2,025,312	2,025,312
Total	$ 490,153	$ 14,390,498	$ 22,661,721	$ 37,542,372

[(1)] Institutional Bond Quotes - evaluations based on various market and industry inputs.

Federal Agency Securities and corporate bonds categorized as Level 2 are valued based on quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active and model-based valuations for which all significant assumptions are observable or can be corroborated by observable market data.

Note 3 – Loans Receivable

Housing Assistance Loans

The City engages in programs designed to encourage construction or improvement in low-to-moderate income housing. Under these programs, loans are provided under favorable terms to homeowners or developers who agree to spend these funds in accordance with the City's terms. Terms include interest rates of three to five percent and deferral of principal and interest payment until the property changes hands. All loans are secured by a deed of trust on the property. The balance of the loans receivable arising from these programs was $1,089,703 as of June 30, 2025.

Sewer Lateral Replacement Loans

The City has a Sewer Lateral Repair/Replacement Loan Program to improve sewer lateral lines connected to homeowners' residences. These loans carry an interest rate of three percent per annum. Repayment on loan principal and interest are deferred until the property is sold. All loans are secured by a deed of trust on the property. The balance of these loans receivables from this program was $35,413 as of June 30, 2025.

Note 4 – Leases Receivable and Lease-Related Deferred Inflows of Resources

The City leases various types of property including land and buildings. Leases receivable consist of agreements with other entities for the “right–to–use” the underlying assets at various locations owned by the City. The remaining terms of the agreements range from 1 to 27 years. The interest rates used calculated the net present value of the lease receivable ranged is from 1.844% to 3%.

For the fiscal year ended June 30, 2025, the City recognized $465,281 in lease revenue and $89,896 in interest revenue, and the outstanding net present value of the lease receivable amounts are $1,564,608 and $1,304,944 for governmental and business-type activities, respectively.

A. Governmental Activities

At June 30, 2025, the required payments for these leases, including interest, are:

Year Ending June 30,	Principal	Interest	Total
2026	$ 33,787	$ 39,774	$ 73,561
2027	35,546	38,809	74,355
2028	37,387	37,802	75,189
2029	41,326	36,722	78,048
2030	43,405	35,561	78,966
2031 - 2035	242,408	158,559	400,967
2036 - 2040	237,691	128,327	366,018
2041 - 2045	322,622	94,022	416,644
2046 - 2050	425,284	48,795	474,079
2051 - 2053	145,152	6,811	151,963
Total	$ 1,564,608	$ 625,182	$ 2,189,790

Note 4 – Leases Receivable and Lease-Related Deferred Inflows of Resources (Continued)

A. Governmental Activities (Continued)

At June 30, 2025, the amounts reported as deferred inflows of resources related to leases will be recognized as lease revenue as follows:

Year Ending June 30,	Amount
2026	$ 64,160
2027	64,160
2028	64,160
2029	64,160
2030	64,160
2031-2035	307,730
2036-2040	242,116
2041-2045	242,116
2046-2050	239,842
2051-2053	83,964
Total	$ 1,436,567

B. Business-Type Activities

At June 30, 2025, the required payments for these leases, including interest, are:

Year Ending June 30,	Principal	Interest	Total
2026	$ 304,602	$ 39,148	$ 343,750
2027	318,740	30,010	348,750
2028	333,302	20,448	353,750
2029	348,300	10,449	358,749
Total	$ 1,304,944	$ 100,055	$ 1,404,999

At June 30, 2025, the amounts reported as deferred inflows of resources related to leases will be recognized as lease revenue as follows:

Year Ending June 30,	Amount
2026	$ 289,724
2027	289,724
2028	289,724
2029	289,724
2030	72,431
Total	$ 1,231,327

Note 5 – Interfund Transactions

A. Due From and To Other Funds

At June 30, 2025, the City has the following due from and to other funds:

Due To Other Funds	Due From Other Funds Nonmajor Governmental Funds
Governmental Funds:	
RSTP Fund	$ 90,431

These interfund balances represent routine short-term cash flow assistance.

B. Transfers In and Out

During the year ended June 30, 2025, the City had the following transfers in and transfers out:

	Transfers In				
	Governmental Funds			Enterprise Funds	
Transfers Out	General Fund	Capital Improvements Fund	Nonmajor Governmental	Local Water Project Fund	Total
Governmental Funds:					
General Fund	$ 5,852	$ 3,017,033	$ 330,000	$ 635,188	$ 3,988,073
Nonmajor Governmental Funds	82,606	-	13,247	-	95,853
Total	$ 88,458	$ 3,017,033	$ 343,247	$ 635,188	$ 4,083,926

The significant transfers are as follows:

The $3,107,033 transfer from the General Fund to Capital Improvement Fund was for approved capital projects and funding for future projects.

The $635,188 transfers from the General fund to Local Water Project Fund was to support interfund debt repayment.

The $330,000 transfers from the General fund to Nonmajor Governmental Fund was to support 911 services paid to Monterey County.

Note 6 – Available For Sale Assets

The Pacific Grove Local Water Project (PGLWP) began producing recycled water in January 2018. The PGLWP treats wastewater from surrounding homes and businesses; and produces non-potable water to primarily irrigate the City's golf course and cemetery. This new, alternative water source reduced the City's demand for potable water from the California American Water Company (Cal-Am). On January 27, 2016, the Monterey Peninsula Water Management District (MPWMD) approved Ordinance No. 168 to establish the City's water entitlement of 47.88 acre/ft based on the potable water saved by the project. On May 15, 2019, the City adopted Resolution 19-014 to direct the City Manager to sell the 47.88 AF of water entitlements; and reserve 11.5 AF of the entitlement amount for affordable housing. This resolution also authorized a 30% discount to the water entitlement price shown on the City's Master Fee Schedule through June 30, 2025.

The water entitlements were shown on the fee schedule at $250,000 per AF or $25,000 for 0.10 AF. This rate was established based on a local market comparison. When the 30% discount is applied to the stated fee, the amount is reduced to $175,000 an acre foot or $17,500 for 0.10 AF. The total value of these assets at the 30% discount was $8,380,400; and was recorded as an intangible asset in the Governmental Activities section of the Statement of Net Position. In Fiscal Year 2020, the City sold approximately 1.26 AF of water entitlements at a value of $221,201. In Fiscal Year 2021, the City sold approximately 1.78 AF of water entitlements at a value of $312,798. In Fiscal Year 2022, the City sold approximately 3.29 AF of water entitlements at a value of $577,840. In Fiscal Year 2023, the City sold approximately 2.53 AF of water entitlements at a value of $443,475. In Fiscal Year 2024, the City sold approximately 3.31 AF of water entitlements at a value of $579,659. In Fiscal year 2025, the City sold approximately 9.21 AF of water entitlements at a value of $1,612,353 which was reported in the General Fund as other revenue. The remaining value of the water entitlements reported in the government-wide statement of net position as available for sale assets at June 30, 2025 was $4,633,074. These assets are not used to provide services and therefore are not capital in nature.

Note 7 – Capital Assets

Summary of changes of capital assets for governmental activities for the year ended June 30, 2025 is as follows:

	Balance July 1, 2024	Additions	Deletions	Transfers	Balance June 30, 2025
Capital assets, not being depreciated:					
Land	$ 2,338,270	$ -	$ -	$ -	$ 2,338,270
Construction in progress	5,524,639	400,142	-	(4,259,486)	1,665,295
Total capital assets, not being depreciated	7,862,909	400,142	-	(4,259,486)	4,003,565
Capital assets, being depreciated:					
Buildings/structures and improvements	18,324,924	244,977	-	1,074,678	19,644,579
Infrastructure:	41,694,495	2,301,718	-	3,184,808	47,181,021
Machinery and equipment	5,317,904	184,431	-	-	5,502,335
Total capital assets, being depreciated	65,337,323	2,731,126	-	4,259,486	72,327,935
Less accumulated depreciation:					
Buildings/structures and improvements	(9,876,459)	(518,620)	-	-	(10,395,079)
Infrastructure:	(15,784,194)	(1,235,144)	-	-	(17,019,338)
Machinery and equipment	(4,434,411)	(222,259)	-	-	(4,656,670)
Total accumulated depreciation	(30,095,064)	(1,976,023)	-	-	(32,071,087)
Total capital assets, being depreciated, net	35,242,259	755,103	-	4,259,486	40,256,848
Subscription assets, being amortized	525,750	388,367	(70,503)	-	843,614
Less: accumulated amortization	(227,614)	(172,920)	70,503	-	(330,031)
Total subscription assets, net	298,136	215,447	-	-	513,583
Governmental activities capital assets, net	$ 43,403,304	$ 1,370,692	$ -	$ -	$ 44,773,996

Depreciation/amortization expense was charged to the various governmental activities as follows:

	Depreciation	Amortization
General government	$ 322,092	$ 28,186
Public safety	956,396	83,693
Public works	296,403	25,938
Recreation	106,705	9,338
Library	79,041	6,917
Museum	23,712	2,075
Community development	191,674	16,773
Total depreciation/amortization expense	$ 1,976,023	$ 172,920

Note 7 – Capital Assets (Continued)

Summary of changes of capital assets for business-type activities for the year ended June 30, 2025 is as follows:

	Balance July 1, 2024	Additions	Deletions	Transfers	Balance June 30, 2025
Capital assets, not being depreciated:					
Land	$ 362,973	$ -	$ -	$ -	$ 362,973
Construction in progress	983,414	157,113	-	(33,777)	1,106,750
Total capital assets, not being depreciated	1,346,387	157,113	-	(33,777)	1,469,723
Capital assets, being depreciated:					
Buildings and improvements	10,160,437	16,851	-	33,777	10,211,065
Infrastructure/sewer	29,706,823	829,655	-	-	30,536,478
Machinery and equipment	1,477,671	17,523	-	-	1,495,194
Total capital assets, being depreciated	41,344,931	864,029	-	33,777	42,242,737
Less accumulated depreciation:					
Buildings and improvements	(5,552,145)	(174,054)	-	-	(5,726,199)
Infrastructure/sewer	(7,571,630)	(822,086)	-	-	(8,393,716)
Machinery and equipment	(1,083,473)	(61,926)	-	-	(1,145,399)
Total accumulated depreciation	(14,207,248)	(1,058,066)	-	-	(15,265,314)
Total capital assets, being depreciated, net	27,137,683	(194,037)	-	33,777	26,977,423
Total capital assets, being depreciated, net	27,137,683	(194,037)	-	33,777	26,977,423
Business-type activities capital assets, net	$ 28,484,070	$ (36,924)	$ -	$ -	$ 28,447,146

Depreciation expense was charged to the business-type activities as follows:

	Depreciation
Cemetary	$ 20,273
Local Water Project	310,409
Sewer	559,526
Golf Course	167,858
Total depreciation expense	$ 1,058,066

Note 8 – Long-Term Debt

A. Governmental Activities

A summary of changes in long-term liabilities for governmental activities for the year ended June 30, 2025 is as follows:

	Balance July 1, 2024	Additions	Deletions	Balance June 30, 2025	Due within One Year	Due in more than One Year
Publicly Offered:						
Taxable Pension Obligation Bonds	$ 2,193,089	$ -	$ (464,276)	$ 1,728,813	$ 451,350	$ 1,277,463
Accreted Interest	4,265,102	401,141	(985,725)	3,680,518	1,048,650	2,631,868
Subtotal	6,458,191	401,141	(1,450,001)	5,409,331	1,500,000	3,909,331
Direct Borrowing:						
PG&E Loan	31,403	-	(12,562)	18,841	12,562	6,279
SBITA Liability	200,738	388,368	(187,429)	401,677	92,686	308,991
Total	$ 6,690,332	$ 789,509	$ (1,649,992)	$ 5,829,849	$ 1,605,248	$ 4,224,601

Taxable Pension Obligation Bonds

On June 1, 2006, the City issued Taxable Pension Obligation Bonds in the principal amount of $19,365,355. The bonds were part of the California Statewide Communities Development Authority Taxable Pension Obligation Bonds Program. The purpose of the bonds are to provide monies to meet the unfunded accrued actuarial liability ("UAAL") to the California Public Employee's Retirement System ("PERS"). Semi-annual payments are due on June 1 and December 1. Interest on the bonds ranges from 5.67% to 6.12% and will mature on June 1, 2029.

The annual debt service requirements are as follows for the Pension Obligation Bonds:

Fiscal Year	Principal	Interest	Total
2026	$ 451,350	$ 1,048,650	$ 1,500,000
2027	437,699	1,107,301	1,545,000
2028	425,418	1,169,582	1,595,000
2029	414,346	1,235,652	1,649,998
Total	$ 1,728,813	$ 4,561,185	$ 6,289,998

PG&E Loan

The City benefited from the on-bill financing program offered by PG&E, which is a non-interest bearing, reimbursement basis loan to install energy-efficient equipment. Individual PG & E loans have been issued for various City locations. All loans mature beginning on February 15, 2022 and conclude on December 15, 2026.

The original loan was $152,900 with future debt service payments as follows:

Fiscal Year	Principal	Total
2026	$ 12,562	$ 12,562
2027	6,279	6,279
Total	$ 18,841	$ 18,841

Note 8 – Long-Term Debt (Continued)

A. Governmental Activities(Continued)

Subscription Payable

The City entered into subscription agreements with various vendors for software. The terms of the agreements are ranging from 24 months to 130 months. The calculated interest rates range from 1.85% to 3.38%. As of June 30, 2025, the capitalized right-to-use assets related to SBITAs were $513,583, net of $330,030 of accumulated amortizaiton and the total subscription liability was $401,677, of which $92,686 is reported as a current liability representing the amount due within the next fiscal year.

The future subscription payments are as follows:

Fiscal Year	Principal	Interest	Total
2026	$ 92,686	$ 9,540	$ 102,226
2027	87,814	7,255	95,069
2028	89,939	5,130	95,069
2029	92,115	2,954	95,069
2030	12,802	724	13,526
2031-2032	26,321	733	27,054
Total	$ 401,677	$ 26,336	$ 428,013

B. Business-Type Activities

A summary of changes in long-term liabilities for business-type activities for the year ended June 30, 2025 is as follows:

	Balance July 1, 2024	Additions	Deletions	Balance June 30, 2025	Due within One Year	Due in more than One Year
Publicly Offered:						
2013 Wastewater Revenue Refunding Bond	$ 573,704	$ -	$ (70,044)	$ 503,660	$ 71,550	$ 432,110
Direct Borrowing:						
Clean Water Revolving Fund Loan	4,385,661	-	(162,592)	4,223,069	164,218	4,058,851
2014 Golf Course Site Lease	1,526,268	-	(207,941)	1,318,327	217,085	1,101,242
Total	$ 6,485,633	$ -	$ (440,577)	$ 6,045,056	$ 452,853	$ 5,592,203

2013 Wastewater Revenue Refunding Bond

On May 6, 2013, the City issued the 2013 Wastewater Revenue Refunding Bonds in the principal amount of $1,220,588. The purpose of the bond is to refinance the California State Community Development Authority Series 2001B Revenue Bonds. Semi-annual interest payments are due on April 1 and October Repayments are secured by future sewer service revenues. Interest on the bonds is 3.35% and matures on October 1, 2031.

Note 8 – Long-Term Debt (Continued)

B. Business-Type Activities (Continued)

2013 Wastewater Revenue Refunding Bond (Continued)

The annual debt service requirements are as follows for the 2013 Wastewater Revenue Refunding Bond:

Fiscal Year	Principal	Interest	Total
2026	$ 71,550	$ 16,264	$ 87,814
2027	72,937	13,876	86,813
2028	76,789	11,400	88,189
2029	78,018	8,795	86,813
2030	79,120	6,193	85,313
2031-2032	125,246	4,225	129,471
Total	$ 503,660	$ 60,753	$ 564,413

Clean Water State Revolving Fund Loan

In November 2015, the City secured State Water Resources Control Board ("SWRCB") funding for the construction of a recycled water treatment plant, sewer diversion structure, waste pump and force main station, user connections and site retrofits. The SWRCB reimbursed the City for project-related expenditures, as incurred, totaling $5,328,076. The loan will be repaid with interest at 1% per annum. The loan matures on February 1, 2048.

The annual debt service requirements are as follows for the Clean Water State Revolving Fund Loan:

Fiscal Year	Principal	Interest	Total
2026	$ 164,218	$ 42,231	$ 206,449
2027	165,860	40,589	206,449
2028	167,518	38,930	206,448
2029	169,194	37,255	206,449
2030	170,885	37,255	208,140
2031-2035	880,405	160,554	1,040,959
2036-2040	925,314	116,089	1,041,403
2041-2045	972,514	69,356	1,041,870
2046-2048	607,161	20,239	627,400
Total	$ 4,223,069	$ 562,498	$ 4,785,567

2014 Golf Course Site Lease

The City entered into a $3,130,505 Site Lease dated September 1, 2014 with Umpqua Bank to Refund the 2014 Golf Course Certificate of Participation. The lease bears interest at 4.35% with debt service payments due on February 1st and August 1st through 2030. The lease is secured by the transfer of property rights to Umpqua Bank.

Note 8 – Long-Term Debt (Continued)

B. Business-Type Activities (Continued)

2014 Golf Course Site Lease (Continued)

The annual debt service requirements are as follows for the 2014 Golf Course Site Lease:

Fiscal Year	Principal	Interest	Total
2026	$ 217,085	$ 55,012	$ 272,097
2027	226,631	45,466	272,097
2028	236,597	35,500	272,097
2029	247,000	25,096	272,096
2030	257,862	14,235	272,097
2031	133,152	2,896	136,048
Total	$ 1,318,327	$ 178,205	$ 1,496,532

Note 9 – Compensated Absences

The changes in compensated absences of governmental and business-type activities for the year ended June 30, 2025 are as follows:

	Balance July 1, 2024	Net Changes	Balance June 30, 2025	Classification: Due Within One Year	Classification: Due in More Than One Year
Governmental activities	$ 1,199,053	$ 223,297	$ 1,422,350	$ 355,588	$ 1,066,762
Business-type activities	160,581	13,274	173,855	43,464	130,391

Note 10 – Risk Management

Risk Pool Membership

The City is a member of the California Joint Powers Insurance Authority (the "Authority"). The Authority is composed of 124 California public entities and is organized under a joint powers agreement pursuant to California Government Code §6500 et seq. The Authority arranges and administers programs for the pooling of self-insured losses, purchases excess insurance and reinsurance, and arranges for group purchased insurance for property and other lines of coverage. The California JPIA began covering claims of its members in 1978. Each member government has an elected official as its representative on the Authority's Board of Directors. The Board operates through a nine-member Executive Committee.

Excess Liability Program

Liability coverage includes auto liability, employment practices liability, public officials' errors and omissions, bodily injury, personal injury, third party property damage, advertising injury, and employee benefit administration liability. The City has a retained limit of $150,000 per occurrence. The overall coverage limit for each member, including all layers of coverage, is $50 million per occurrence. The coverage structure is composed of a combination of pooled self-insurance, reinsurance, and excess insurance. Additional information concerning the coverage structure is available on the Authority's website: https://cjpia.org/coverage/risk-sharing-pools.

Note 10 – Risk Management (Continued)

Excess Workers' Compensation Program

The City has a retained limit of $150,000 per occurrence for workers' compensation claims. The Authority's pooled retention is $1 million per occurrence with reinsurance to statutory limits under California Workers' Compensation Law. Employer's Liability losses are pooled among members to $1 million. Coverage from $1 million to $5 million is purchased through reinsurance policies, and Employer's Liability losses from $5 million to $10 million are pooled among members.

Estimated reserves for all claims are recorded in internal service funds. No claim settlement has exceeded the coverage amounts in place for any of the years shown. The amount of claims due in one year from June 30, 2025, is estimated to total $339,695.

Purchased Insurance

The City also participates in the following coverage programs provided by the Authority:

All-Risk Property Protection Program. This insurance protection is underwritten by several insurance companies. The City's property is currently insured according to a schedule of covered property submitted by the City to the Authority. The total insured value of scheduled City property is $87,706,300. There is a $10,000 deductible per occurrence except for non-emergency vehicle insurance which has a $2,500 deductible.

Pollution Legal Liability Insurance Program. The policy covers sudden and gradual pollution of scheduled property, streets, and storm drains owned by the City. Coverage is on a claims-made basis. There is a $250,000 deductible. The Authority has an aggregate limit of $20 million.

Crime Insurance Program. Formerly called Blanket Fidelity Bond, this policy covers faithful performance, depositor's forgery, theft of money and securities, and computer fraud related to the transfer of money. The policy limit is $1,000,000, and the deductible is $2,500.

Adequacy of Protection

During the past three fiscal years, none of the above programs of protection experienced settlements or judgments that exceeded pooled or insured coverage. There were also no significant reductions in pooled or insured liability coverage during the fiscal year ended June 30, 2025.

Changes in the balances of the City's claims liabilities during the years ended June 30, 2025, 2024, and 2023 were as follows:

	Beginning Balance	Expenses and Changes in Estimates	Claims Payments	Ending Balance	Due within One Year	Due in more than One Year
2022-2023	$ 709,811	$ 378,974	$ (250,511)	$ 838,274	$ 267,243	$ 681,769
2023-2024	838,274	198,076	(561,919)	474,431	156,505	317,926
2024-2025	474,431	1,959,956	(948,532)	1,485,855	427,678	1,058,177

Note 11 – Defined Benefit Pension Plan

A. General Information about the Pension Plan

Plan Description

All qualified permanent and probationary employees are eligible to participate in the City's Miscellaneous and Safety Employee Pension Plans (the Plans); cost-sharing multiple employer defined benefit pension plans administered by the California Public Employees' Retirement System (CalPERS). Benefit provisions under the Plans are established by State statute and City resolution. CalPERS' audited financial statements are publicly available reports that can be obtained at the CalPERS website under Forms and Publications.

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. The cost-of-living adjustments for the Plans are applied as specified by the Public Employees' Retirement Law.

The Plan's provisions and benefits in effect as of the June 30, 2024 measurement date, are summarized as follows:

	Miscellaneous		Safety	
	Tier 1	PEPRA	Tier 1	PEPRA
Hire date	Before 1/1/2013	1/1/2013	Before 1/1/2013	1/1/2013
Benefit formula	2% @ 55	2% @ 62	3% @ 50	2.7% @ 57
Benefit vesting schedule	5 Years	5 Years	5 Years	5 Years
Benefit payments	Monthly for life	Monthly for life	Monthly for life	Monthly for life
Retirement age	55	62	50	50
Benefit per year of service, as a percentage of salary	2.0% to 2.5%	2.0%	3.0%	2.0% to 2.7%
Employer Contribution Rate	12.52%	7.87%	27.32%	13.76%
Employee Contribution Rate	7.00%	7.75%	9.00%	13.75%

Employees Covered

As of the June 30, 2024, the measurement date, the following employees were covered by the benefit terms for the Plan:

	Plans		
	Miscellaneous	Safety	Total
Active employees	71	20	91
Transferred and terminated employees	115	33	148
Retired Employees and Beneficiaries	156	119	275
Total	342	172	514

Note 11 – Defined Benefit Pension Plan (Continued)

A. General Information about the Pension Plan (Continued)

Contributions

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rates are the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. For the year ended June 30, 2025, the employer contributions for the miscellaneous plan and the safety plan, were in amounts of $2,258,473 and $3,241,553, respectively.

B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

The City's net pension liability for the Plans is measured as the proportionate share of the net pension liability. The net pension liability of the Plans are measured as of June 30, 2024, and the total pension liability for the Plans used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2023 rolled forward to June 30, 2024 using standard update procedures. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. The City's proportionate share of the net pension liability for the Plans as of June 30, 2024 and 2023 was as follows:

	Miscellaneous Plan	Safety Plan	Total
June 30, 2023	0.175349%	0.265691%	0.441040%
June 30, 2024	0.241610%	0.225730%	0.467340%
Change - Increase (Decrease)	0.066261%	-0.039961%	0.026300%

Actuarial Methods and Assumption Used to Determine Total Pension Liability

The June 30, 2023 valuation was rolled forward to determine the June 30, 2024, measurement date total pension liability, based on following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Amortization method	Varies by date established and source. May be level dollar or level percent of pay and may include direct rate smoothing.
Actuarial Assumptions:	
Discount Rate	6.90%
Inflation	2.30%
Salary Increases	Varies by Entry Age and Service
Mortality	Derived using CalPERS' Membership Data for all Funds. The mortality table was developed based on CalPERS-specific data. The rates incorporate Generational Mortality to capture ongoing mortality improvement using 80% of Scale MP 2020 published by the Society of Actuaries. For more details, please refer to the 2021 experience study report that can be found on the CalPERS website
Post-retirement benefit increase	Contract COLA up to 2.30% until Purchasing Power Protection Allowance Floor on Purchasing Power applies

Note 11 – Defined Benefit Pension Plan (Continued)

B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Long-term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. In determining the long-term expected rate of return, CalPERS took into account both short-term and long term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent. The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses and are summarized as follows:

Asset Class	Assumed Asset Allocation	Real Return Years 1 - 10[1,2]
Global Equity - Cap-weighted	30.00%	4.54%
Global Equity - Non-cap-weighted	12.00%	3.84%
Private Equity	13.00%	7.28%
Treasury	5.00%	0.27%
Mortgage-backed Securities	5.00%	0.50%
Investment Grade Corporates	10.00%	1.56%
High Yield	5.00%	2.27%
Emerging Market Debt	5.00%	2.48%
Private Debt	5.00%	3.57%
Real Assets	15.00%	3.21%
Leverage	-5.00%	-0.59%
	100.00%	

[1] An expected inflation of 2.30% used for this period.

[2] Figures are based on the 2021-22 Asset Liability Management study.

Note 11 – Defined Benefit Pension Plan (Continued)

C. Changes in the Net Pension Liability

Proportionate Share of Net Pension Liability and Pension Expense

The following table shows the City's Miscellaneous and Safety Plan's proportionate share of the risk pool collective net pension liability over the measure period.

Miscellaneous Plan

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (c) = (a) - (b)
Balance at June 30, 2023 (Valuation Date)	$ 66,781,879	$ 44,906,337	$ 21,875,542
Balance at June 30, 2024 (Measurement Date)	68,323,404	46,488,851	21,834,553
Net Changes during 2023-2024	1,541,525	1,582,514	(40,989)

Safety Plan

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (asset) (c) = (a) - (b)
Balance at June 30, 2023 (Valuation Date)	$ 85,890,366	$ 52,744,213	$ 33,146,153
Balance at June 30, 2024 (Measurement Date)	86,899,482	54,067,387	32,832,095
Net Changes during 2023-2024	1,009,116	1,323,174	(314,058)

The following is the approach established by the plan actuary to allocate the net pension liability and pension expense to the individual employers within the risk pool.

(1) In determining a cost-sharing plan's proportionate share, total amounts of liabilities and assets are first calculated for the risk pool as a whole on the valuation date (June 30, 2023). The risk pool's fiduciary net position ("FNP") subtracted from its total pension liability ("TPL") determines the net pension liability ("NPL") at the valuation date.

(2) Using standard actuarial roll forward methods, the risk pool TPL is then computed at the measurement date (June 30, 2024). Risk pool FNP at the measurement date is then subtracted from this number to compute the NPL for the risk pool at the measurement date. For purposes of FNP in this step and any later reference thereto, the risk pool's FNP at the measurement date denotes the aggregate risk pool's FNP at June 30, 2024 less the sum of all additional side fund (or unfunded liability) contributions made by all employers during the measurement period (2023-2024).

(3) The individual plan's TPL, FNP and NPL are also calculated at the valuation date. TPL is allocated based on the rate plan's share of the actuarial accrued liability. FNP is allocated based on the rate plan's share of market value assets.

(4) Two ratios are created by dividing the plan's individual TPL and FNP as of the valuation date from (3) by the amounts in step (1), the risk pool's total TPL and FNP, respectively.

(5) The plan's TPL as of the Measurement Date is equal to the risk pool TPL generated in (2) multiplied by the TPL ratio generated in (4). The plan's FNP as of the Measurement Date is equal to the FNP generated in (2) multiplied by the FNP ratio generated in (4) plus any additional side fund (or unfunded liability) contributions made by the employer on behalf of the plan during the measurement period.

(6) The plan's NPL at the Measurement Date is the difference between the TPL and FNP calculated in (5).

Note 11 – Defined Benefit Pension Plan (Continued)

C. Changes in the Net Pension Liability (Continued)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the plans as of the measurement date, calculated using the discount rate of 6.90%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (5.90%) or 1 percentage-point higher (7.90%) than the current rate:

	Plan's Net Pension Liability (asset)		
	Discount Rate - 1% (5.9%)	Current Discount Rate (6.9%)	Discount Rate + 1% (7.9%)
Miscellaneous Plan	$ 31,054,140	$ 21,834,553	$ 14,245,476
Safety Plan	$ 44,702,480	$ 32,832,095	$ 23,123,788

Pension Plan Fiduciary Net Position

Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS financial reports at calpers.ca.gov.

D. Pension Expenses and Deferred Outflows and Inflows of Resources Related to Pensions

For the year ended June 30, 2025, the City recognized pension expense of $3,425,308 and $5,761,226, for the Miscellaneous and Safety plans, respectively. At June 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to the pension plan from the following sources:

Miscellaneous Plan

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contribution made after measurement date	$ 2,258,473	$ -
Changes of assumptions	561,193	-
Difference between expected and actual experience	1,887,798	(73,661)
Net difference between projected and actual earning on pension plan investments	1,256,989	-
Adjustment due to differences in proportions	-	(710,589)
Difference between City contributions and proportionate share of contributions	148,737	(99,595)
Total	$ 6,113,190	$ (883,845)

Safety Plan

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contribution made after measurement date	$ 3,241,553	$ -
Changes of assumptions	808,915	-
Difference between expected and actual experience	2,679,391	(87,119)
Difference between projected and actual earnings on pension plan investments	1,586,954	-
Adjustment due to differences in proportions	-	(817,637)
Difference between City contributions and proportionate share of contributions	1,069,766	(162,463)
Total	$ 9,386,579	$ (1,067,219)

Note 11 – Defined Benefit Pension Plan (Continued)

D. Pension Expenses and Deferred Outflows and Inflows of Resources Related to Pensions (Continued)

The expected average remaining service lifetime ("EARSL") is calculated by dividing the total future service years by the total number of plan participants (active, inactive, and retired). The EARSL for the miscellaneous and the safety risk pool for the 2023-24 measurement period is 3.8 years, which was obtained by dividing the total service years of 600,538 (the sum of remaining service lifetimes of the active employees) by 160,073 (the total number of participants: active, inactive, and retired).

The City reported $2,258,473 and 3,241,553 for the Miscellaneous and Safety Plans, respectively, reported as deferred outflows of resources related to contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the year ending June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30	Deferred Outflows/ (Inflows) of Resources Miscellaneous Plan	Deferred Outflows/ (Inflows) of Resources Safety Plan
2026	$ 885,410	$ 1,712,996
2027	2,596,498	3,857,327
2028	(80,282)	50,469
2029	(430,754)	(542,985)
2030	-	-
Thereafter	-	-
	$ 2,970,872	$ 5,077,807

Note 12 – Other Post-Employment Benefits (OPEB)

A. General Information about the OPEB Plan

Plan Description

The City of Pacific Grove Retiree Healthcare Plan (Plan) is a single employer defined benefit healthcare plan administered by the City. The City contributes the minimum amount provided under Government Code Section 22825 of the Public Employees Medical and Hospital Care Act (PEMHCA) for medical benefits. All employees become eligible for postretirement medical benefits after five years of employment, meet qualifications for CalPERS retirement, and reach the age of 50. This lifetime benefit is available to all employees and their surviving spouses who elect to buy insurance through any of the available CalPERS medical plans. Retirees must contribute any premium amounts in excess of the City contribution amounts.

The City's previous employee agreements contained a provision to also pay an additional $150 per month for the first five years after retirement, or until age 65 or date of death, whichever was sooner. Police officers were required to have 20 years of service to receive the five-year benefit. The additional $150 monthly retirement benefit was terminated for all employees, with the exception of miscellaneous employees who retired prior to January 1, 2017; and Safety employees who retired prior to July 1, 2018.

The City does not currently contribute to an OPEB Trust.

Note 12 – Other Post-Employment Benefits (OPEB) (Continued)

A. General Information about the OPEB Plan (Continued)

Employees Covered

At June 30, 2023 (the valuation date), the most recent valuation date, the following current and former employees were covered by the benefit terms under the Plan:

Inactives currently receiving benefits	58
Inactives entitled to benefit payments	74
Active employees	65
Total	197

Contributions

The City makes contributions based on a pay-as-you go basis as approved by the authority of the City's Board. Total benefit payments included in the measurement period were $154,907, while actual contributions for the fiscal year were $154,907. Employees are not required to contribute to the plan. There have been no assets accumulated in a trust to provide for the benefits of this plan.

B. Total OPEB Liability

Significant Actuarial Assumptions Used for Total OPEB Liability (Asset)

The following summarized the actuarial assumptions for the OPEB plan included in this fiscal year:

Actuarial Cost Method	Entry-Age Level Percent of Pay
Amortization Period:	20 years
Asset Valuation Method:	Level percentage of payroll, closed
Actuarial Assumptions:	
Actuarial Valuation Date	June 30, 2023
Discount Rate	3.93%
Inflation	2.50%
Salary Increases	2.75%
Medical Trend	Non-Medicare - 8.50% for 2025, decreasing to an ultimate rate of 3.45% in 2076. Medicare (Non-Kaiser) - 7.50% for 2025, decreasing to an ultimate rate of 3.45% in 2076 Medicare (Kaiser) - 6.25% for 2025, decreasing to an ultimate rate of 3.45% in 2076
PEMHCA Minimum Increase	3.50% annually
Healthcare Participation at Retirement	Actives - 60% Retirees - 100% if covered, 0% if waived

Notes:
Discount rate increased from 3.65% to 3.93%.

Discount Rate

The discount rate was based on the Bond Buyer 20-bond General Obligation Index.

Change of Assumptions

Discount rate was updated based on municipal bond rate as of the measurement date. The medical trend, and PEMHCA minimum trend were updated.

Note 12 – Other Post-Employment Benefits (OPEB) (Continued)

B. Total OPEB Liability (Continued)

Total OPEB Liability

The City's total OPEB liability was measured as of June 30, 2024 (measurement date) and was determined by an actuarial valuation as of June 30, 2023 (valuation date) for the fiscal year ended June 30, 2025 (reporting date).

Changes in the Total OPEB Liability

The following summarizes the changes in the total OPEB liability during the year ended June 30, 2025:

	Total OPEB Liability
Balance at June 30, 2024	$ 3,190,287
Changes recognized for the measurement period:	
Service Cost	181,296
Interest on the total pension liability	120,235
Differences between expected and actual experience	-
Changes in assumptions	(112,448)
Benefits payments	(154,907)
Net changes during July 1, 2023 to June 30, 2024	34,176
Balance at June 30, 2025	$ 3,224,463

The City's plan is nonfunded, meaning there have not been assets placed into an irrevocable trust, therefore the plan fiduciary net position is zero.

Sensitivity to Changes in the Discount Rate

The net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher, is as follows:

Plan's Net OPEB Liability		
Discount Rate - 1% (2.93%)	Current Discount Rate (3.93%)	Discount Rate + 1% (4.93%)
$ 3,656,198	$ 3,224,463	$ 2,868,324

Sensitivity to Changes in the Healthcare Cost Trend Rates

The net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower or one percentage point higher than current healthcare cost trend rates, is as follows:

Plan's Net OPEB Liability		
1% Decrease	Current Trend	1% Increase
$ 2,801,209	$ 3,224,463	$ 3,750,340

Note 12 – Other Post-Employment Benefits (OPEB) (Continued)

C. Deferred Inflows and Outflows of Resources

At June 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 352	$ (848,023)
Changes in assumptions	8,239	(829,399)
Employer contributions made subsequent to the measurement date	149,075	-
Total	$ 157,666	$ (1,677,422)

For the year ended June 30, 2025, the City recognized OPEB expense of $68,741. Of the total amount reported as deferred outflows of resources related to OPEB, $149,075 resulting from City contributions subsequent to the measurement date and before the end of the fiscal year will be included as a reduction of the net OPEB liability in the year ended June 30, 2026.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ended June 30	Deferred Outflows/ (Inflows) of Resources
2026	$ (394,058)
2027	(402,649)
2028	(385,122)
2029	(303,168)
2030	(169,168)
Thereafter	(14,666)
	$ (1,668,831)

Note 13 – Commitments and Contingencies

A. Lawsuits

City management believes, based upon consultation with the City Attorney, that litigation, in the aggregate, are not expected to result in a material adverse financial impact on the City and that insurance programs are sufficient to cover any potential losses should an unfavorable outcome materialize.

B. Federal and State Grant Programs

The City participates in Federal and State grant programs that are audited by the City's independent accountants if required by and in accordance with the provisions of the Uniform Guidance and applicable State requirements. For Federal programs, the City did not reach the level of qualifying expenditures during the current fiscal year that would require a single audit. Expenditures which may be disallowed, if any, by the granting agencies, cannot be determined at this time. The City expects such amounts, if any, to be immaterial.

Note 13 – Commitments and Contingencies (Continued)

C. Capital Commitments

The City had the following capital commitments outstanding as of June 30, 2025:

Capital Commitments	Outstanding Amount
Street Improvements	$ 53,167
Facility Improvements	5,065
Sewer Improvements	12,822
	$ 71,054

Note 14 – Stewardship, Compliance and Accountability

A. Fund Balance/Net Position Deficits

The City's governmental activities had an unrestricted net position (deficit) of $(31,005,216) as of June 30, 2025. This is mainly due to reporting of net pension liability of $53,514,653 as required under GASB Statement No. 68 (Note 11) and reporting of Total OPEB liability of $2,974,569 as required under GASB Statement No. 75 (Note 12).

At June 30, 2025, the following fund had net position (deficit):

Fund	Fund Type	Deficit
Workers' Compensation Fund	Internal Service Fund	$ (275,786)

Internal Service Fund

A net deficit exists in the Workers' Compensation Fund. The fund deficit is a result of additional claims expense incurred. This net deficit should be eliminated during the upcoming fiscal year.

B. Expenditures Exceeding Appropriations

The following funds contained excess of expenditures over final appropriations for the year ended June 30, 2025:

Fund	Final Appropriations	Expenditures	Excess of Expenditures over Appropriations
Nonmajor Governmental Funds:			
CDBG Grant Special Revenue Fund	$ 20,000	$ 22,491	$ (2,491)
American Rescue Plan Act Special Revenue Fund	828,872	833,241	(4,369)
Public Safety Augmentation Special Revenue Fund	494,651	494,985	(334)
Supplemental Law Enforcement Special Revenue Fund	281,646	545,490	(263,844)
Operating Grant Special Revenue Fund	-	20,756	(20,756)

Note 15 – Net Investment in Capital Assets

Net Investment in Capital Assets at June 30, 2025 consisted of the following:

	Governmental Activities	Business-Type Activities
Net investment in capital assets:		
Capital assets, nondepreciable	$ 4,003,565	$ 1,469,723
Capital assets, depreciable/amortizable, net	40,770,431	26,977,423
Account payable related to construction	(210,400)	(16,334)
Retention payable	(39,555)	-
Long-term debt:		
PG&E Loan	(18,841)	-
2013 Wastewater Revenue Refunding Bond	-	(503,660)
Clean Water State Loan	-	(4,223,069)
2004 Golf Course Project	-	(1,318,327)
Subscription Payable	(401,677)	-
Total net investment in capital assets	$ 44,103,523	$ 22,385,756

Note 16 – Restatements and Prior Period Adjustments of Beginning Net Position and Fund Balance

During fiscal year 2025, restatements and prior period adjustments of beginning net position and fund balances are as follows:

	June 30, 2024 As Previously Reported	Error Correction	June 30, 2024 As Restated
Government-Wide			
Governmental Activities	$ 23,656,123	$ (1,162,521)	$ 22,493,602
Business-Type Activities	31,680,661	(3,576)	31,677,085
Total primary government	$ 55,336,784	$ (1,166,097)	$ 54,170,687
Governmental Funds:			
Major Funds:			
General Fund	$ 17,581,788	$ (216,993)	$ 17,364,795
Capital Improvement Projects Fund	360,196	(123,575)	236,621
Nonmajor Funds:			
American Rescue Plan Act (ARPA) Fund	895,169	(821,953)	73,216
Total Governmental Funds	$ 18,837,153	$ (1,162,521)	$ 17,674,632
Enterprise Fund:			
Golf Course Fund	$ 4,053,152	$ (3,576)	$ 4,049,576

Note 16 – Restatements and Prior Period Adjustments of Beginning Net Position and Fund Balance (Continued)

Error Correction

Governmental activities and business-type activities were restated in the amount of $1,162,521 and $3,576, perspective, due to the following reasons:

1. The correction of recording unearned revenue in the ARPA fund and Capital Improvement Project funds in amount of $821,953 and $123,575.
2. The revenue correction was made in amount of $216,993 in the general fund.
3. The lease contracts were adjusted in last fiscal year. The related lease receivable and deferred inflow lease related were adjusted in amount of $98,062 and $94,486, respectively.

Change with financial reporting entity (non-major fund classification)

The Library Building & Equipment Fund, Library Book Fund, and Poetry Promotion Fund are all combined into Library Fund as nonmajor governmental fund.


CITY OF PACIFIC GROVE, CA.
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City of Pacific Grove, California
Required Supplementary Information

Note that the schedules in this section are unaudited



Chautaqua Hall



El Carmelo Cemetery


CITY OF PACIFIC GROVE, CA.
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Note 1 – Budgetary Control and Accounting Policy

The City's budgetary records are maintained on a modified accrual basis. Revenues are recorded when measurable and available; and expenditures are recorded when goods and services are received or the liability incurred. The City produces an annual budget, which serves as the foundation for the City's financial planning and control. Based on the City Budget's Policy 400-6 Budget and Financial Management Policy, the City is required to maintain a balanced operating budgeted; along with using one-time revenues to fund non-recurring expenditures. In the budget development process, the City Council and staff reference Council's adopted Community Goals and Work Plan Focused Priority Areas, while also establishing annual Department Operational Goals.

In accordance with the City's Budget and Financial Management Policy, the City Manager recommends the budget to the City Council in May. After public input and discussion is received, the City Council may request modifications to the budget or introduce an ordinance adopting the budget. Expenditures authorized in the final budget ordinance are appropriated at the Fund level, and in the case of the General Fund, at the department or program level. The Council may adopt an ordinance to amend the budget during the year to reflect changing Council priorities or staff recommendations. The City Manager has the authority to transfer funds within a given fund and between department appropriations to ensure that programmatic budgets may adapt throughout the year to evolving circumstances.

All governmental, enterprise, and internal service funds are appropriated annually. The governmental funds include General, special revenue, capital project and permanent funds.

Additional information on the City's budget and encumbrance accounting can be found in Note 1S-Budgetary Information and Note 1T-Encumbrances.


CITY OF PACIFIC GROVE, CA.
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City of Pacific Grove
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
General Fund
For the Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Taxes				
Property taxes	$ 10,296,000	$ 10,296,000	$ 10,516,128	$ 220,128
Sales and use taxes	6,194,000	6,194,000	6,360,487	166,487
Franchise and other taxes	1,659,000	1,659,000	1,547,278	(111,722)
Transient occupancy taxes	7,012,000	7,012,000	6,960,718	(51,282)
Utility users taxes	2,043,000	2,043,000	2,435,825	392,825
Business license tax	393,000	393,000	485,535	92,535
Other taxes	150,000	150,000	180,314	30,314
Intergovernmental	51,000	51,000	150,704	99,704
Licenses, permits, and impact fees	1,325,000	1,325,000	1,154,121	(170,879)
Fines and forfeitures	484,250	484,250	316,523	(167,727)
Charges for services	1,882,590	1,882,590	1,940,548	57,958
Interest, rents, and concessions	558,200	558,200	874,568	316,368
Other revenues	1,260,687	1,260,687	2,339,408	1,078,721
Total revenues	33,308,727	33,308,727	35,262,157	1,953,430
EXPENDITURES:				
Current:				
General government	5,684,861	5,902,161	5,253,961	648,200
Public safety:				
Police	8,931,103	9,069,754	8,328,813	740,941
Fire	4,915,600	4,920,982	5,022,031	(101,049)
Public works	5,144,860	5,712,860	4,619,697	1,093,163
Recreation	1,623,839	1,683,839	1,697,656	(13,817)
Library	1,212,017	1,242,394	1,223,426	18,968
Museum	384,300	384,300	382,112	2,188
Community development	2,983,158	3,391,158	2,995,511	395,647
Capital outlay	505,100	305,342	173,561	131,781
Debt service:				
Principal retirement	1,462,562	1,462,562	556,910	905,652
Interest and fiscal charges	-	-	989,578	(989,578)
Total expenditures	32,847,400	34,075,352	31,243,256	2,832,096
EXCESS OF REVENUES OVER EXPENDITURES	461,327	(766,625)	4,018,901	4,785,526
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	88,458	88,458
Transfers out	(1,555,187)	(3,722,220)	(3,988,073)	(265,853)
Proceeds from sale of assets	4,000	4,000	-	(4,000)
Total other financing sources (uses)	(1,551,187)	(3,718,220)	(3,899,615)	(181,395)
NET CHANGE IN FUND BALANCE	$ (1,089,860)	$ (4,484,845)	119,286	$ 4,604,131
FUND BALANCE:				
Beginning of year, previously reported			17,581,788	
Error correction (Note 16)			(216,993)	
Beginning of year, as restated (Note 16)			17,364,795	
End of year			$ 17,484,081	

City of Pacific Grove
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
RSTP Special Revenue Fund
For the Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Taxes				
Other taxes	$ -	$ -	$ 456,517	$ 456,517
Total revenues	-	-	456,517	456,517
EXPENDITURES:				
Current:				
Community development	-	-	101,730	(101,730)
Capital outlay	-	650,856	-	650,856
Total expenditures	-	650,856	101,730	549,126
NET CHANGE IN FUND BALANCE	$ -	$ (650,856)	354,787	$ 1,005,643
FUND BALANCE (DEFICIT):				
Beginning of year			(349,316)	
End of year			$ 5,471	

City of Pacific Grove
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
CDBG Grant Special Revenue Fund
For the Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Interest, rents, and concessions	$ 10,000	$ 10,000	$ 22,040	$ 12,040
Total revenues	10,000	10,000	22,040	12,040
EXPENDITURES:				
Current:				
Community development	20,000	20,000	22,491	(2,491)
Total expenditures	20,000	20,000	22,491	(2,491)
NET CHANGE IN FUND BALANCE	$ (10,000)	$ (10,000)	(451)	$ 9,549
FUND BALANCE:				
Beginning of year			1,324,983	
End of year			$ 1,324,532	

City of Pacific Grove
Required Supplementary Information (Unaudited)
Schedule of Proportionate Share of Net Pension Liability
For the Year Ended June 30, 2025

Last Ten Fiscal Years

	2015-16	2016-17	2017-18	2018-19	2019-2020
Proportion of Net Pension Liability	0.3824%	0.3994%	0.3977%	0.4118%	0.4169%
Proportionate Share of Net Pension Liability	$ 26,535,640	$ 34,564,209	$ 39,440,944	$ 39,679,281	$ 42,724,135
Covered payroll	$ 5,714,952	$ 6,248,635	$ 5,873,761	$ 7,328,064	$ 8,029,195
Net Pension Liability as a % of Covered Payroll	464.32%	553.15%	671.48%	541.47%	532.11%
Plan's Fiduciary Net Position as a % of the TPL	78.40%	74.06%	73.31%	75.26%	75.26%

City of Pacific Grove
Required Supplementary Information (Unaudited)
Schedule of Proportionate Share of Net Pension Liability (Continued)
For the Year Ended June 30, 2025

Last Ten Fiscal Years

	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025
Proportion of Net Pension Liability	0.4226%	0.6037%	0.4527%	0.4410%	0.4508%
Proportionate Share of Net Pension Liability	$ 45,982,402	$ 32,650,197	$ 52,295,194	$ 55,021,695	$ 54,666,648
Covered payroll	$ 8,120,599	$ 7,539,260	$ 8,361,384	$ 8,989,993	$ 9,367,731
Net Pension Liability as a % of Covered Payroll	566.24%	433.07%	625.44%	612.03%	583.56%
Plan's Fiduciary Net Position as a % of the TPL	75.10%	88.29%	76.68%	76.21%	78.08%

City of Pacific Grove
Required Supplementary Information (Unaudited)
Schedule of Contributions - Pensions
For the Year Ended June 30, 2025

Last Ten Fiscal Years

	2015-16	2016-17	2017-18	2018-19	2019-20
Actuarially determined contribution	$ 1,784,443	$ 1,995,457	$ 2,392,372	$ 2,857,889	$ 3,404,853
Contributions in relation to the actuarially determined contribution[1]	(1,784,443)	(1,995,457)	(2,392,372)	(2,857,889)	(3,404,566)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ 287
Covered payroll	$ 6,248,635	$ 5,873,761	$ 7,328,064	$ 8,029,195	$ 8,120,599
Contributions as a percentage of covered payroll	28.56%	33.97%	32.65%	35.59%	41.93%

[1] Employers are assumed to make contributions equal to the actuarially determined contributions. However, some employers may choose to make additional contributions towards their unfunded liability. Employer contributions for such plans exceed the actuarially determined contributions.

Notes to Schedule:

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2023-24 were derived from the June 30, 2021 funding valuation report..

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal Cost Method
Amortization method	For details, see June 30, 2021, funding valuation report.
Remaining Amortization Periods	Differs by employer rate plan
Asset valuation method	Fair Value of Assets. For details, see June 30, 2021, funding valuation report.
Inflation	2.30%
Salary increases	Varies by category, entry age, and service
Discount Rate	6.80% (net of investment and administrative expenses)
Mortality	The probabilities of mortality are based on the 2021 CalPERS Experience Study and Review of Actuarial Assumptions. Mortality rates incorporate full generational mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries.

City of Pacific Grove
Required Supplementary Information (Unaudited) (Continued)
Schedule of Contributions - Pensions (Continued)
For the Year Ended June 30, 2025

Last Ten Fiscal Years

	2020-21	2021-22	2022-23	2023-24	2024-25
Actuarially determined contribution	$ 3,760,395	$ 4,332,824	$ 4,811,828	$ 4,883,025	$ 5,500,026
Contributions in relation to the actuarially determined contribution[1]	(3,760,395)	(4,332,824)	(4,811,828)	(4,883,025)	(5,500,026)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 7,539,260	$ 8,361,384	$ 8,989,993	$ 9,367,731	$ 9,693,009
Contributions as a percentage of covered payroll	49.88%	51.82%	53.52%	52.13%	56.74%

City of Pacific Grove
Required Supplementary Information (Unaudited)
Schedule of Changes in Net OPEB Liability and Related Ratios
For the Year Ended June 30, 2025

Last Ten Fiscal Years

Retiree Healthcare Plan

Fiscal year	2017-18[1]	2018-19	2019-20	2020-21	2021-22
Total OPEB liability					
Service cost	$ 194,311	$ 168,509	$ 162,418	$ 227,721	$ 312,533
Interest	119,338	139,246	150,001	149,231	118,772
Changes of benefit terms	-	-	(10,980)	-	-
Changes of assumptions	(415,636)	(152,945)	172,969	814,841	(188,228)
Differences between expected and actual experience	-	-	7,390	-	(203,234)
Benefit payments, including refunds	(171,120)	(168,800)	(156,858)	(162,898)	(169,211)
Administrative expense	-	-	1,112	-	-
Net change in total OPEB liability	(273,107)	(13,990)	326,052	1,028,895	(129,368)
Total OPEB liability - beginning of the year	4,078,542	3,805,435	3,791,445	4,117,497	5,146,392
Total OPEB liability - end of the year (a)	$ 3,805,435	$ 3,791,445	$ 4,117,497	$ 5,146,392	$ 5,017,024
Covered-employee payroll	$ 7,678,127	$ 7,915,595	$ 8,673,911	$ 8,151,351	$ 9,186,311
Plan total OPEB liability as a percentage of covered-employee payroll	49.56%	47.90%	47.47%	63.14%	54.61%

[1] Historical information is presented for measurement periods after GASB 75 implementation in 2017-18. Additional years' information will be displayed as it becomes available.

Notes to Schedule:

Changes of assumptions: discount rates decreased from 3.87% to 3.5% in 2019, then to 2.21% in 2020, 2.16% in 2021, 3.54% in 2022, 3.65% in 2023, and increase to 3.93% at June 30, 2024.

Changes of benefit terms: There were no changes of benefit terms in 2025.

There are no assets in the accumulated trust.

City of Pacific Grove
Required Supplementary Information (Unaudited)
Schedule of Changes in Net OPEB Liability and Related Ratios (Continued)
For the Year Ended June 30, 2025

Last Ten Fiscal Years

Retiree Healthcare Plan

Fiscal year	2022-23	2023-24	2024-25
Total OPEB liability			
Service cost	$ 288,848	$ 215,865	$ 181,296
Interest	112,491	156,724	120,235
Changes of benefit terms	-	-	-
Changes of assumptions	(916,826)	(214,044)	(112,448)
Differences between expected and actual experience	-	(1,085,337)	-
Benefit payments, including refunds	(195,915)	(188,543)	(154,907)
Administrative expense	-	-	-
Net change in total OPEB liability	(711,402)	(1,115,335)	34,176
Total OPEB liability - beginning of the year	5,146,392	4,305,622	3,190,287
Total OPEB liability - end of the year (a)	$ 4,434,990	$ 3,190,287	$ 3,224,463
Covered-employee payroll	$ 9,226,324	$ 10,192,805	$ 10,675,869
Plan total OPEB liability as a percentage of covered-employee payroll	48.07%	31.30%	30.20%


CITY OF PACIFIC GROVE, CA.
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Asilomar Conference Grounds



Ed Ricketts Lab


CITY OF PACIFIC GROVE, CA.
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City of Pacific Grove
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Capital Improvement Projects Fund
For the Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Interest, rents, and concessions	$ -	$ -	$ 29,755	$ 29,755
Contributions	67,500	67,500	-	(67,500)
Total revenues	67,500	67,500	29,755	(37,745)
EXPENDITURES:				
Current:				
General government	-	-	4,451	(4,451)
Capital outlay	770,000	2,050,135	1,014,839	1,035,296
Total expenditures	770,000	2,050,135	1,019,290	1,030,845
EXCESS OF REVENUES OVER EXPENDITURES	(702,500)	(1,982,635)	(989,535)	993,100
OTHER FINANCING SOURCES:				
Transfers in	850,000	3,017,033	3,017,033	-
Total other financing sources	850,000	3,017,033	3,017,033	-
NET CHANGE IN FUND BALANCE	$ 147,500	$ 1,034,398	2,027,498	$ 993,100
FUND BALANCE:				
Beginning of year, previously reported			360,196	
Error correction (Note 16)			(123,575)	
Beginning of year, as restated (Note 16)			236,621	
End of year			$ 2,264,119	


CITY OF PACIFIC GROVE, CA.
INC. 1889

City of Pacific Grove, California
Nonmajor Governmental Funds

SPECIAL REVENUE FUNDS

These funds account for revenue sources that are restricted for specific purposes (other than those resources to be expended solely for the construction of major capital facilities).

Carillion Fund - The Carillon Fund accounts for donations designated for the maintenance of the tower clock and chimes system at City Hall.

Environmental Enhancement Fund - Accounts for revenues associated with Coastal Area Planning grants, coastal area land use, and Environmental Impact Report deposit funds.

State Franchise PEG Fund - Receives funding from the City's cable franchisee to support Public, Educational and Governmental (PEG) programming on local Public Access television. The fund supports equipment expenditures to aid in broadcasting based on the terms of the Digital Infrastructure and Video Competition Act of 2006.

Library Fund - Accounts for donations designated for improvements and equipment for the City Library and for donations and contributions for purchasing books for the City Library.

Museum Improvement Fund - Accounts for donations designated for improvements to the Museum of Natural History.

Downtown Business District Fund - Provides for the collection of self-assessed fees from businesses within the Business Improvement District and the payment of those fees to the Pacific Grove Chamber of Commerce. Businesses within the BID remit these fees to the City upon the annual renewal of their business licenses.

Hospitality Improvement District Fund - Records the collection and distribution of self-assessed fees by the hotels. Half of the collected funds are remitted to the Pacific Grove Chamber of Commerce, while the other half, Monterey County Tourism Improvement District (MCTID) is remitted to the Monterey County Convention and Visitor's Bureau.

Fire Emergency Equipment Fund - The Fire Emergency Equipment Fund accounts for grants, fees, and donations in support of Fire Department safety programs.

American Rescue Plan Act Fund (ARPA) Fund - Receives funds from the American Rescue Plan Act and records expenditures that are applied against the granted funds.

Local Streets and Roads Fund - Monterey County voters approved Measure X, which authorized the Transportation Agency of Monterey County (TAMC) to impose and administer a three-eighths cent transaction and use tax. This fund receives tax proceeds to pay for pedestrian and vehicular transportation projects and programs.

Gas Tax Fund - The Gas Tax Fund accounts for State shared gasoline tax revenues that are utilized for street-related operating and capital project costs.

Chautauqua Hall Fund - Chautauqua Hall was built in 1881 and was designated a State Historical Landmark. The Chautauqua Hall Fund accounts for funds from the Chautauqua Hall Preserve that are used to support building repairs and maintenance.

Lighthouse Maintenance & Improvement Fund - Receipts admission fees, gift shop sales, and donations to support operations at the Point Pinos Lighthouse visitor's center and gift shop. Expenditures include staffing, maintenance, supplies, and improvements.

Senior Housing Fund - The Senior Housing Fund accounts for donations and other revenues to develop and maintain senior housing opportunities.

CalHOME Reuse Fund - Funding from the California Department of Housing and Community Development that is administered by the City. Funds provide loans to low and very low-income households for down payment assistance and home rehabilitation. The loans are payable on sale or transfer of homes or when they cease to be owner occupied, or at maturity.

City of Pacific Grove, California
Nonmajor Governmental Funds (Continued)

SPECIAL REVENUE FUNDS (Continued)

General Plan Maintenance Fee Fund - The General Plan Maintenance Fund accounts for fees collected to maintain the City's General Plan. These fees will be expended to maintain and monitor the General Plan.

Yount Income Fund - The Yount Income Fund accounts for the expendable portion of the Yount Trust Fund which is to be used for beautification of the city and for minor improvements to educational and/or recreational facilities.

Public Safety Augmentation Fund - The Public Safety Augmentation Fund accounts for revenue from Proposition 172 public safety sales tax and interfund transfers to pay for a contract with Monterey County Emergency Communications for 911 emergency dispatch services.

Supplemental Law Enforcement Fund - Receives Supplemental Law Enforcement Services Funds (SLESF) to partially fund the costs of a police officer and related training expenses, supplies and equipment.

Vehicle Abandonment Fund - The City receives a $1 tax on vehicle registrations and is reimbursed based on each abandoned vehicle marked, ticketed, and/or towed. Funds are used in the Police Department's abatement program for training, supplies, and equipment.

Strong Disbursements Fund - Accounts for expenditures of income received from the Bertha Strong private foundation held for the benefit of the City Pacific Grove for civic improvements. Revenue is the greater of net income or the required minimum distribution from the corpus of the foundation as governed by the IRS.

Housing Fund - The Housing Fund accounts for the administration of housing loan activities.

Coastal Conservancy Grant Fund - Grant proceeds from the Coastal Conservancy to fund coastal conservancy related projects and plans that maintain and improve beaches and coastal parks.

Operating Grants Fund - The Operating Donations Fund accounts for grants from federal, state and local agencies to support a variety of public services including police, fire, community development, parks, recreation, and museum facilities.

RMRA Fund - Receipts funding from the Road Repair and Accountability Act of 2017, which includes increased gas tax, diesel excise and sales tax; and a zero-emission vehicle registration fee for local transportation projects. Funding allocations are project specific and require a maintenance of effort (MOE) requirement.

McIndoo Donation Fund - The McIndoo Donation Fund accounts for the receipt of a donation from the Jeanette J. Mclndoo Trust for beautification and enhancement of public facilities and grounds.

ASBS Fund - This fund accounts for grants from the State Water Resources Control Board and expenditures related to discharge prohibition in and around the ocean.

Storm Water Fund -accounts for charges imposed by the City to fund the management and treatment of stormwater runoff.

PERMANENT FUNDS

Library Endowment Trust Fund - Retains donations and bequeaths for the benefit of Library materials and collections.

Cemetery Endowment Trust Fund - Accounts for revenues paid for the El Carmelo Cemetery endowment care, perpetual expenses; and the general preservation of burial sites, grounds, walking paths, roadways, boundaries, and structures.

Yount Trust Fund - Receives interest income from non-expendable trust fund. The actual interest earned is transferred to the Yount Income Fund to support beautification of the City and minor improvements to education or recreational facilities.

City of Pacific Grove
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2025

	Special Revenue Funds			
	Carillion Fund	Environmental Enhancement Fund	State Franchise PEG Fund	Library Fund
ASSETS				
Cash and investments	$ 10,861	$ 124,733	$ 125,229	$ 330,561
Receivables:				
Accounts	-	-	-	-
Taxes	-	-	9,686	-
Loans	-	-	-	-
Due from other funds	-	-	-	-
Total assets	$ 10,861	$ 124,733	$ 134,915	$ 330,561
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable	$ -	$ -	$ 26,000	$ 12,440
Payroll-related liabilities	-	-	-	-
Unearned revenue	-	-	-	-
Total liabilities	-	-	26,000	12,440
Fund Balances:				
Nonspendable:				
Permanent funds	-	-	-	-
Restricted:				
Social service programs	-	-	-	-
Public safety	-	-	-	-
Community development	10,861	124,733	108,915	318,121
Street improvements	-	-	-	-
Total fund balances	10,861	124,733	108,915	318,121
Total liabilities and fund balances	$ 10,861	$ 124,733	$ 134,915	$ 330,561

(Continued)

City of Pacific Grove
Combining Balance Sheet (Continued)
Nonmajor Governmental Funds
June 30, 2025

	Special Revenue Funds			
	Museum Improvement Fund	Downtown Business District Fund	Hospitality Improvement District Fund	Fire Emergency Equipment Fund
ASSETS				
Cash and investments	$ 298,383	$ 15,876	$ 149,231	$ 213,471
Receivables:				
Accounts	-	-	-	-
Taxes	-	-	-	-
Loans	-	-	-	-
Due from other funds	-	-	-	-
Total assets	$ 298,383	$ 15,876	$ 149,231	$ 213,471
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable	$ -	$ -	$ 93,521	$ 17,491
Payroll-related liabilities	-	-	-	-
Unearned revenue	-	12,782	-	-
Total liabilities	-	12,782	93,521	17,491
Fund Balances:				
Nonspendable:				
Permanent funds	-	-	-	-
Restricted:				
Social service programs	-	-	-	-
Public safety	-	-	-	195,980
Community development	298,383	3,094	55,710	-
Street improvements	-	-	-	-
Total fund balances	298,383	3,094	55,710	195,980
Total liabilities and fund balances	$ 298,383	$ 15,876	$ 149,231	$ 213,471

(Continued)

City of Pacific Grove
Combining Balance Sheet (Continued)
Nonmajor Governmental Funds
June 30, 2025

	Special Revenue Funds			
	American Rescue Plan Act (ARPA) Fund	Local Streets and Roads Fund	Gas Tax Fund	Chautauqua Hall Fund
ASSETS				
Cash and investments	$ -	$ 842,182	$ 301,283	$ 16,699
Receivables:				
Accounts	-	404,350	-	-
Taxes	-	-	34,658	-
Loans	-	-	-	-
Due from other funds	-	90,431	-	-
Total assets	$ -	$ 1,336,963	$ 335,941	$ 16,699
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable	$ -	$ 43,623	$ 8,857	$ -
Payroll-related liabilities	-	-	2,115	-
Unearned revenue	-	-	-	-
Total liabilities	-	43,623	10,972	-
Fund Balances:				
Nonspendable:				
Permanent funds	-	-	-	-
Restricted:				
Social service programs	-	-	-	-
Public safety	-	-	-	-
Community development	-	-	-	16,699
Street improvements	-	1,293,340	324,969	-
Total fund balances	-	1,293,340	324,969	16,699
Total liabilities and fund balances	$ -	$ 1,336,963	$ 335,941	$ 16,699

(Continued)

City of Pacific Grove
Combining Balance Sheet (Continued)
Nonmajor Governmental Funds
June 30, 2025

	Special Revenue Funds			
	Lighthouse Maintenance & Improvement Fund	Senior Housing Fund	CalHOME Reuse Fund	General Plan Maintenance Fee Fund
ASSETS				
Cash and investments	$ 229,022	$ 11,667	$ 278,770	$ 14,715
Receivables:				
Accounts	306	-	-	-
Taxes	-	-	-	-
Loans	-	-	242,888	-
Due from other funds	-	-	-	-
Total assets	$ 229,328	$ 11,667	$ 521,658	$ 14,715
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable	$ 3,281	$ -	$ -	$ -
Payroll-related liabilities	1,875	-	-	-
Unearned revenue	-	-	-	-
Total liabilities	5,156	-	-	-
Fund Balances:				
Nonspendable:				
Permanent funds	-	-	-	-
Restricted:				
Social service programs	-	11,667	521,658	-
Public safety	-	-	-	-
Community development	224,172	-	-	14,715
Street improvements	-	-	-	-
Total fund balances	224,172	11,667	521,658	14,715
Total liabilities and fund balances	$ 229,328	$ 11,667	$ 521,658	$ 14,715

(Continued)

City of Pacific Grove
Combining Balance Sheet (Continued)
Nonmajor Governmental Funds
June 30, 2025

	Special Revenue Funds			
	Yount Income Fund	Public Safety Augmentation Fund	Supplemental Law Enforcement Fund	Vehicle Abandonment Fund
ASSETS				
Cash and investments	$ 30,649	$ 45,864	$ 242,398	$ 54,242
Receivables:				
Accounts	-	28,872	16,667	2,841
Taxes	-	-	-	-
Loans	-	-	-	-
Due from other funds	-	-	-	-
Total assets	$ 30,649	$ 74,736	$ 259,065	$ 57,083
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable	$ -	$ 3,009	$ -	$ -
Payroll-related liabilities	-	-	5,290	-
Unearned revenue	-	-	-	-
Total liabilities	-	3,009	5,290	-
Fund Balances:				
Nonspendable:				
Permanent funds	-	-	-	-
Restricted:				
Social service programs	-	-	-	-
Public safety	-	71,727	253,775	57,083
Community development	30,649	-	-	-
Street improvements	-	-	-	-
Total fund balances	30,649	71,727	253,775	57,083
Total liabilities and fund balances	$ 30,649	$ 74,736	$ 259,065	$ 57,083

(Continued)

City of Pacific Grove
Combining Balance Sheet (Continued)
Nonmajor Governmental Funds
June 30, 2025

	Special Revenue Funds			
	Strong Disbursements Fund	Housing Fund	Coastal Conservancy Grant Fund	Operating Grants Fund
ASSETS				
Cash and investments	$ 9,337	$ 377,194	$ 93,263	$ 51,345
Receivables:				
Accounts	-	-	-	-
Taxes	-	-	-	-
Loans	-	102,076	-	-
Due from other funds	-	-	-	-
Total assets	$ 9,337	$ 479,270	$ 93,263	$ 51,345
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable	$ -	$ 1,328	$ -	$ -
Payroll-related liabilities	-	2,743	-	-
Unearned revenue	-	-	-	51,345
Total liabilities	-	4,071	-	51,345
Fund Balances:				
Nonspendable:				
Permanent funds	-	-	-	-
Restricted:				
Social service programs	-	475,199	-	-
Public safety	-	-	-	-
Community development	9,337	-	93,263	-
Street improvements	-	-	-	-
Total fund balances	9,337	475,199	93,263	-
Total liabilities and fund balances	$ 9,337	$ 479,270	$ 93,263	$ 51,345

(Continued)

City of Pacific Grove
Combining Balance Sheet (Continued)
Nonmajor Governmental Funds
June 30, 2025

	Special Revenue Funds			
	RMRA Fund	McIndoo Donation Fund	ASBS Grant Fund	Storm Water Fund
ASSETS				
Cash and investments	$ 692,324	$ 23,068	$ 26,137	$ 820
Receivables:				
Accounts	-	-	-	-
Taxes	72,028	-	-	-
Loans	-	-	-	-
Due from other funds	-	-	-	-
Total assets	$ 764,352	$ 23,068	$ 26,137	$ 820
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable	$ -	$ -	$ -	$ -
Payroll-related liabilities	-	-	-	-
Unearned revenue	-	-	-	-
Total liabilities	-	-	-	-
Fund Balances:				
Nonspendable:				
Permanent funds	-	-	-	-
Restricted:				
Social service programs	-	-	26,137	820
Public safety	-	-	-	-
Community development	-	23,068	-	-
Street improvements	764,352	-	-	-
Total fund balances	764,352	23,068	26,137	820
Total liabilities and fund balances	$ 764,352	$ 23,068	$ 26,137	$ 820

(Continued)

City of Pacific Grove
Combining Balance Sheet (Continued)
Nonmajor Governmental Funds
June 30, 2025

	Permanent Funds			
	Library Endowment Trust Fund	Cemetery Endowment Trust Fund	Yount Trust Fund	Total Nonmajor Governmental Funds
ASSETS				
Cash and investments	$ 597,479	$ 2,290,157	$ 807,008	$ 8,303,968
Receivables:				
Accounts	-	-	-	453,036
Taxes	-	-	-	116,372
Loans	-	-	-	344,964
Due from other funds	-	-	-	90,431
Total assets	$ 597,479	$ 2,290,157	$ 807,008	$ 9,308,771
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable	$ -	$ -	$ -	$ 209,550
Payroll-related liabilities	-	-	-	12,023
Unearned revenue	-	-	-	64,127
Total liabilities	-	-	-	285,700
Fund Balances:				
Nonspendable:				
Permanent funds	597,479	2,290,157	807,008	3,694,644
Restricted:				
Social service programs	-	-	-	1,035,481
Public safety	-	-	-	578,565
Community development	-	-	-	1,331,720
Street improvements	-	-	-	2,382,661
Total fund balances	597,479	2,290,157	807,008	9,023,071
Total liabilities and fund balances	$ 597,479	$ 2,290,157	$ 807,008	$ 9,308,771

(Concluded)

City of Pacific Grove
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2025

	Special Revenue Funds			
	Carillion Fund	Environmental Enhancement Fund	State Franchise PEG Fund	Library Fund
REVENUES:				
Taxes:				
Sales and use taxes	$ -	$ -	$ -	$ -
Franchise and other taxes	-	-	42,644	-
Transient occupancy taxes	-	-	-	-
Business license tax	-	-	-	-
Intergovernmental	-	-	-	-
Licenses, permits, and impact fees	-	-	-	-
Charges for services	-	-	-	-
Interest, rents, and concessions	440	5,057	4,694	55,766
Other revenues	-	-	-	73,121
Total revenues	440	5,057	47,338	128,887
EXPENDITURES:				
Current:				
General government	-	-	54,600	-
Public safety:				
Police	-	-	-	-
Fire	-	-	-	-
Public works	-	-	-	-
Recreation	-	-	-	1,800
Library	-	-	-	69,217
Community development	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest	-	-	-	-
Total expenditures	-	-	54,600	71,017
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	440	5,057	(7,262)	57,870
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Inception of subscription liability	-	-	-	-
Total other financing sources (uses)	-	-	-	-
NET CHANGES IN FUND BALANCES	440	5,057	(7,262)	57,870
FUND BALANCES (DEFICIT):				
Beginning of year, as previously reported	10,421	119,676	116,177	-
Error correction (Note 16)	-	-	-	-
Change with financial reporting entity (major and non-major fund classification) (Note 16)	-	-	-	260,251
Beginning of year, as restated (Note 16)	10,421	119,676	116,177	260,251
End of year	$ 10,861	$ 124,733	$ 108,915	$ 318,121

(Continued)

City of Pacific Grove
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
Nonmajor Governmental Funds
For the Year Ended June 30, 2025

	Special Revenue Funds			
	Museum Improvement Fund	Downtown Business District Fund	Hospitality Improvement District Fund	Fire Emergency Equipment Fund
REVENUES:				
Taxes:				
Sales and use taxes	$ -	$ -	$ -	$ -
Franchise and other taxes	-	-	-	-
Transient occupancy taxes	-	-	595,512	-
Business license tax	-	16,323	-	-
Intergovernmental	-	-	-	-
Licenses, permits, and impact fees	-	-	-	-
Charges for services	-	-	-	-
Interest, rents, and concessions	12,369	-	-	8,661
Other revenues	-	-	-	19,355
Total revenues	12,369	16,323	595,512	28,016
EXPENDITURES:				
Current:				
General government	-	29,889	539,803	-
Public safety:				
Police	-	-	-	-
Fire	-	-	-	27,669
Public works	-	-	-	-
Recreation	-	-	-	-
Library	-	-	-	-
Community development	-	-	-	-
Capital outlay	58,809	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest	-	-	-	-
Total expenditures	58,809	29,889	539,803	27,669
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(46,440)	(13,566)	55,709	347
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Transfers out	-	(13,425)	(1,385)	-
Inception of subscription liability	-	-	-	-
Total other financing sources (uses)	-	(13,425)	(1,385)	-
NET CHANGES IN FUND BALANCES	(46,440)	(26,991)	54,324	347
FUND BALANCES (DEFICIT):				
Beginning of year, as previously reported	344,823	30,085	1,386	195,633
Error correction (Note 16)	-	-	-	-
Change with financial reporting entity (major and non-major fund classification) (Note 16)	-	-	-	-
Beginning of year, as restated (Note 16)	344,823	30,085	1,386	195,633
End of year	$ 298,383	$ 3,094	$ 55,710	$ 195,980

(Continued)

City of Pacific Grove
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
Nonmajor Governmental Funds
For the Year Ended June 30, 2025

	Special Revenue Funds			
	American Rescue Plan Act (ARPA) Fund	Local Streets and Roads Fund	Gas Tax Fund	Chautauqua Hall Fund
REVENUES:				
Taxes:				
Sales and use taxes	$ -	$ 820,135	$ -	$ -
Franchise and other taxes	-	-	-	-
Transient occupancy taxes	-	-	-	-
Business license tax	-	-	-	-
Intergovernmental	821,953	-	408,101	-
Licenses, permits, and impact fees	-	-	-	-
Charges for services	-	-	-	-
Interest, rents, and concessions	11,288	35,920	12,111	677
Other revenues	-	-	-	-
Total revenues	833,241	856,055	420,212	677
EXPENDITURES:				
Current:				
General government	19,566	-	-	-
Public safety:				
Police	-	-	-	-
Fire	-	-	-	-
Public works	-	-	356,364	-
Recreation	-	-	-	-
Library	-	-	-	-
Community development	-	-	-	-
Capital outlay	813,675	599,605	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest	-	-	-	-
Total expenditures	833,241	599,605	356,364	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	256,450	63,848	677
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Transfers out	(73,216)	-	-	-
Inception of subscription liability	-	-	-	-
Total other financing sources (uses)	(73,216)	-	-	-
NET CHANGES IN FUND BALANCES	(73,216)	256,450	63,848	677
FUND BALANCES (DEFICIT):				
Beginning of year, as previously reported	895,169	1,036,890	261,121	16,022
Error correction (Note 16)	(821,953)	-	-	-
Change with financial reporting entity (major and non-major fund classification) (Note 16)	-	-	-	-
Beginning of year, as restated (Note 16)	73,216	1,036,890	261,121	16,022
End of year	$ -	$ 1,293,340	$ 324,969	$ 16,699

(Continued)

City of Pacific Grove
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
Nonmajor Governmental Funds
For the Year Ended June 30, 2025

	Special Revenue Funds			
	Lighthouse Maintenance & Improvement Fund	Senior Housing Fund	CalHOME Reuse Fund	General Plan Maintenance Fee Fund
REVENUES:				
Taxes:				
Sales and use taxes	$ -	$ -	$ -	$ -
Franchise and other taxes	-	-	-	-
Transient occupancy taxes	-	-	-	-
Business license tax	-	-	-	-
Intergovernmental	-	-	-	-
Licenses, permits, and impact fees	-	-	-	-
Charges for services	119,275	-	-	5,993
Interest, rents, and concessions	9,504	473	11,300	492
Other revenues	3,138	-	-	-
Total revenues	131,917	473	11,300	6,485
EXPENDITURES:				
Current:				
General government	-	-	-	-
Public safety:				
Police	-	-	-	-
Fire	-	-	-	-
Public works	-	-	-	-
Recreation	125,930	-	-	-
Library	-	-	-	-
Community development	-	-	-	-
Capital outlay	5,785	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest	-	-	-	-
Total expenditures	131,715	-	-	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	202	473	11,300	6,485
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Inception of subscription liability	-	-	-	-
Total other financing sources (uses)	-	-	-	-
NET CHANGES IN FUND BALANCES	202	473	11,300	6,485
FUND BALANCES (DEFICIT):				
Beginning of year, as previously reported	223,970	11,194	510,358	8,230
Error correction (Note 16)	-	-	-	-
Change with financial reporting entity (major and non-major fund classification) (Note 16)	-	-	-	-
Beginning of year, as restated (Note 16)	223,970	11,194	510,358	8,230
End of year	$ 224,172	$ 11,667	$ 521,658	$ 14,715

(Continued)

City of Pacific Grove
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
Nonmajor Governmental Funds
For the Year Ended June 30, 2025

	Special Revenue Funds			
	Yount Income Fund	Public Safety Augmentation Fund	Supplemental Law Enforcement Fund	Vehicle Abandonment Fund
REVENUES:				
Taxes:				
Sales and use taxes	$ -	$ -	$ -	$ -
Franchise and other taxes	-	-	-	-
Transient occupancy taxes	-	-	-	-
Business license tax	-	-	-	-
Intergovernmental	-	162,986	357,395	15,389
Licenses, permits, and impact fees	-	-	-	-
Charges for services	-	-	-	-
Interest, rents, and concessions	994	-	4,588	1,903
Other revenues	-	-	-	-
Total revenues	994	162,986	361,983	17,292
EXPENDITURES:				
Current:				
General government	-	-	-	-
Public safety:				
Police	-	494,985	49,137	-
Fire	-	-	-	-
Public works	-	-	-	-
Recreation	-	-	-	-
Library	-	-	-	-
Community development	-	-	-	-
Capital outlay	-	-	388,368	-
Debt service:				
Principal retirement	-	-	107,357	-
Interest	-	-	628	-
Total expenditures	-	494,985	545,490	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	994	(331,999)	(183,507)	17,292
OTHER FINANCING SOURCES (USES):				
Transfers in	13,247	330,000	-	-
Transfers out	-	-	-	-
Inception of subscription liability	-	-	388,368	-
Total other financing sources (uses)	13,247	330,000	388,368	-
NET CHANGES IN FUND BALANCES	14,241	(1,999)	204,861	17,292
FUND BALANCES (DEFICIT):				
Beginning of year, as previously reported	16,408	73,726	48,914	39,791
Error correction (Note 16)	-	-	-	-
Change with financial reporting entity (major and non-major fund classification) (Note 16)	-	-	-	-
Beginning of year, as restated (Note 16)	16,408	73,726	48,914	39,791
End of year	$ 30,649	$ 71,727	$ 253,775	$ 57,083

(Continued)

City of Pacific Grove
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
Nonmajor Governmental Funds
For the Year Ended June 30, 2025

	Special Revenue Funds			
	Strong Disbursements Fund	Housing Fund	Coastal Conservancy Grant Fund	Operating Grants Fund
REVENUES:				
Taxes:				
Sales and use taxes	$ -	$ -	$ -	$ -
Franchise and other taxes	-	-	-	-
Transient occupancy taxes	-	-	-	-
Business license tax	-	-	-	-
Intergovernmental	-	-	-	20,268
Licenses, permits, and impact fees	-	-	-	-
Charges for services	-	-	-	-
Interest, rents, and concessions	42,574	48,369	3,780	2,139
Other revenues	-	951	-	-
Total revenues	42,574	49,320	3,780	22,407
EXPENDITURES:				
Current:				
General government	-	-	-	-
Public safety:				
Police	-	-	-	-
Fire	-	-	-	-
Public works	-	-	-	-
Recreation	41,371	-	-	-
Library	-	-	-	-
Community development	-	99,673	-	20,756
Capital outlay	6,812	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest	-	-	-	-
Total expenditures	48,183	99,673	-	20,756
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(5,609)	(50,353)	3,780	1,651
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Inception of subscription liability	-	-	-	-
Total other financing sources (uses)	-	-	-	-
NET CHANGES IN FUND BALANCES	(5,609)	(50,353)	3,780	1,651
FUND BALANCES (DEFICIT):				
Beginning of year, as previously reported	14,946	525,552	89,483	(1,651)
Error correction (Note 16)	-	-	-	-
Change with financial reporting entity (major and non-major fund classification) (Note 16)	-	-	-	-
Beginning of year, as restated (Note 16)	14,946	525,552	89,483	(1,651)
End of year	$ 9,337	$ 475,199	$ 93,263	$ -

(Continued)

City of Pacific Grove
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
Nonmajor Governmental Funds
For the Year Ended June 30, 2025

	Special Revenue Funds			
	RMRA Fund	McIndoo Donation Fund	ASBS Grant Fund	Storm Water Fund
REVENUES:				
Taxes:				
Sales and use taxes	$ 408,736	$ -	$ -	$ -
Franchise and other taxes	-	-	-	-
Transient occupancy taxes	-	-	-	-
Business license tax	-	-	-	-
Intergovernmental	-	-	-	-
Licenses, permits, and impact fees	-	-	-	820
Charges for services	-	-	-	-
Interest, rents, and concessions	28,923	935	-	-
Other revenues	-	-	-	-
Total revenues	437,659	935	-	820
EXPENDITURES:				
Current:				
General government	-	-	-	-
Public safety:				
Police	-	-	-	-
Fire	-	-	-	-
Public works	-	-	-	-
Recreation	-	-	-	-
Library	-	-	-	-
Community development	-	-	-	-
Capital outlay	318,517	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest	-	-	-	-
Total expenditures	318,517	-	-	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	119,142	935	-	820
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Inception of subscription liability	-	-	-	-
Total other financing sources (uses)	-	-	-	-
NET CHANGES IN FUND BALANCES	119,142	935	-	820
FUND BALANCES (DEFICIT):				
Beginning of year, as previously reported	645,210	22,133	26,137	-
Error correction (Note 16)	-	-	-	-
Change with financial reporting entity (major and non-major fund classification) (Note 16)	-	-	-	-
Beginning of year, as restated (Note 16)	645,210	22,133	26,137	-
End of year	$ 764,352	$ 23,068	$ 26,137	$ 820

(Continued)

City of Pacific Grove
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
Nonmajor Governmental Funds
For the Year Ended June 30, 2025

	Permanent Funds			Special Revenue Funds
	Library Endowment Trust Fund	Cemetery Endowment Trust Fund	Yount Trust Fund	Library Building & Equipment Fund
REVENUES:				
Taxes:				
Sales and use taxes	$ -	$ -	$ -	
Franchise and other taxes	-	-	-	
Transient occupancy taxes	-	-	-	
Business license tax	-	-	-	
Intergovernmental	-	-	-	
Licenses, permits, and impact fees	-	-	-	
Charges for services	-	52,907	-	
Interest, rents, and concessions	24,211	91,996	33,485	
Other revenues	7,631	-	-	
Total revenues	31,842	144,903	33,485	
EXPENDITURES:				
Current:				
General government	-	-	21	
Public safety:				
Police	-	-	-	
Fire	-	-	-	
Public works	-	-	-	
Recreation	-	-	-	
Library	-	-	-	
Community development	-	-	-	
Capital outlay	-	-	-	
Debt service:				
Principal retirement	-	-	-	
Interest	-	-	-	
Total expenditures	-	-	21	
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	31,842	144,903	33,464	
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	
Transfers out	-	-	(7,827)	
Inception of subscription liability	-	-	-	
Total other financing sources (uses)	-	-	(7,827)	
NET CHANGES IN FUND BALANCES	31,842	144,903	25,637	
FUND BALANCES (DEFICIT):				
Beginning of year, as previously reported	565,637	2,145,254	781,371	72,346
Error correction (Note 16)	-	-	-	-
Change with financial reporting entity (major and non-major fund classification) (Note 16)	-	-	-	(72,346)
Beginning of year, as restated (Note 16)	565,637	2,145,254	781,371	-
End of year	$ 597,479	$ 2,290,157	$ 807,008	$ -

(Continued)

City of Pacific Grove
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
Nonmajor Governmental Funds
For the Year Ended June 30, 2025

	Special Revenue Funds		
	Library Book Fund	Poetry Promotion Fund	Total Nonmajor Governmental Funds
REVENUES:			
Taxes:			
Sales and use taxes			$ 1,228,871
Franchise and other taxes			42,644
Transient occupancy taxes			595,512
Business license tax			16,323
Intergovernmental			1,786,092
Licenses, permits, and impact fees			820
Charges for services			178,175
Interest, rents, and concessions			452,649
Other revenues			104,196
Total revenues			4,405,282
EXPENDITURES:			
Current:			
General government			643,879
Public safety:			
Police			544,122
Fire			27,669
Public works			356,364
Recreation			169,101
Library			69,217
Community development			120,429
Capital outlay			2,191,571
Debt service:			
Principal retirement			107,357
Interest			628
Total expenditures			4,230,337
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES			174,945
OTHER FINANCING SOURCES (USES):			
Transfers in			343,247
Transfers out			(95,853)
Inception of subscription liability			388,368
Total other financing sources (uses)			635,762
NET CHANGES IN FUND BALANCES			810,707
FUND BALANCES (DEFICIT):			
Beginning of year, as previously reported	39,309	148,596	9,034,317
Error correction (Note 16)	-	-	(821,953)
Change with financial reporting entity (non-major fund classification) (Note 16)	(39,309)	(148,596)	-
Beginning of year, as restated (Note 16)	-	-	8,212,364
End of year	$ -	$ -	$ 9,023,071

(Concluded)

City of Pacific Grove
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Carillion Special Revenue Fund
For the Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Interest, rents, and concessions	$ 150	$ 150	$ 440	$ 290
Total revenues	150	150	440	290
NET CHANGE IN FUND BALANCE	$ 150	$ 150	440	$ 290
FUND BALANCE:				
Beginning of year			10,421	
End of year			$ 10,861	

City of Pacific Grove
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Environmental Enhancement Special Revenue Fund
For the Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Interest, rents, and concessions	$ 1,000	$ 1,000	$ 5,057	$ 4,057
Total revenues	1,000	1,000	5,057	4,057
NET CHANGE IN FUND BALANCE	$ 1,000	$ 1,000	5,057	$ 4,057
FUND BALANCE:				
Beginning of year			119,676	
End of year			$ 124,733	

City of Pacific Grove
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
State Franchise PEG Special Revenue Fund
For the Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Taxes				
Franchise and other taxes	$ 47,000	$ 47,000	$ 42,644	$ (4,356)
Interest, rents, and concessions	1,000	1,000	4,694	3,694
Total revenues	48,000	48,000	47,338	(662)
EXPENDITURES:				
Current:				
General government	81,000	81,000	54,600	26,400
Total expenditures	81,000	81,000	54,600	26,400
NET CHANGE IN FUND BALANCE	$ (33,000)	$ (33,000)	(7,262)	$ 25,738
FUND BALANCE:				
Beginning of year			116,177	
End of year			$ 108,915	

City of Pacific Grove
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Library Special Revenue Fund
For the Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Interest, rents, and concessions	$ 39,220	$ 39,220	$ 55,766	$ 16,546
Other revenues	55,492	58,063	73,121	15,058
Total revenues	94,712	97,283	128,887	31,604
EXPENDITURES:				
Current:				
Recreation	-	-	1,800	(1,800)
Library	98,000	100,571	69,217	31,354
Total expenditures	98,000	100,571	71,017	29,554
NET CHANGE IN FUND BALANCE	$ (3,288)	$ (3,288)	57,870	$ 61,158
FUND BALANCE:				
Beginning of year (restated)			260,251	
End of year			$ 318,121	

City of Pacific Grove
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Museum Improvement Special Revenue Fund
For the Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Interest, rents, and concessions	$ 4,000	$ 4,000	$ 12,369	$ 8,369
Total revenues	4,000	4,000	12,369	8,369
EXPENDITURES:				
Capital outlay	52,000	165,800	58,809	106,991
Total expenditures	52,000	165,800	58,809	106,991
NET CHANGE IN FUND BALANCE	$ (48,000)	$ (161,800)	(46,440)	$ 115,360
FUND BALANCE:				
Beginning of year			344,823	
End of year			$ 298,383	

City of Pacific Grove
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Downtown Business District Special Revenue Fund
For the Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Taxes				
Business license tax	$ 31,000	$ 31,000	$ 16,323	$ (14,677)
Interest, rents, and concessions	750	750	-	(750)
Total revenues	31,750	31,750	16,323	(15,427)
EXPENDITURES:				
Current:				
General government	31,000	31,000	29,889	1,111
Total expenditures	31,000	31,000	29,889	1,111
EXCESS OF REVENUES OVER EXPENDITURES	750	750	(13,566)	(14,316)
OTHER FINANCING USES:				
Transfers out	-	-	(13,425)	(13,425)
Total other financing uses	-	-	(13,425)	(13,425)
NET CHANGE IN FUND BALANCE	$ 750	$ 750	(26,991)	$ (27,741)
FUND BALANCE:				
Beginning of year			30,085	
End of year			$ 3,094	

City of Pacific Grove
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Hospitality Improvement District Special Revenue Fund
For the Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Taxes				
Transient occupancy taxes	$ 662,000	$ 662,000	$ 595,512	$ (66,488)
Interest, rents, and concessions	1,900	1,900	-	(1,900)
Total revenues	663,900	663,900	595,512	(68,388)
EXPENDITURES:				
Current:				
General government	601,400	601,400	539,803	61,597
Total expenditures	601,400	601,400	539,803	61,597
EXCESS OF REVENUES OVER EXPENDITURES	62,500	62,500	55,709	(6,791)
OTHER FINANCING USES:				
Transfers out	-	-	(1,385)	(1,385)
Total other financing uses	-	-	(1,385)	(1,385)
NET CHANGE IN FUND BALANCE	$ 62,500	$ 62,500	54,324	$ (8,176)
FUND BALANCE:				
Beginning of year			1,386	
End of year			$ 55,710	

City of Pacific Grove
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Fire Emergency Equipment Special Revenue Fund
For the Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Interest, rents, and concessions	$ 6,200	$ 6,200	$ 8,661	$ 2,461
Other revenues	21,000	21,000	19,355	(1,645)
Total revenues	27,200	27,200	28,016	816
EXPENDITURES:				
Current:				
Public safety:				
Fire	46,080	46,080	27,669	18,411
Total expenditures	46,080	46,080	27,669	18,411
NET CHANGE IN FUND BALANCE	$ (18,880)	$ (18,880)	347	$ 19,227
FUND BALANCE:				
Beginning of year			195,633	
End of year			$ 195,980	

City of Pacific Grove
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
American Rescue Plan Act Special Revenue Fund
For the Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Intergovernmental	$ -	$ -	$ 821,953	$ 821,953
Interest, rents, and concessions	15,000	15,000	11,288	(3,712)
Total revenues	15,000	15,000	833,241	818,241
EXPENDITURES:				
Current:				
General government	-	-	19,566	(19,566)
Capital outlay	22,000	828,872	813,675	15,197
Total expenditures	22,000	828,872	833,241	(4,369)
EXCESS OF REVENUES OVER EXPENDITURES	(7,000)	(813,872)	-	813,872
OTHER FINANCING USES:				
Transfers out	-	-	(73,216)	(73,216)
Total other financing uses	-	-	(73,216)	(73,216)
NET CHANGE IN FUND BALANCE	$ (7,000)	$ (813,872)	(73,216)	$ 740,656
FUND BALANCE:				
Beginning of year, as previously reported			895,169	
Error correction (Note 16)			(821,953)	
Beginning of year, as restated (Note 16)			73,216	
End of year			$ -	

City of Pacific Grove
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Local Streets and Roads Special Revenue Fund
For the Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Taxes				
Sales and use taxes	$ 828,000	$ 828,000	$ 820,135	$ (7,865)
Interest, rents, and concessions	12,000	12,000	35,920	23,920
Total revenues	840,000	840,000	856,055	16,055
EXPENDITURES:				
Capital outlay	930,000	1,757,037	599,605	1,157,432
Total expenditures	930,000	1,757,037	599,605	1,157,432
NET CHANGE IN FUND BALANCE	$ (90,000)	$ (917,037)	256,450	$ 1,173,487
FUND BALANCE:				
Beginning of year			1,036,890	
End of year			$ 1,293,340	

City of Pacific Grove
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Gas Tax Special Revenue Fund
For the Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Intergovernmental	$ 379,000	$ 379,000	$ 408,101	$ 29,101
Interest, rents, and concessions	3,000	3,000	12,111	9,111
Total revenues	382,000	382,000	420,212	38,212
EXPENDITURES:				
Current:				
Public works	474,834	474,834	356,364	118,470
Total expenditures	474,834	474,834	356,364	118,470
NET CHANGE IN FUND BALANCE	$ (92,834)	$ (92,834)	63,848	$ 156,682
FUND BALANCE:				
Beginning of year			261,121	
End of year			$ 324,969	

City of Pacific Grove
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Chautauqua Hall Special Revenue Fund
For the Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Interest, rents, and concessions	$ -	$ -	$ 677	$ 677
Total revenues	-	-	677	677
NET CHANGE IN FUND BALANCE	$ -	$ -	677	$ 677
FUND BALANCE:				
Beginning of year			16,022	
End of year			$ 16,699	

City of Pacific Grove
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Lighthouse Maintenance & Improvement Special Revenue Fund
For the Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Charges for services	$ 85,000	$ 85,000	$ 119,275	$ 34,275
Interest, rents, and concessions	2,500	2,500	9,504	7,004
Other revenues	2,500	2,500	3,138	638
Total revenues	90,000	90,000	131,917	41,917
EXPENDITURES:				
Current:				
Recreation	121,500	121,500	125,930	(4,430)
Capital outlay	20,000	77,950	5,785	72,165
Total expenditures	141,500	199,450	131,715	67,735
NET CHANGE IN FUND BALANCE	$ (51,500)	$ (109,450)	202	$ 109,652
FUND BALANCE:				
Beginning of year			223,970	
End of year			$ 224,172	

City of Pacific Grove
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Senior Housing Special Revenue Fund
For the Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Interest, rents, and concessions	$ -	$ -	$ 473	$ 473
Total revenues	-	-	473	473
NET CHANGE IN FUND BALANCE	$ -	$ -	473	$ 473
FUND BALANCE:				
Beginning of year			11,194	
End of year			$ 11,667	

City of Pacific Grove
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
CalHOME Reuse Special Revenue Fund
For the Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Interest, rents, and concessions	$ 4,000	$ 4,000	$ 11,300	$ 7,300
Contributions	-	-	-	-
Other revenues	-	-	-	-
Total revenues	4,000	4,000	11,300	7,300
EXPENDITURES:				
Community development	24,000	24,000	-	24,000
Total expenditures	24,000	24,000	-	24,000
NET CHANGE IN FUND BALANCE	$ (20,000)	$ (20,000)	11,300	$ 31,300
FUND BALANCE:				
Beginning of year			510,358	
End of year			$ 521,658	

City of Pacific Grove
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
General Plan Maintenance Fee Special Revenue Fund
For the Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Charges for services	$ 10,000	$ 10,000	$ 5,993	$ (4,007)
Interest, rents, and concessions	200	200	492	292
Total revenues	10,200	10,200	6,485	(3,715)
NET CHANGE IN FUND BALANCE	$ 10,200	$ 10,200	6,485	$ (3,715)
FUND BALANCE:				
Beginning of year			8,230	
End of year			$ 14,715	

City of Pacific Grove
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Yount Income Special Revenue Fund
For the Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Interest, rents, and concessions	$ 500	$ 500	$ 994	$ 494
Total revenues	500	500	994	494
EXCESS OF REVENUES OVER EXPENDITURES	500	500	994	494
OTHER FINANCING SOURCES:				
Transfers in	8,000	8,000	13,247	5,247
Total other financing sources	8,000	8,000	13,247	5,247
NET CHANGE IN FUND BALANCE	$ 8,500	$ 8,500	14,241	$ 5,741
FUND BALANCE:				
Beginning of year			16,408	
End of year			$ 30,649	

City of Pacific Grove
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Public Safety Augmentation Special Revenue Fund
For the Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Intergovernmental	$ 166,025	$ 166,025	$ 162,986	$ (3,039)
Total revenues	166,025	166,025	162,986	(3,039)
EXPENDITURES:				
Current:				
Public safety:				
Police	494,651	494,651	494,985	(334)
Total expenditures	494,651	494,651	494,985	(334)
EXCESS OF REVENUES OVER EXPENDITURES	(328,626)	(328,626)	(331,999)	(3,373)
OTHER FINANCING SOURCES:				
Transfers in	330,000	330,000	330,000	-
Total other financing sources	330,000	330,000	330,000	-
NET CHANGE IN FUND BALANCE	$ 1,374	$ 1,374	(1,999)	$ (3,373)
FUND BALANCE:				
Beginning of year			73,726	
End of year			$ 71,727	

City of Pacific Grove
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Supplemental Law Enforcement Special Revenue Fund
For the Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Intergovernmental	$ 275,000	$ 275,000	$ 357,395	$ 82,395
Interest, rents, and concessions	2,000	2,000	4,588	2,588
Total revenues	277,000	277,000	361,983	84,983
EXPENDITURES:				
Current:				
Public safety:				
Police	281,646	281,646	49,137	232,509
Capital outlay	-	-	388,368	(388,368)
Debt service:				
Principal retirement	-	-	107,357	(107,357)
Interest and fiscal charges	-	-	628	(628)
Total expenditures	281,646	281,646	545,490	(263,844)
EXCESS OF REVENUES OVER EXPENDITURES	(4,646)	(4,646)	(183,507)	(178,861)
OTHER FINANCING SOURCES:				
Inception of subscription liabilities	-	-	388,368	388,368
Total other financing sources	-	-	388,368	388,368
NET CHANGE IN FUND BALANCE	$ (4,646)	$ (4,646)	204,861	$ 209,507
FUND BALANCE:				
Beginning of year			48,914	
End of year			$ 253,775	

City of Pacific Grove
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Vehicle Abandonment Special Revenue Fund
For the Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Intergovernmental	$ -	$ -	$ 15,389	$ 15,389
Interest, rents, and concessions	-	-	1,903	1,903
Total revenues	-	-	17,292	17,292
NET CHANGE IN FUND BALANCE	$ -	$ -	17,292	$ 17,292
FUND BALANCE:				
Beginning of year			39,791	
End of year			$ 57,083	

City of Pacific Grove
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Strong Disbursements Special Revenue Fund
For the Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Interest, rents, and concessions	$ 500	$ 500	$ 42,574	$ 42,074
Other revenues	40,000	40,000	-	(40,000)
Total revenues	40,500	40,500	42,574	2,074
EXPENDITURES:				
Current:				
Recreation	20,000	45,000	41,371	3,629
Capital outlay	45,000	20,000	6,812	13,188
Total expenditures	65,000	65,000	48,183	16,817
NET CHANGE IN FUND BALANCE	$ (24,500)	$ (24,500)	(5,609)	$ 18,891
FUND BALANCE:				
Beginning of year			14,946	
End of year			$ 9,337	

City of Pacific Grove
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Housing Special Revenue Fund
For the Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Interest, rents, and concessions	$ 7,000	$ 7,000	$ 48,369	$ 41,369
Other revenues	20,000	20,000	951	(19,049)
Total revenues	27,000	27,000	49,320	22,320
EXPENDITURES:				
Current:				
Community development	273,718	273,718	99,673	174,045
Total expenditures	273,718	273,718	99,673	174,045
NET CHANGE IN FUND BALANCE	$ (246,718)	$ (246,718)	(50,353)	$ 196,365
FUND BALANCE:				
Beginning of year			525,552	
End of year			$ 475,199	

City of Pacific Grove
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Coastal Conservancy Grant Special Revenue Fund
For the Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Interest, rents, and concessions	$ -	$ -	$ 3,780	$ 3,780
Total revenues	-	-	3,780	3,780
NET CHANGE IN FUND BALANCE	$ -	$ -	3,780	$ 3,780
FUND BALANCE:				
Beginning of year			89,483	
End of year			$ 93,263	

City of Pacific Grove
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Operating Grant Special Revenue Fund
For the Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Intergovernmental	$ -	$ -	$ 20,268	$ 20,268
Interest, rents, and concessions	-	-	2,139	2,139
Total revenues	-	-	22,407	22,407
EXPENDITURES:				
Current:				
Community development	-	-	20,756	(20,756)
Total expenditures	-	-	20,756	(20,756)
NET CHANGE IN FUND BALANCE	$ -	$ -	1,651	$ 1,651
FUND BALANCE (DEFICIT):				
Beginning of year			(1,651)	
End of year			$ -	

City of Pacific Grove
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
RMRA Special Revenue Fund
For the Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Taxes				
Sales and use taxes	$ 369,839	$ 369,839	$ 408,736	$ 38,897
Interest, rents, and concessions	5,000	5,000	28,923	23,923
Total revenues	374,839	374,839	437,659	62,820
EXPENDITURES:				
Capital outlay	386,065	891,114	318,517	572,597
Total expenditures	386,065	891,114	318,517	572,597
NET CHANGE IN FUND BALANCE	$ (11,226)	$ (516,275)	119,142	$ 635,417
FUND BALANCE:				
Beginning of year			645,210	
End of year			$ 764,352	

City of Pacific Grove
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
McIndoo Donation Special Revenue Fund
For the Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Interest, rents, and concessions	$ 500	$ 500	$ 935	$ 435
Total revenues	500	500	935	435
NET CHANGE IN FUND BALANCE	$ 500	$ 500	935	$ 435
FUND BALANCE:				
Beginning of year			22,133	
End of year			$ 23,068	

City of Pacific Grove
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
ASBS Grant Special Revenue Fund
For the Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
NET CHANGE IN FUND BALANCE	$ -	$ -	-	$ -
FUND BALANCE:				
Beginning of year			26,137	
End of year			$ 26,137	

City of Pacific Grove
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Storm Water Special Revenue Fund
For the Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Fines and forfeitures	$ -	$ -	$ 820	$ 820
Total revenues	-	-	820	820
NET CHANGE IN FUND BALANCE	$ -	$ -	820	$ 820
FUND BALANCE:				
Beginning of year			-	
End of year			$ 820	

City of Pacific Grove
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Library Endowment Trust Permanent Fund
For the Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Interest, rents, and concessions	$ 12,000	$ 12,000	$ 24,211	$ 12,211
Other revenues	10,000	10,000	7,631	(2,369)
Total revenues	22,000	22,000	31,842	9,842
NET CHANGE IN FUND BALANCE	$ 22,000	$ 22,000	31,842	$ 9,842
FUND BALANCE:				
Beginning of year			565,637	
End of year			$ 597,479	

City of Pacific Grove
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Cemetery Endowment Trust Permanent Fund
For the Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Charges for services	$ 76,000	$ 76,000	$ 52,907	$ (23,093)
Interest, rents, and concessions	37,000	37,000	91,996	54,996
Total revenues	113,000	113,000	144,903	31,903
NET CHANGE IN FUND BALANCE	$ 113,000	$ 113,000	144,903	$ 31,903
FUND BALANCE:				
Beginning of year			2,145,254	
End of year			$ 2,290,157	

City of Pacific Grove
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Yount Trust Permanent Fund
For the Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Interest, rents, and concessions	$ 8,000	$ 8,000	$ 33,485	$ 25,485
Total revenues	8,000	8,000	33,485	25,485
EXCESS OF REVENUES OVER EXPENDITURES	8,000	8,000	33,464	25,464
OTHER FINANCING USES:				
Transfers out	(8,000)	(8,000)	(7,827)	173
Total other financing uses	(8,000)	(8,000)	(7,827)	173
NET CHANGE IN FUND BALANCE	$ -	$ -	25,637	$ 25,637
FUND BALANCE:				
Beginning of year			781,371	
End of year			$ 807,008	

City of Pacific Grove, California
Internal Service Funds

The Internal Service Fund accounts for financing of goods and services provided by one department to other departments of the City on a cost-reimbursement basis.

Internal Service Funds include:

Employee Benefit Fund - Accumulates contributions from departmental payroll processes and internal service charge transfers to fund and pay for a variety of employee benefit costs such as retiree health, dental, unemployment insurance, life/disability insurance, and temporary employee social security replacement costs.

Workers' Compensation Fund - Gathers workers compensation rates from employee payroll records, along with claim reimbursements. Any annual excess or deficiencies are charged through a separate internal service charge. This fund supports workers comp. program administration costs, insurance premiums, claims expense, IIPP costs.

Liability Insurance Fund - Accounts for contributions from departmental budgets to cover the cost of general liability claims, related legal costs, and annual insurance premiums.



Berwick Park and Whale Statue


CITY OF PACIFIC GROVE, CA.
INC. 1889

City of Pacific Grove
Combining Statement of Net Position
Internal Service Funds
June 30, 2025

	Employee Benefit Fund	Workers' Compensation Fund	Liability Insurance Fund	Total
ASSETS				
Current assets:				
Cash and investments	$ 69,448	$ 331,007	$ 891,850	$ 1,292,305
Restricted cash and investments	-	55,151	15,086	70,237
Accounts receivable, net	-	446,350	-	446,350
Total current assets	69,448	832,508	906,936	1,808,892
Total assets	69,448	832,508	906,936	1,808,892
DEFERRED OUTFLOWS OF RESOURCES				
Related to pensions	-	4,891	10,392	15,283
Related to OPEB	-	158	426	584
Total deferred outflows of resources	-	5,049	10,818	15,867
LIABILITIES				
Current liabilities:				
Accounts payable	7,386	66,603	5,098	79,087
Payroll and related liabilities	-	1,592	615	2,207
Claims payable, due within one year	-	339,695	87,983	427,678
Compensated absences, due within one year	-	663	371	1,034
Total OPEB liability, due within one year	-	148	399	547
Total current liabilities	7,386	408,701	94,466	510,553
Noncurrent liabilities:				
Claims payable, due in more than one year	-	679,389	378,788	1,058,177
Compensated absences, due in more than one year	-	2,324	1,112	3,436
Total OPEB liability, due in more than one year	-	3,077	8,307	11,384
Net pension liability	-	17,468	37,119	54,587
Total noncurrent liabilities	-	702,258	425,326	1,127,584
Total liabilities	7,386	1,110,959	519,792	1,638,137
DEFERRED INFLOWS OF RESOURCES				
Related to pensions	-	707	1,503	2,210
Related to OPEB	-	1,677	4,529	6,206
Total deferred inflows of resources	-	2,384	6,032	8,416
NET POSITION				
Restricted:				
Insurance reserve	-	55,151	15,086	70,237
Unrestricted	62,062	(330,937)	376,844	107,969
Total net position	$ 62,062	$ (275,786)	$ 391,930	$ 178,206


CITY OF PACIFIC GROVE, CA.
INC. 1889

City of Pacific Grove
Combining Statement of Revenues, Expenses, and Changes in Net Position
Internal Service Funds
For the Year Ended June 30, 2025

	Employee Benefit Fund	Workers' Compensation Fund	Liability Insurance Fund	Total
OPERATING REVENUES:				
Charges for services	$ 269,335	$ 1,346,556	$ 1,221,638	$ 2,837,529
Total operating revenues	269,335	1,346,556	1,221,638	2,837,529
OPERATING EXPENSES:				
Contractual services and utilities	-	1,813,926	1,235,656	3,049,582
Personnel	369,285	26,664	43,623	439,572
Supplies and materials	-	-	150	150
Total operating expenses	369,285	1,840,590	1,279,429	3,489,304
OPERATING INCOME (LOSS)	(99,950)	(494,034)	(57,791)	(651,775)
NONOPERATING REVENUES (EXPENSES):				
Investment earnings (loss)	3,196	14,505	21,269	38,970
Interest expense and bank charges	(704)	-	-	(704)
Total nonoperating revenues (expenses)	2,492	14,505	21,269	38,266
CHANGES IN NET POSITION	(97,458)	(479,529)	(36,522)	(613,509)
NET POSITION (DEFICIT):				
Beginning of year	159,520	203,743	428,452	791,715
End of year	$ 62,062	$ (275,786)	$ 391,930	$ 178,206

City of Pacific Grove
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended June 30, 2025

	Employee Benefit Fund	Workers' Compensation Fund	Liability Insurance Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from customers and users	$ 269,335	$ 914,285	$ 1,221,638	$ 2,405,258
Payments to suppliers	-	(1,158,926)	(607,806)	(1,766,732)
Payments to employees	(374,515)	(40,765)	(139,196)	(554,476)
Cash paid for insurance claims	-	(74,397)	(197,179)	(271,576)
Net cash provided by (used in) operating activities	(105,180)	(359,803)	277,457	(187,526)
CASH FLOWS FROM INVESTING ACTIVITIES:				
Receipts from (payments on) loans receivable				
Payment on the bank fees	(704)	-	-	(704)
Investment income received	3,196	14,505	21,269	38,970
Net cash provided by (used in) investing activities	2,492	14,505	21,269	38,266
Net change in cash and investments	(102,688)	(345,298)	298,726	(149,260)
CASH AND CASH INVESTMENTS:				
Beginning of year	172,136	731,456	608,210	1,511,802
End of year	$ 69,448	$ 386,158	$ 906,936	$ 1,362,542
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:				
Operating loss	$ (99,950)	$ (494,034)	$ (57,791)	$ (651,775)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Change in operating assets, liabilities, and deferred items:				
Accounts receivable	-	(432,271)	-	(432,271)
Pension deferred outflows	-	40,085	56,001	96,086
OPEB deferred outflows	-	886	271	1,157
Accounts payable	(5,230)	65,945	98	60,813
Payroll and related liabilities	-	1,592	615	2,207
Claims payable	-	580,603	430,821	1,011,424
Net pension liability	-	(106,098)	(145,290)	(251,388)
Total OPEB liability	-	(6,770)	2,043	(4,727)
Compensated absences	-	2,654	1,483	4,137
Pension deferred inflows	-	(7,908)	(11,214)	(19,122)
OPEB deferred inflows	-	(4,487)	420	(4,067)
Total adjustments	(5,230)	134,231	335,248	464,249
Net cash provided by (used in) operating activities	$ (105,180)	$ (359,803)	$ 277,457	$ (187,526)

City of Pacific Grove, California
Statistical Section

This part of the City of Pacific Grove's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health. In contrast to the Financial Section, the Statistical Section is not subject to independent audit.

Contents **Pages**

Financial Trends

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time. 180-189

Revenue Capacity

These schedules contain information to help the reader assess the City's most significant local revenue sources, including property, sales and transient occupancy taxes. 190-195

Debt Capacity

These tables present information to help the reader assess the affordability of the city's current levels of outstanding debt and the city's ability to issue additional debt in the future. 196-203

Demographic and Economic Information

These tables offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place. 204-206

Operating Information

These tables contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs. 207-208

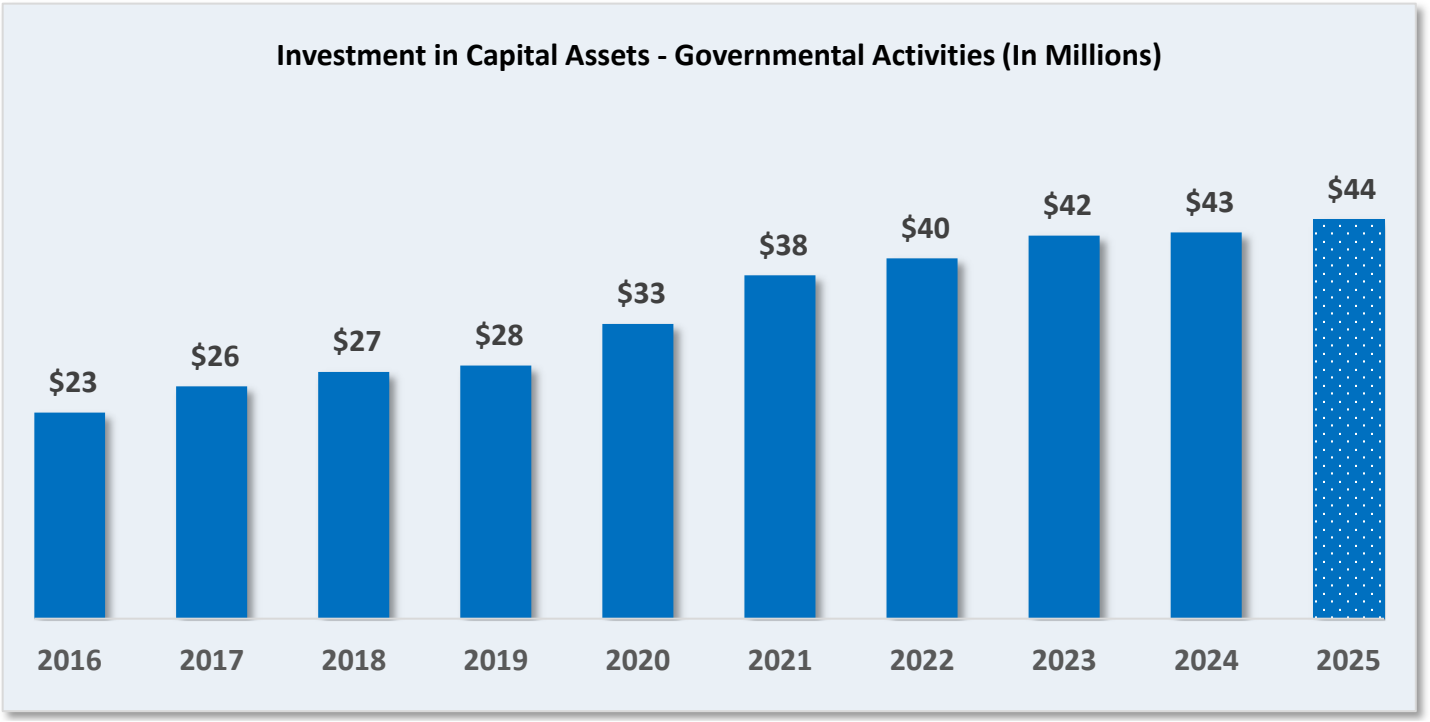
Sources: Unless otherwise noted, the information in these tables is derived from the annual comprehensive financial reports for the relevant year.

City of Pacific Grove
Net Position By Component
Last Ten Fiscal Years

	Fiscal Year Ended June 30				
	2016	2017	2018	2019	2020
Governmental activities:					
Net investment in capital assets	$ 22,741,849	$ 25,668,607	$ 27,258,794	$ 27,964,295	$ 32,572,615
Restricted	6,193,527	6,430,258	6,880,621	9,308,564	8,377,320
Unrestricted (deficit)	(36,999,457)	(35,892,155)	(37,782,965)	(37,369,113)	(41,445,942)
Total governmental activities net position	$ (8,064,081)	$ (3,793,290)	$ (3,643,550)	$ (96,254)	$ (496,007)
Business-type activities:					
Net investment in capital assets	$ 12,525,066	$ 13,220,660	$ 16,268,992	$ 16,984,023	$ 17,471,699
Restricted					
Unrestricted	5,640,007	6,398,946	6,431,417	6,797,238	7,042,890
Total business-type activities net position	$ 18,165,073	$ 19,619,606	$ 22,700,409	$ 23,781,261	$ 24,514,589
Primary government:					
Net investment in capital assets	$ 35,266,915	$ 38,889,267	$ 43,527,786	$ 44,948,318	$ 50,044,314
Restricted	6,193,527	6,430,258	6,880,621	9,308,564	8,377,320
Unrestricted (deficit)	(31,359,450)	(29,493,209)	(31,351,548)	(30,571,875)	(34,403,052)
Total primary government net position	$ 10,100,992	$ 15,826,316	$ 19,056,859	$ 23,685,007	$ 24,018,582

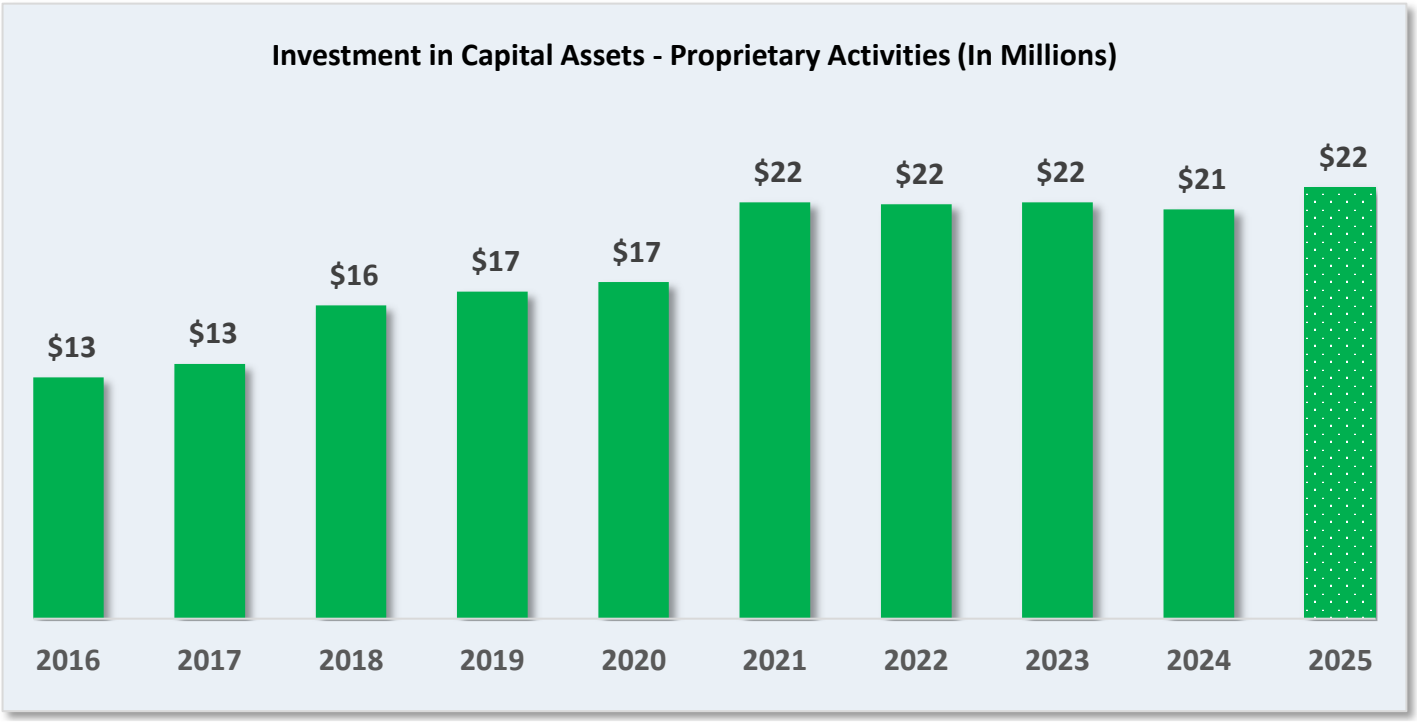
Notes: The Unrestricted net position is net of the City's pension obligation, which has grown steadily over the years.

Source: City of Pacific Grove Finance Department



City of Pacific Grove
Net Position By Component (Continued)
Last Ten Fiscal Years

	Fiscal Year Ended June 30				
	2021	2022	2023	2024	2025
Governmental activities:					
Net investment in capital assets	$ 37,925,984	$ 39,813,126	$ 42,333,875	$ 42,670,667	$ 44,103,523
Restricted	7,628,868	7,759,547	10,055,437	9,525,995	10,396,354
Unrestricted (deficit)	(42,610,612)	(48,074,964)	(32,183,453)	(29,703,060)	(31,259,985)
Total governmental activities net position	$ 2,944,240	$ (502,291)	$ 20,205,859	$ 22,493,602	$ 23,239,892
Business-type activities:					
Net investment in capital assets	$ 21,623,880	$ 21,515,536	$ 21,619,974	$ 21,252,446	$ 22,385,756
Restricted					
Unrestricted	4,130,797	5,595,177	7,231,174	10,424,639	11,158,330
Total business-type activities net position	$ 25,754,677	$ 27,110,713	$ 28,851,148	$ 31,680,661	$ 33,544,086
Primary government:					
Net investment in capital assets	$ 59,549,864	$ 61,328,662	$ 63,953,849	$ 63,923,113	$ 66,489,279
Restricted	7,628,868	7,759,547	10,055,437	9,525,995	10,396,354
Unrestricted (deficit)	(38,479,815)	(42,479,787)	(24,952,279)	(19,278,421)	(20,101,655)
Total primary government net position	$ 28,698,917	$ 26,608,422	$ 49,057,007	$ 54,170,687	$ 56,783,978



City of Pacific Grove
Changes in Net Position
Last Ten Fiscal Years

	Fiscal Year Ended June 30				
	2016	2017	2018	2019	2020
Expenses					
Governmental activities:					
General government	$ 2,768,729	$ 2,738,294	$ 3,025,245	$ 3,580,752	$ 4,128,554
Public safety	8,675,956	10,117,543	10,133,896	10,713,679	12,447,605
Public works	4,057,715	4,136,425	4,110,946	4,246,913	5,105,747
Recreation	586,436	684,848	737,279	924,517	894,381
Library	844,521	988,284	920,946	1,166,226	1,496,673
Museum	258,591	277,538	255,915	319,386	340,375
Community Development	3,512,657	3,086,903	2,897,897	2,834,404	3,150,193
Interest and fiscal charges on long-term debt	1,209,972	1,068,271	963,134	854,804	726,958
Total governmental activities expenses	21,914,577	23,098,106	23,045,258	24,640,681	28,290,486
Business-type activities:					
Cemetery	295,388	293,068	370,747	436,338	533,247
Sewer	1,703,290	1,751,842	2,367,950	2,080,696	2,474,580
Local Water Project	-	-	190,977	425,525	957,886
Golf	420,788	349,811	371,646	894,206	286,074
Total business-type activities expenses	2,419,466	2,394,721	3,301,320	3,836,765	4,251,787
Total primary government expenses	**$ 24,334,043**	**$ 25,492,827**	**$ 26,346,578**	**$ 28,477,446**	**$ 32,542,273**
Program Revenues					
Governmental activities:					
Charges for services:					
General government	$ 1,398,707	$ 1,338,655	$ 1,596,481	$ 1,505,113	$ 1,435,262
Public safety	10,405	11,222	33,363	37,570	31,040
Public works	45,792	32,993	43,434	17,860	323
Recreation	295,341	377,778	403,889	417,437	337,926
Library	17,601	19,925	16,364	13,177	18,506
Community Development	578,575	664,133	544,275	745,737	660,429
Operating grants and contributions	2,354,025	4,105,908	856,196	824,805	891,298
Capital grants and contributions	36,050	96,383	424,950	347,095	1,976,852
Total governmental activities program revenues	4,736,496	6,646,997	3,918,952	3,908,794	5,351,636
Business-type activities:					
Charges for services:					
Cemetery	191,497	288,712	452,283	459,761	481,915
Local Water Project	-	-	192,787	484,603	524,040
Sewer	2,967,074	3,139,222	3,244,931	3,317,734	3,407,708
Golf	386,916	354,093	333,534	426,839	287,603
Operating grants and contributions	-	-	-	-	-
Capital grants and contributions	152,830	-	2,353,823	-	-
Total business-type activities program revenues	3,698,317	3,782,027	6,577,358	4,688,937	4,701,266
Total primary government program revenues	**8,434,813**	**10,429,024**	**10,496,310**	**8,597,731**	**10,052,902**
Net (expense)/revenue:					
Governmental activities	(17,178,081)	(16,451,109)	(19,126,306)	(20,731,887)	(22,938,850)
Business-type activities	1,278,851	1,387,306	3,276,038	852,172	449,479
Total primary government net (expense)/revenue	**$ (15,899,230)**	**$ (15,063,803)**	**$ (15,850,268)**	**$ (19,879,715)**	**$ (22,489,371)**

Source: City of Pacific Grove Finance Department

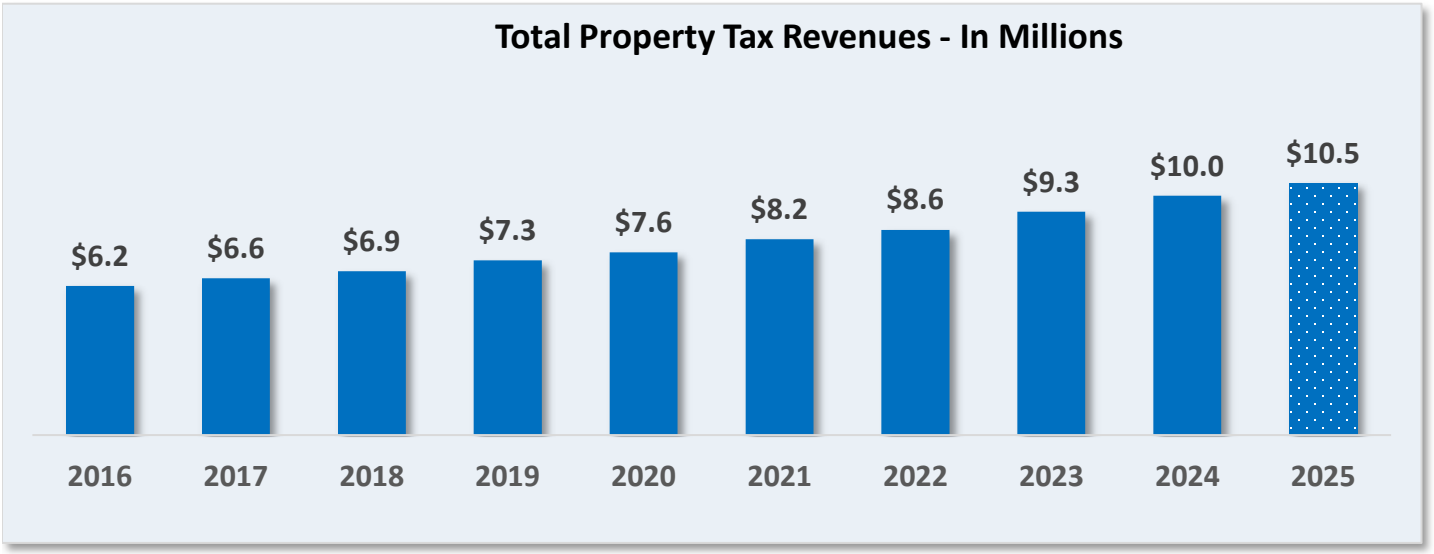
City of Pacific Grove
Changes in Net Position (Continued)
Last Ten Fiscal Years

	Fiscal Year Ended June 30				
	2021	2022	2023	2024	2025
Expenses					
Governmental activities:					
General government	$ 3,957,697	$ 5,800,659	$ 3,241,604	$ 6,440,878	$ 6,769,288
Public safety	12,345,886	16,706,460	7,895,196	15,217,138	17,847,638
Public works	4,916,879	6,611,056	2,809,143	5,230,431	5,714,615
Recreation	765,613	1,117,468	554,042	1,562,919	2,136,618
Library	864,956	1,437,706	741,061	1,248,197	1,550,383
Museum	262,137	431,708	223,551	360,431	415,283
Community Development	3,340,137	4,075,001	1,426,245	3,666,942	3,574,254
Interest and fiscal charges on long-term debt	676,055	580,350	470,144	476,107	410,376
Total governmental activities expenses	27,129,360	36,760,408	17,360,986	34,203,043	38,418,455
Business-type activities:					
Cemetery	498,927	610,773	469,815	452,270	816,575
Sewer	2,178,853	2,842,577	1,045,865	1,224,324	1,483,581
Local Water Project	881,378	1,048,075	2,136,404	2,042,255	3,059,850
Golf	342,872	281,320	282,177	468,767	805,394
Total business-type activities expenses	3,902,030	4,782,745	3,934,261	4,187,616	6,165,400
Total primary government expenses	**$ 31,031,390**	**$ 41,543,153**	**$ 21,295,247**	**$ 38,390,659**	**$ 44,583,855**
Program Revenues					
Governmental activities:					
Charges for services:					
General government	$ 1,474,806	$ 1,720,294	$ 1,439,808	$ 1,210,812	$ 1,268,917
Public safety	25,410	31,244	593,308	599,859	629,908
Public works	1,649	2,646	21,550	1,639	1,634
Recreation	295,233	390,314	452,660	599,573	716,285
Library	34,477	34,443	2,132	2,374	1,856
Community Development	939,297	882,556	1,134,102	1,406,529	1,311,599
Operating grants and contributions	1,200,286	2,526,917	2,689,705	858,172	1,626,687
Capital grants and contributions	4,715,110	2,248,708	1,109,485	474,137	451,865
Total governmental activities program revenues	8,686,268	7,837,122	9,958,525	5,153,095	6,008,751
Business-type activities:					
Charges for services:					
Cemetery	634,039	800,923	773,195	716,931	614,897
Local Water Project	597,835	598,195	597,011	1,026,820	1,328,142
Sewer	3,501,697	3,565,896	3,693,156	3,825,616	4,115,081
Golf	361,704	611,397	791,881	745,216	879,140
Operating grants and contributions	9,800	-	-	-	-
Capital grants and contributions	-	-	-	-	-
Total business-type activities program revenues	5,105,075	5,576,411	5,855,243	6,314,583	6,937,260
Total primary government program revenues	**13,791,343**	**13,413,533**	**13,297,993**	**12,416,782**	**12,946,011**
Net (expense)/revenue:					
Governmental activities	(18,443,092)	(28,923,286)	(9,918,236)	(29,049,948)	(32,409,704)
Business-type activities	1,203,045	793,666	1,920,982	2,126,967	771,860
Total primary government net (expense)/revenue	**$ (17,240,047)**	**$ (28,129,620)**	**$ (7,997,254)**	**$ (26,922,981)**	**$ (31,637,844)**

City of Pacific Grove
Changes in Net Position (Continued)
Last Ten Fiscal Years

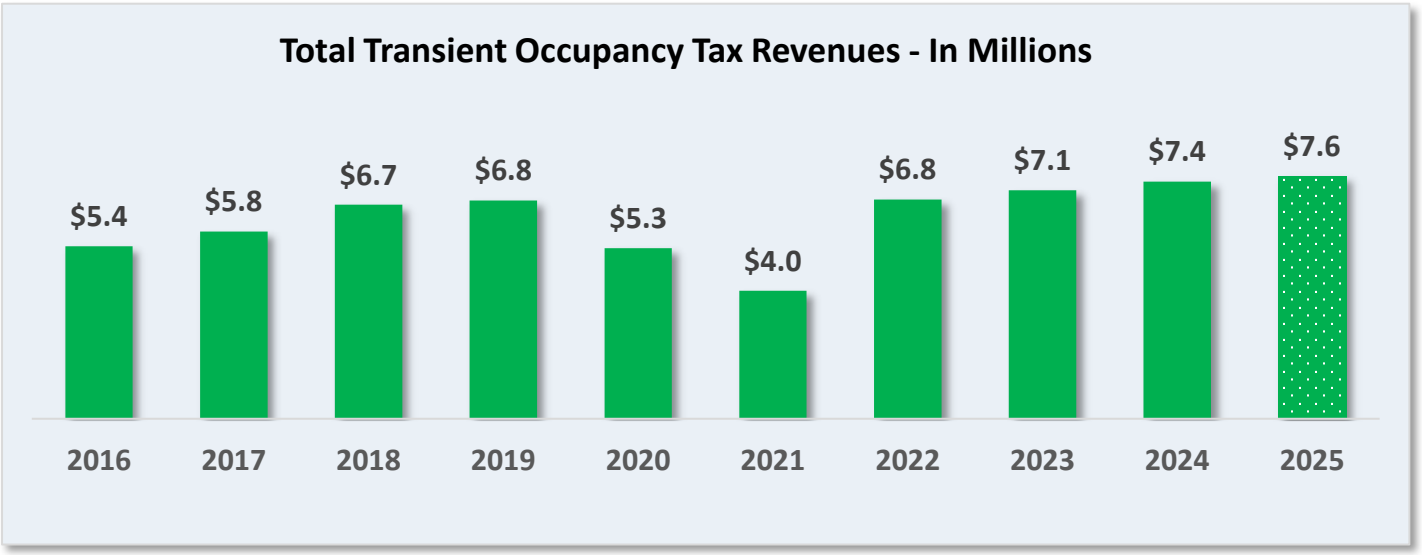
	Fiscal Year Ended June 30				
	2016	2017	2018	2019	2020
General Revenues and Other Changes in Net Assets					
Governmental activities:					
Taxes					
Property taxes	$ 6,226,267	$ 6,557,824	$ 6,851,928	$ 7,306,184	$ 7,632,399
Sales and use taxes	3,325,809	4,159,401	4,075,744	5,139,045	4,765,472
Franchise taxes	1,041,653	915,094	1,082,574	1,226,524	1,176,215
Transient occupancy taxes	5,364,317	5,829,610	6,656,849	6,796,087	5,310,063
Utility users taxes	1,594,143	1,593,887	1,688,876	1,641,172	1,643,614
Business license tax	341,071	402,881	381,810	370,655	396,533
Other taxes	146,945	125,487	121,192	110,554	110,823
Unrestricted Investment earnings	253,846	74,222	142,104	628,116	555,482
Miscellaneous or Other revenues	947,392	984,164	552,320	1,060,846	942,680
Transfers	5,301	-	356,016	-	(18,676)
Total governmental activities	19,246,744	20,642,570	21,909,413	24,279,183	22,514,605
Business-type activities:					
Unrestricted Investment earnings	67,318	9,754	42,764	206,178	259,560
Miscellaneous or Other revenues	113,560	57,473	118,017	22,502	5,613
Transfers	(5,301)	-	(356,016)	-	18,676
Total business-type activities	175,577	67,227	(195,235)	228,680	283,849
Total primary government	**$ 19,422,321**	**$ 20,709,797**	**$ 21,714,178**	**$ 24,507,863**	**$ 22,798,454**
Change in Net Position					
Governmental activities	$ 2,068,663	$ 4,191,461	$ 2,783,107	$ 3,547,296	$ (424,245)
Business-type activities	1,454,428	1,454,533	3,080,803	1,080,852	733,328
Total primary government	**$ 3,523,091**	**$ 5,645,994**	**$ 5,863,910**	**$ 4,628,148**	**$ 309,083**

Source: City of Pacific Grove Finance Department



City of Pacific Grove
Changes in Net Position (Continued)
Last Ten Fiscal Years

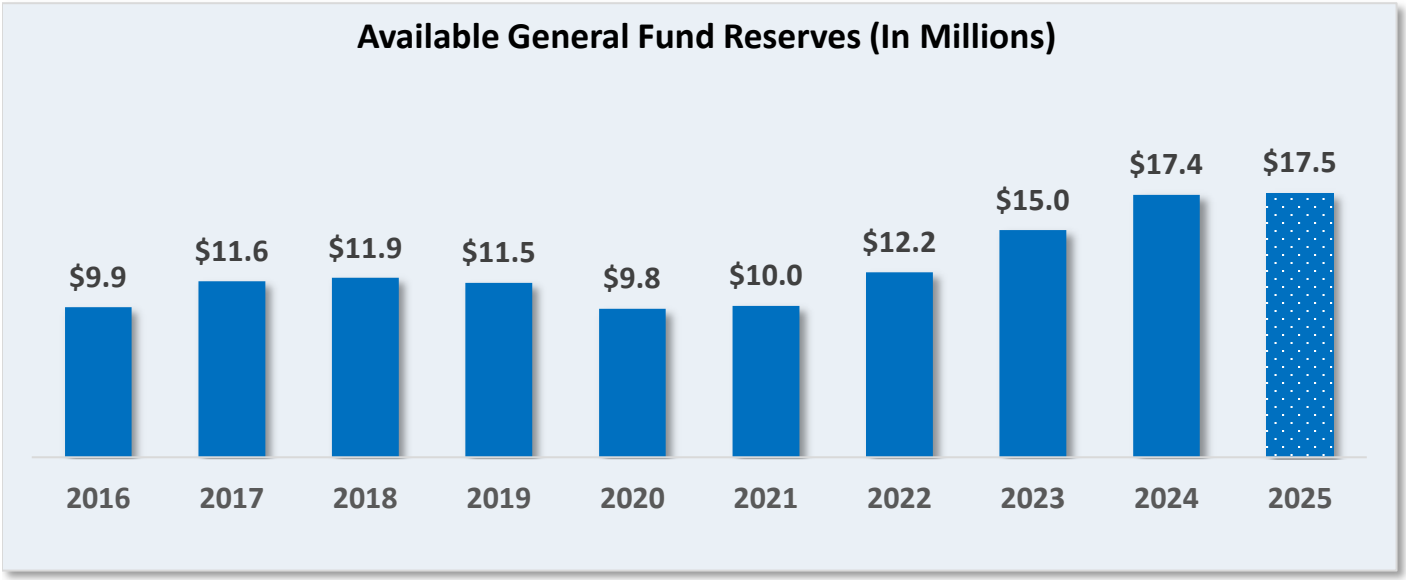
	Fiscal Year Ended June 30				
	2021	2022	2023	2024	2025
General Revenues and Other Changes in Net Assets					
Governmental activities:					
Taxes					
Property taxes	$ 8,191,673	$ 8,573,969	$ 9,330,981	$ 10,001,561	$ 10,516,128
Sales and use taxes	5,000,873	5,630,320	6,734,940	7,146,935	7,589,358
Franchise taxes	1,392,700	1,489,888	1,620,136	1,682,562	1,589,922
Transient occupancy taxes	3,978,577	6,821,183	7,105,256	7,375,869	7,556,230
Utility users taxes	1,858,652	1,940,677	2,097,934	2,118,068	2,435,825
Business license tax	361,674	371,310	425,691	427,918	501,858
Other taxes	222,242	231,389	165,613	177,881	180,314
Unrestricted Investment earnings	22,612	(402,304)	345,550	1,443,592	1,102,043
Miscellaneous or Other revenues	854,336	1,400,243	1,143,687	1,150,805	2,319,504
Transfers	-	-	(162,500)	(187,500)	(635,188)
Total governmental activities	21,883,339	26,056,675	28,807,288	31,337,691	33,155,994
Business-type activities:					
Unrestricted Investment earnings	4,852	(18,409)	151,223	511,470	459,953
Miscellaneous or Other revenues	32,191	-	-	-	-
Transfers	-	-	162,500	187,500	635,188
Total business-type activities	37,043	(18,409)	147,810	698,970	1,095,141
Total primary government	**$ 21,920,382**	**$ 26,038,266**	**$ 28,955,098**	**$ 32,036,661**	**$ 34,251,135**
Change in Net Position					
Governmental activities	$ 3,440,247	$ (2,866,611)	$ 19,736,527	$ 2,287,743	$ 746,290
Business-type activities	1,240,088	775,257	2,068,792	2,825,937	1,867,001
Total primary government	**$ 4,680,335**	**$ (2,091,354)**	**$ 21,805,319**	**$ 5,113,680**	**$ 2,613,291**



City of Pacific Grove
Fund Balances of Governmental Funds
Last Ten Fiscal Years

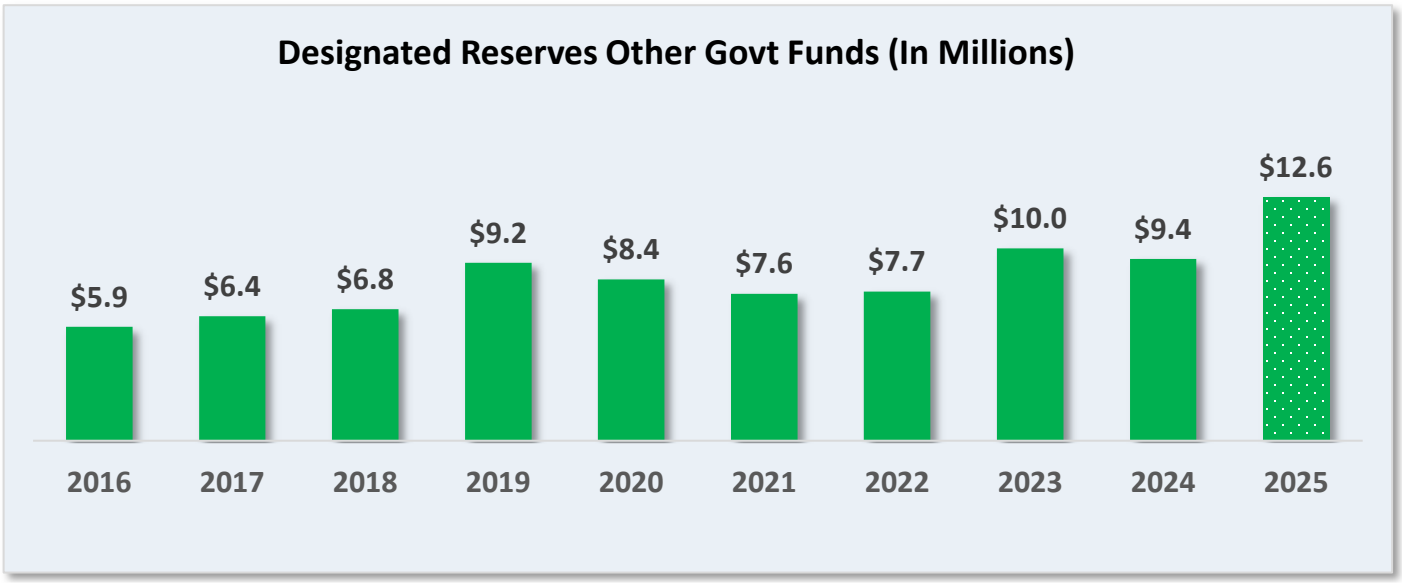
	Fiscal Year Ended June 30				
	2016	2017	2018	2019	2020
General Fund					
Nonspendable					
Prepaid assets	$ 27,904	$ -	$ 210,824	$ 31,373	$ -
Leases Receivable / Permanent Funds	-	-	-	-	-
Assigned / Committed	261,771	279,660	286,638	268,962	100,398
Unassigned	9,632,848	11,352,442	11,365,650	11,230,241	9,713,336
Total General Fund	**$ 9,922,523**	**$ 11,632,102**	**$ 11,863,112**	**$ 11,530,576**	**$ 9,813,734**
All other governmental funds					
Unreserved, undesignated, reported in:					
Nonspendable					
Prepaid assets	$ -	$ -	$ -	$ -	$ -
Leases Receivable	-	-	-	-	-
Loans Receivable	-	-	-	-	-
Permanent funds	2,761,263	2,855,521	2,899,737	3,029,024	3,129,132
Restricted					
Social service programs	622,022	549,372	704,968	832,061	723,787
Public safety	482,400	772,241	908,239	842,518	808,626
Community development	1,786,526	2,057,868	2,120,819	3,414,820	2,424,125
Lost revenue recovery	-	-	-	-	-
Street improvements	570	104,510	223,651	1,190,141	1,291,650
Debt service	90,746	90,746	23,207	-	-
Assigned					
Capital projects	-	-	-	-	-
Unassigned	157,765	19,306	(57,994)	(86,180)	(9,020)
Total all other governmental funds	**$ 5,901,292**	**$ 6,449,564**	**$ 6,822,627**	**$ 9,222,384**	**$ 8,368,300**

Source: City of Pacific Grove Finance Department



City of Pacific Grove
Fund Balances of Governmental Funds
Last Ten Fiscal Years (Continued)

	Fiscal Year Ended June 30				
	2021	2022	2023	2024	2025
General Fund					
Nonspendable					
Prepaid assets	$ -	$ -	$ 18,486	$ 17,099	$ 32,836
Leases Receivable / Permanent Funds	-	19,762	-	-	-
Assigned / Committed	97,042	85,816	-	12,033,000	12,033,000
Unassigned	9,910,606	12,129,809	15,006,867	5,314,696	5,418,245
Total General Fund	**$ 10,007,648**	**$ 12,235,387**	**$ 15,025,353**	**$ 17,364,795**	**$ 17,484,081**
All other governmental funds					
Unreserved, undesignated, reported in:					
Nonspendable					
Prepaid assets	$ -	$ 26,300	$ -	$ -	$ -
Leases Receivable	-	792	-	-	-
Loans Receivable	-	-	1,313,168	-	-
Permanent funds	3,190,775	3,166,699	3,262,465	3,492,262	3,694,644
Restricted					
Social service programs	748,183	610,617	732,292	1,261,146	1,035,481
Public safety	764,767	418,637	355,266	358,064	578,565
Community development	1,632,662	1,630,814	1,586,315	1,589,136	2,656,252
Lost revenue recovery	-	293,369	1,074,164	895,169	-
Street improvements	1,292,481	1,604,411	1,676,616	1,943,221	2,382,661
Debt service	-	-	-	-	-
Assigned					
Capital projects	-	-	22,626	236,621	2,269,590
Unassigned	(8,349)	(22,553)	(40,122)	(350,967)	-
Total all other governmental funds	**$ 7,620,519**	**$ 7,729,086**	**$ 9,982,790**	**$ 9,424,652**	**$ 12,617,193**



City of Pacific Grove
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years

	Fiscal Year Ended June 30				
	2016	2017	2018	2019	2020
Revenues					
Taxes	$ 18,040,205	$ 19,584,184	$ 20,858,973	$ 22,590,221	$ 21,035,119
Intergovernmental revenues	2,129,066	4,109,269	1,191,898	1,049,471	1,111,037
Licenses, permits, and impact fees	481,304	576,779	521,403	547,193	576,735
Fines and forfeitures	127,740	110,665	282,841	169,534	179,797
Charges for services	1,454,936	1,689,714	1,734,163	1,854,406	1,609,729
Interest, rents, and concessions	467,624	297,620	371,272	852,787	781,062
Contributions	-	-	-	-	1,728,705
Other revenues	1,181,216	803,453	943,496	1,073,162	799,307
Total revenues	**23,882,091**	**27,171,684**	**25,904,046**	**28,136,774**	**27,821,491**
Expenditures					
General government	2,522,818	2,453,176	2,964,942	3,442,825	3,518,628
Public safety					
Police	5,345,441	6,097,399	6,599,789	6,955,766	7,098,044
Fire	2,647,804	2,998,969	3,354,865	3,345,523	3,512,675
Public works	3,298,160	3,294,064	3,521,686	3,463,725	3,731,449
Recreation	516,486	594,636	678,454	837,231	707,073
Library	781,275	895,836	916,031	1,138,981	1,268,508
Museum	229,053	241,227	251,422	308,156	290,661
Community development	3,258,093	2,798,269	2,882,752	2,763,667	2,721,348
Capital Outlay	1,148,160	3,525,129	2,426,177	1,985,711	5,876,584
Debt Service					
Principal	1,250,399	1,170,427	1,097,822	960,277	951,114
Interest and fiscal charges	834,601	924,034	962,049	1,014,752	1,052,927
Total expenditures	**21,832,290**	**24,993,166**	**25,655,989**	**26,216,614**	**30,729,011**
Excess of revenues over (under) expenditures	2,049,801	2,178,518	248,057	1,920,160	(2,907,520)
Other financing sources (uses)					
Loans Received	-	-	-	147,061	-
Transfers in	906,787	621,455	989,603	2,423,254	2,787,200
Transfers out	(901,486)	(621,455)	(633,587)	(2,423,254)	(2,475,098)
Proceeds from sale of assets	-	-	-	-	-
Inception of subscription liabilities	-	-	-	-	-
Total other financing sources (uses)	**5,301**	**-**	**356,016**	**147,061**	**312,102**
Net change in fund balances	**$ 2,055,102**	**$ 2,178,518**	**$ 604,073**	**$ 2,067,221**	**$ (2,595,418)**
Total Expenditures	$ 21,832,290	$ 24,993,166	$ 25,655,989	$ 26,216,614	$ 30,729,011
Capitalized Portion of Capital Outlay	1,006,089	3,525,129	2,350,159	1,984,274	5,873,015
Total Non-Capitalized Expenditures	$ 20,826,201	$ 21,468,037	$ 23,305,830	$ 24,232,340	$ 24,855,996
Debt Service: Principal & Interest	$ 2,085,000	$ 2,094,461	$ 2,059,871	$ 1,975,029	$ 2,004,041
Debt service as a % of noncapital expenditures	10%	10%	9%	8%	8%

Source: City of Pacific Grove Finance Department

City of Pacific Grove
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years (Continued)

	Fiscal Year Ended June 30				
	2021	2022	2023	2024	2025
Revenues					
Taxes	$ 21,006,391	$ 25,058,736	$ 27,480,551	$ 28,930,794	$ 30,369,635
Intergovernmental revenues	5,320,214	4,419,951	3,228,593	795,421	2,393,313
Licenses, permits, and impact fees	873,727	913,160	1,083,985	1,322,285	1,154,941
Fines and forfeitures	36,984	37,397	460,058	314,242	316,523
Charges for services	1,617,182	1,964,792	1,825,889	1,913,938	2,118,723
Interest, rents, and concessions	260,008	(125,810)	602,777	1,671,084	1,379,012
Contributions	333,646	271,527	-	-	-
Other revenues	1,267,634	1,614,435	2,571,845	1,269,651	2,443,604
Total revenues	**30,715,786**	**34,154,188**	**37,253,698**	**36,217,415**	**40,175,751**
Expenditures					
General government	3,452,693	4,162,716	4,882,900	5,924,240	5,902,291
Public safety					
Police	6,959,934	7,999,969	8,350,094	8,625,874	8,872,935
Fire	3,823,118	3,979,967	4,392,833	4,514,064	5,049,700
Public works	3,511,330	4,047,910	4,420,912	4,728,417	4,976,061
Recreation	596,413	738,660	857,570	1,323,571	1,866,757
Library	766,742	1,044,945	1,166,219	1,206,247	1,292,643
Museum	227,862	309,764	336,814	346,494	382,112
Community development	2,967,534	2,959,804	2,494,641	3,452,141	3,138,431
Capital Outlay	6,863,582	3,616,520	4,579,757	2,586,257	3,481,701
Debt Service					
Principal	924,776	900,041	1,046,576	636,543	664,267
Interest and fiscal charges	1,175,669	1,270,374	1,394,056	932,409	990,206
Total expenditures	**31,269,653**	**31,030,670**	**33,922,372**	**34,276,257**	**36,617,104**
Excess of revenues over (under) expenditures	(553,867)	3,123,518	3,331,326	1,941,158	3,558,647
Other financing sources (uses)					
Loans Received	-	-	-	-	-
Transfers in	899,862	2,255,675	1,624,700	1,075,359	3,448,738
Transfers out	(899,862)	(3,043,587)	(1,787,200)	(1,262,859)	(4,083,926)
Proceeds from sale of assets	-	-	391	6,800	-
Inception of subscription liabilities	-	-	491,285	20,846	388,368
Total other financing sources (uses)	**-**	**(787,912)**	**329,176**	**(159,854)**	**(246,820)**
Net change in fund balances	**$ (553,867)**	**$ 2,335,606**	**$ 3,660,502**	**$ 1,781,304**	**$ 3,311,827**
Total Expenditures	$ 31,269,653	$ 31,030,670	$ 33,922,372	$ 34,276,257	$ 36,617,104
Capitalized Portion of Capital Outlay	6,901,135	3,563,999	4,594,854	2,586,257	3,519,635
Total Non-Capitalized Expenditures	$ 24,368,518	$ 27,466,671	$ 29,327,518	$ 31,690,000	$ 33,097,469
Debt Service: Principal & Interest	$ 2,100,445	$ 2,170,415	$ 2,440,632	$ 1,568,952	$ 1,654,473
Debt service as a % of noncapital expenditures	9%	8%	8%	5%	5%

City of Pacific Grove

General Governmental Tax Revenues by Source

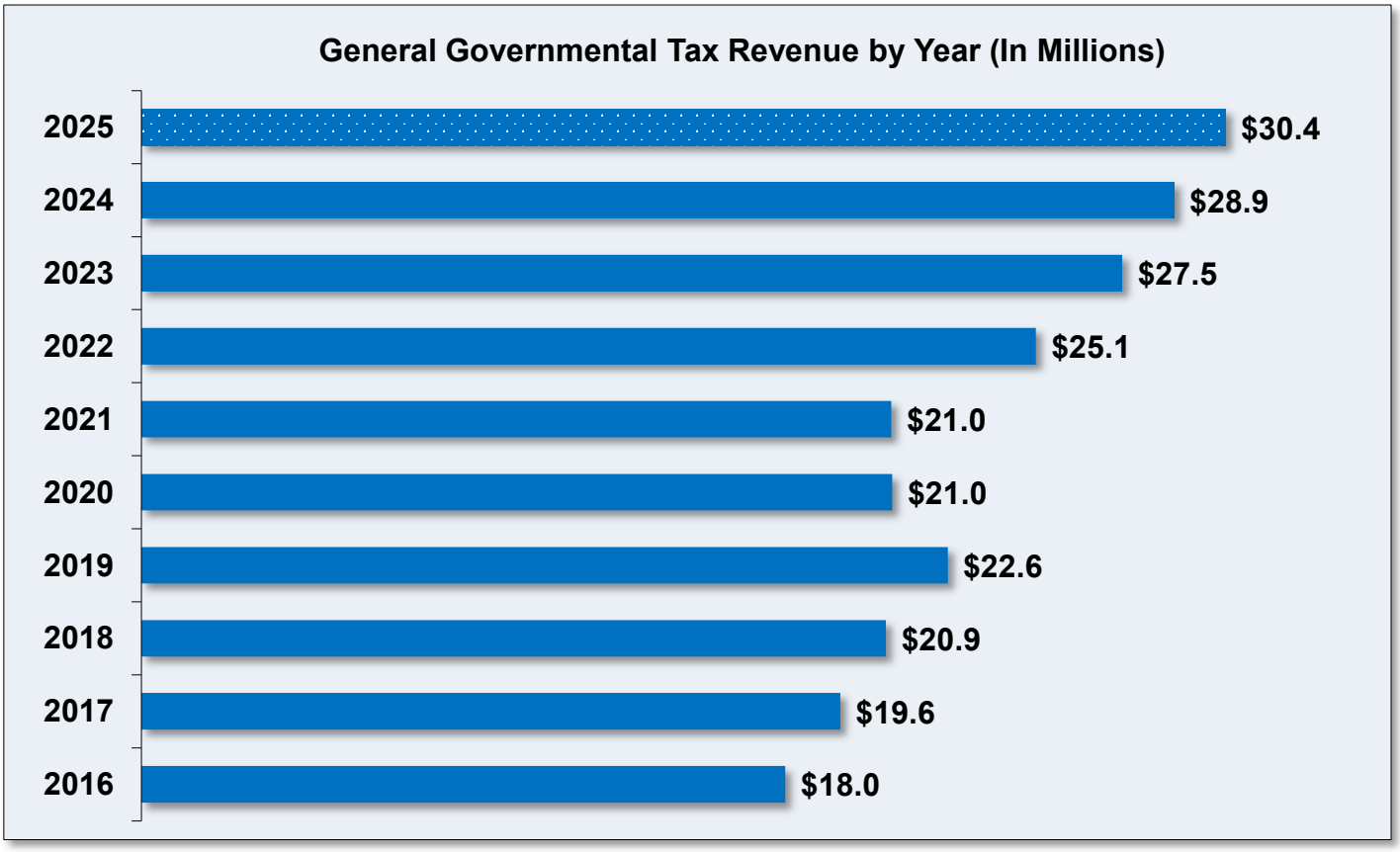
Last Ten Fiscal Years

Fiscal Year Ended June 30	Property	Sales and Use	Franchise	Transient Occupancy	Utility Users	Business License	Other Taxes	Total
2016	$ 6,226,267	$ 3,325,809	$ 1,041,653	$ 5,364,317	$ 1,594,143	$ 341,071	$ 146,945	$ 18,040,205
2017	6,557,824	4,159,401	915,094	5,829,610	1,593,887	402,881	125,487	19,584,184
2018	6,851,928	4,075,744	1,082,574	6,656,849	1,688,876	381,810	121,192	20,858,973
2019	7,306,184	5,139,045	1,226,524	6,796,087	1,641,172	370,655	110,554	22,590,221
2020	7,632,399	4,765,472	1,176,215	5,310,063	1,643,614	396,533	110,823	21,035,119
2021	8,191,673	5,000,873	1,392,700	3,978,577	1,858,652	361,674	222,242	21,006,391
2022	8,573,969	5,630,320	1,489,888	6,821,183	1,940,677	371,310	231,389	25,058,736
2023	9,330,981	6,734,940	1,620,136	7,105,256	2,097,934	425,691	165,613	27,480,551
2024	10,001,561	7,146,935	1,682,562	7,375,869	2,118,068	427,918	177,881	28,930,794
2025	**10,516,128**	**7,589,358**	**1,589,922**	**7,556,230**	**2,435,825**	**501,858**	**180,314**	**30,369,635**

Notes/Analysis:

The City's property tax revenues have increased at a steady pace over the past ten years primarily related to changes in ownership and annual increases allow under the State's Proposition 13 which governs growth in property taxes.

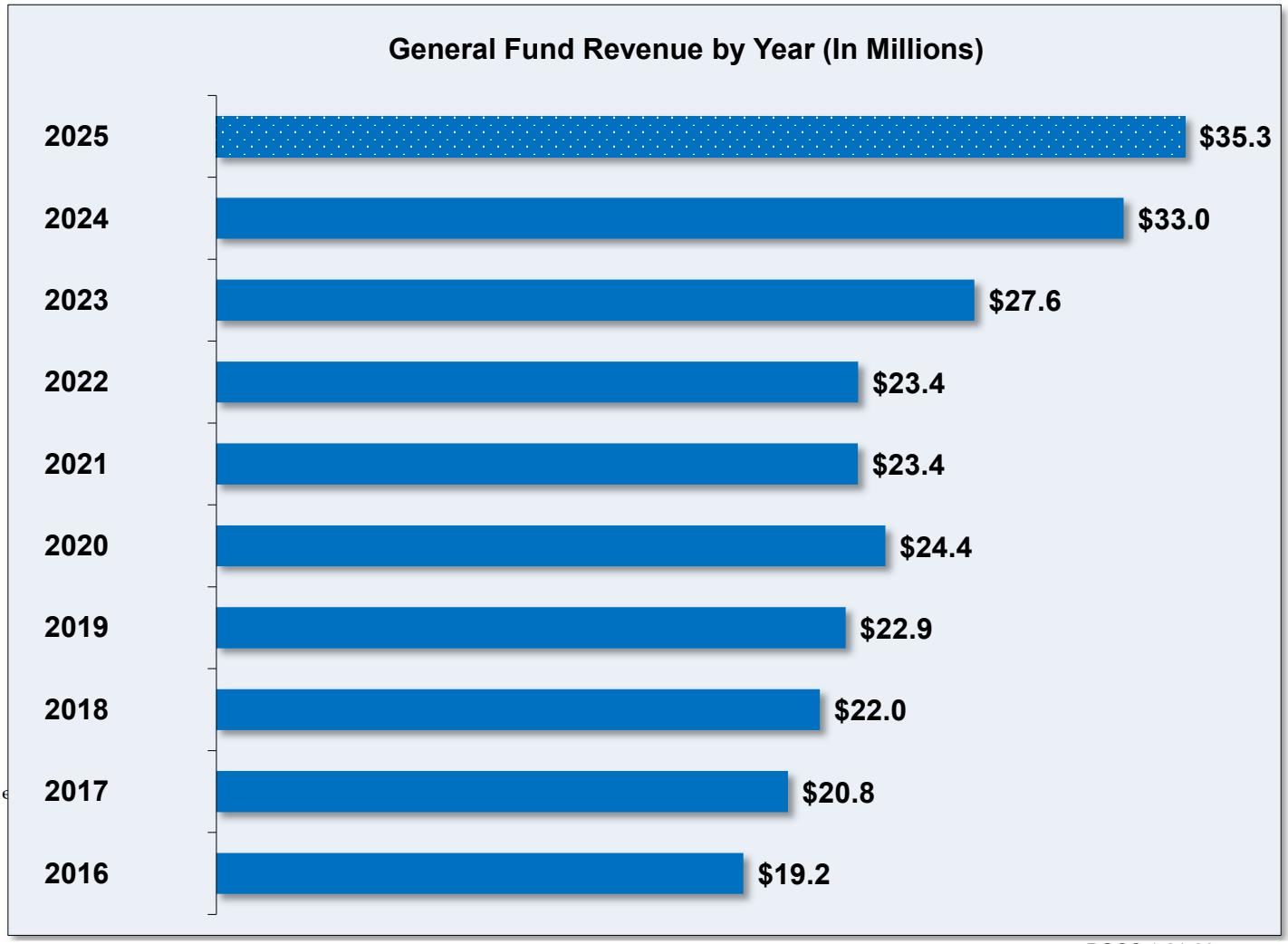
Source: City of Pacific Grove Finance Department



City of Pacific Grove
General Fund Revenues by Source
Last Ten Fiscal Years

Fiscal Year Ended June 30	Taxes	Intergovern-mental	Licenses Permits & Impact Fees	Fines and Forfeitures	Charges for Services	Interest, Rents & Concessions	Other Revenues	Total
2016	$ 17,358,914	$ 229,671	$ 481,304	$ 127,740	$ 1,367,494	$ 355,293	$ 893,646	$ 19,192,237
2017	18,805,809	111,092	576,779	110,665	1,545,556	265,903	561,992	20,814,062
2018	19,754,218	87,478	521,403	282,841	1,643,238	259,883	370,158	21,977,796
2019	21,018,950	92,206	547,193	169,534	1,585,098	553,032	398,817	22,919,219
2020	19,741,066	171,317	576,735	179,797	1,456,261	523,280	708,420	24,364,830
2021	19,679,908	116,159	873,727	36,984	1,538,638	213,705	909,176	23,356,876
2022	23,412,682	150,517	913,160	37,397	1,877,203	(1,805)	1,215,986	23,368,297
2023	25,799,639	146,946	1,083,985	460,058	1,678,855	390,656	1,949,182	27,605,140
2024	27,119,528	278,308	1,322,285	314,242	1,737,498	1,125,585	1,135,321	33,032,767
2025	**28,486,285**	**150,704**	**1,154,121**	**316,523**	**1,940,548**	**874,568**	**2,339,408**	**35,262,157**

Source: City of Pacific Grove Finance Department

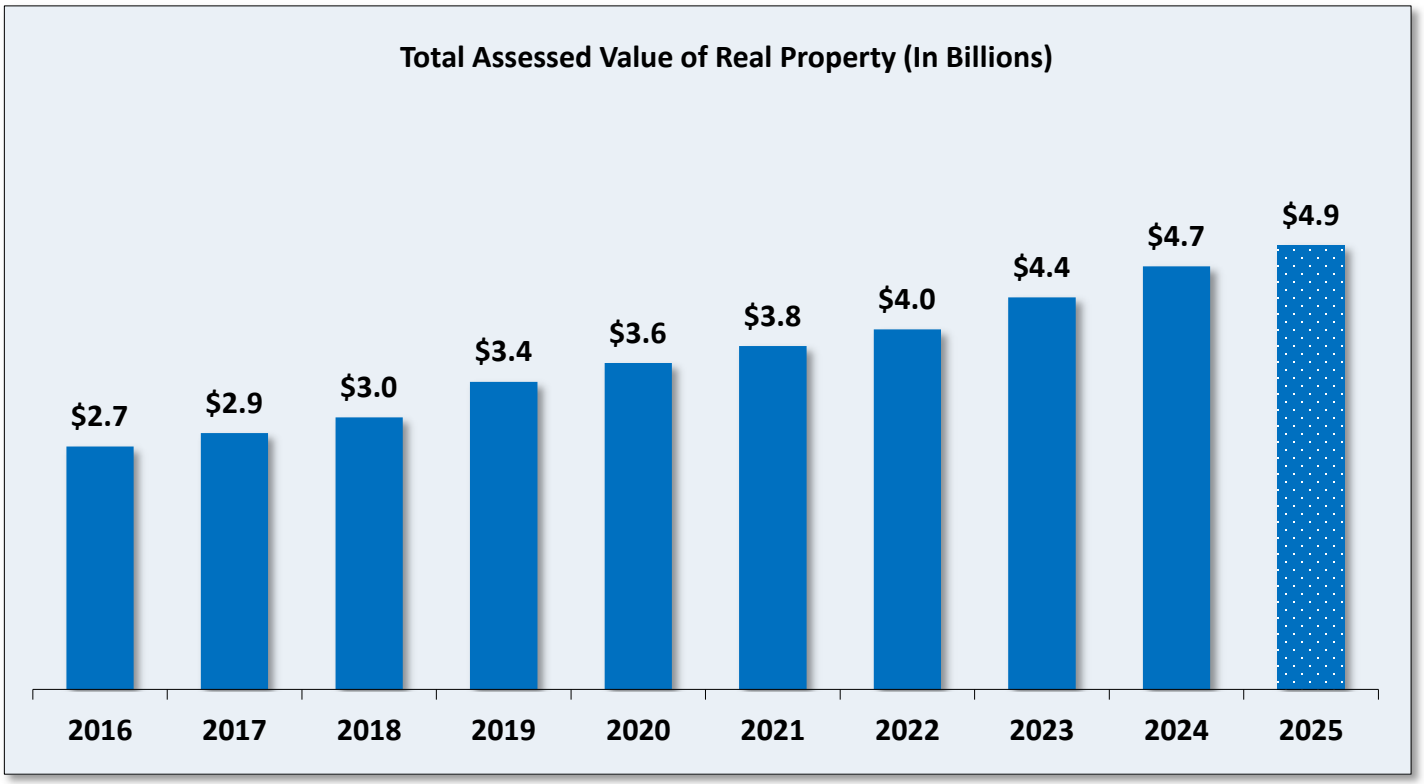


City of Pacific Grove
Net Assessed Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year Ended June 30	Real Property				Personal Property	Total Assessed Value	Total Direct Tax Rate
	Residential	Commercial	Other	Total			
2016	$ 2,582,410,785	$ 238,447,123	$ 33,362,264	$ 2,703,808,916	$ 40,617,474	$ 2,744,426,390	16.2%
2017	2,747,369,747	246,883,728	36,894,923	2,854,220,172	41,950,516	2,896,170,688	15.9%
2018	2,918,531,066	265,910,702	30,645,309	3,031,148,398	42,996,800	3,074,145,198	15.9%
2019	3,112,639,411	265,486,441	48,587,979	3,426,713,831	42,749,505	3,469,463,336	15.9%
2020	3,307,434,783	274,948,202	53,236,808	3,635,619,793	46,292,980	3,681,912,773	15.9%
2021	3,484,607,327	279,870,522	58,693,772	3,823,171,621	46,589,365	3,869,760,986	15.9%
2022	3,670,449,106	281,994,698	58,996,880	4,011,440,684	43,436,617	4,054,877,301	15.9%
2023	3,981,692,067	318,373,164	65,800,233	4,365,865,464	45,441,570	4,411,307,034	15.9%
2024	4,254,675,761	322,149,604	137,205,601	4,714,030,966	43,183,029	4,757,213,995	15.9%
2025	**4,514,148,109**	**326,935,217**	**103,915,820**	**4,944,999,146**	**50,191,231**	**4,995,190,377**	**16.1%**

Notes / Analysis:
Rates are based on a $100 of taxable value. Exempt values are not included in Total.
With the passage of a constitutional amendment (Proposition 13) and subsequently enacted State legislation, property is assessed according to a base year rather than on a % of market value. Accordingly, a reliable estimate of actual value of taxable property within the City is not possible.

Source: Monterey County Assessor Combined Tax Rolls, HdL Companies, Coren & Cone



City of Pacific Grove

Direct and Overlapping Property Tax Rates

Last Ten Fiscal Years

(Rate per $100 of Taxable Value)

	For Fiscal Year Ended June 30									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Direct Rates:										
General Obligation Bonds	$0.0040	$0.0035	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Direct Rate	**0.0040**	**0.0035**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Overlapping Rates [1]:										
County [2]	1.000	1.000	1.000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
School Districts										
Monterey Peninsula College	0.0230	0.0223	0.0217	0.0212	0.0205	0.0202	0.0320	0.0303	0.0289	0.0219
Pacific Grove Unified	0.0829	0.0855	0.0651	0.0619	0.0634	0.0776	0.0769	0.0624	0.0647	0.0417
Total Overlapping Rate	**1.1059**	**1.1078**	**1.0868**	**1.0831**	**1.0839**	**1.0978**	**1.1089**	**1.0927**	**1.0936**	**1.0636**
Total Direct / Overlapping Rate	**$1.1099**	**$1.1113**	**$1.0868**	**$1.0831**	**$1.0839**	**$1.0978**	**$1.1089**	**$1.0927**	**$1.0936**	**$1.0636**
City Share of 1% Levy per Prop. 13 [3]	$0.1607	$0.1607	$0.1607	$0.1607	$0.1607	$0.1607	$0.1607	$0.1607	$0.1607	$0.1607
Voter Approved City Debt Rate	$0.0040	$0.0035	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Direct Rate	$0.1624	$0.1620	$0.1586	$0.1588	$0.1588	$0.1589	$0.1590	$0.1591	$0.1591	$0.1592

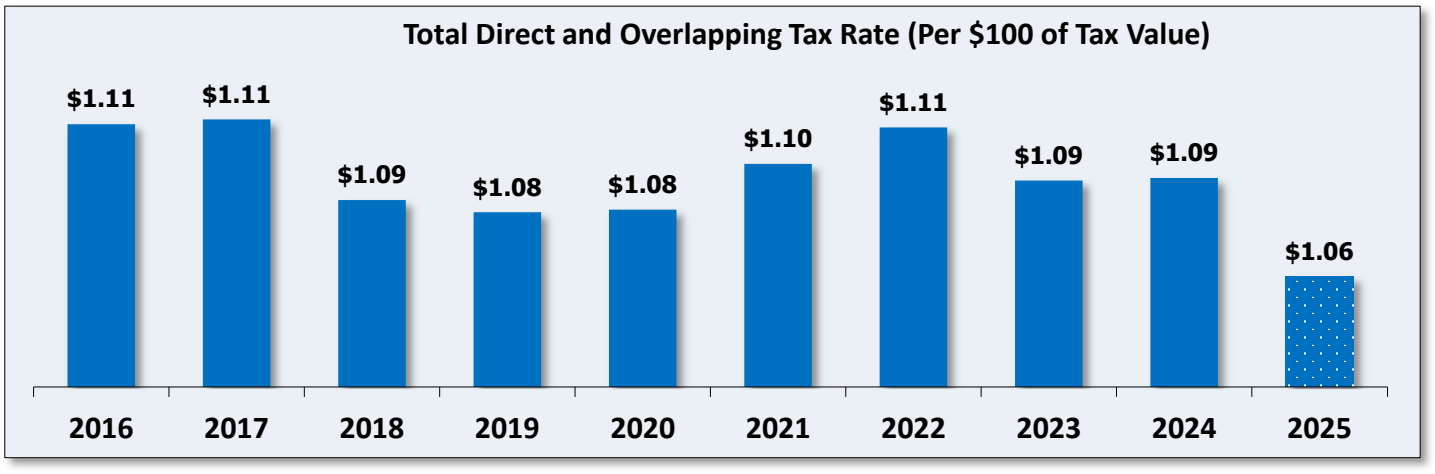
Notes/Analysis:

[1] Overlapping rates are those of entities that apply to property owners within the City of Pacific Grove. Not all overlapping rates apply to all property owners (e.g., the rates for school districts apply only to the proportion of the city's property owners whose property is located within the geographic boundaries of the school district).

[2] The passage of a constitutional amendment (Proposition 13) in June 1978 limits the property tax rate to a base of $1.00 per $100. The $1.00 rate is levied by the County and apportioned to local agencies according to a formula prescribed by the California legislature.

[3] The gross City Share of the 1% levy per Prop. 13 is $0.1976. This amount included the Educational Revenue Augmentation Fund (ERAF) share of the Pacific Grove General Fund property taxes that is deducted by the State. This amount was approximately $0.0369.

Source: Monterey County Assessors Tax Tables, HdL Companies, Coren & Cone

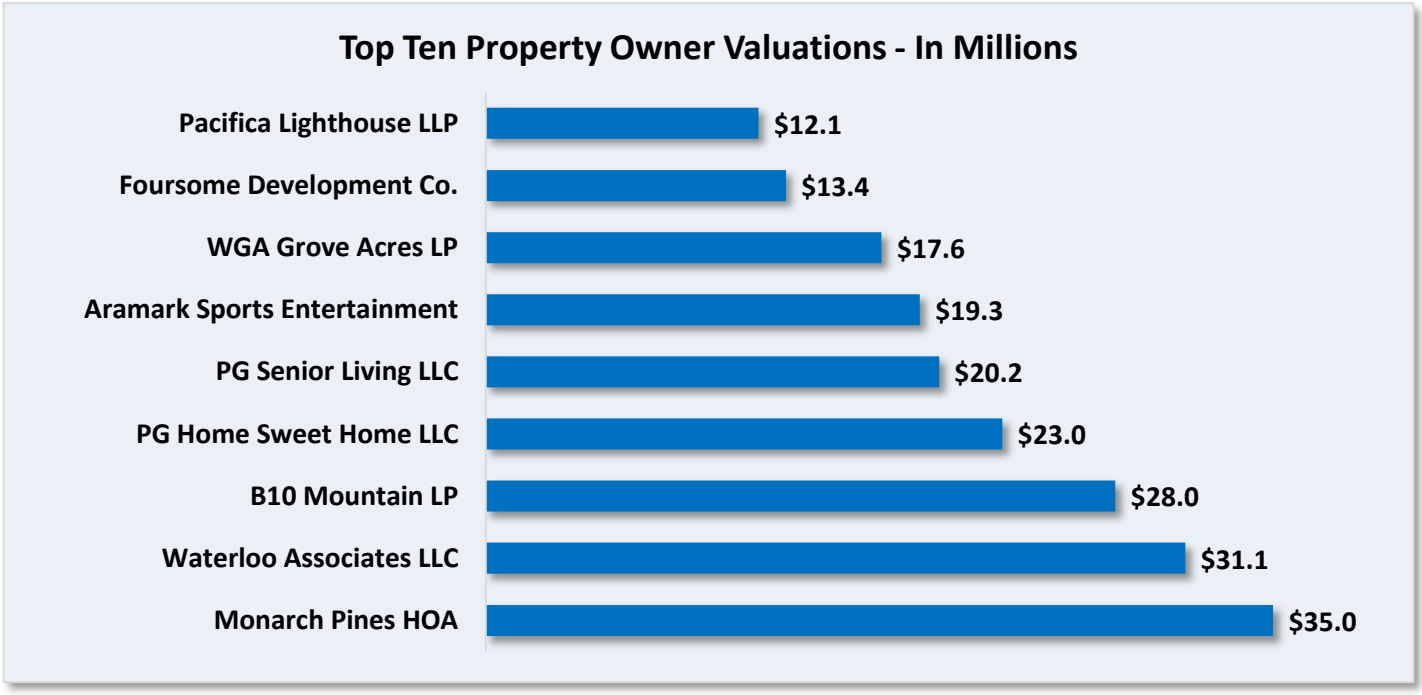


City of Pacific Grove
Principal Property Tax Owners
Current Year and Nine Years Ago

Tax Owner	2025 Assessed Valuation	2025 Rank	2025 Percentage of Total Assessed Valuation	2016 Assessed Valuation	2016 Rank	2016 Percentage of Total Assessed Valuation
Monarch Pines HOA	$ 35,037,720	1	0.70%	$ 13,368,851	5	0.46%
Waterloo Associates LLC	31,128,891	2	0.62%			
B10 Mountain LP	28,014,988	3	0.56%			
Rutherford 17 Mile LP	24,344,958	4	0.49%			
PG Home Sweet Home LLC	22,993,557	5	0.46%			
PG Senior Living LLC	20,180,342	6	0.40%			
Aramark Sports Entertainment	19,315,497	7	0.39%	14,537,127	4	0.50%
WGA Grove Acres LP	17,606,165	8	0.35%	14,920,249	3	0.52%
Foursome Development Co.	13,357,423	9	0.27%	11,338,215	6	0.39%
Pacifica Lighthouse LLP	12,138,462	10	0.24%	10,187,014	7	0.35%
ROIC California LLC				23,776,087	1	0.82%
Green Valley Corporation				9,785,957	8	0.34%
Sequoia Equities - Pacific Grove				20,119,263	2	0.70%
Villa Del Mar Apts Partnership				8,820,925	9	0.30%
Dana Dornsife Living Trust				8,650,000	10	0.30%
Totals	**$ 224,118,003**		**4.49%**	**$ 135,503,688**		**4.68%**
Total assessed value	**$ 4,995,190,377**			**$ 2,742,566,744**		

Notes/Analysis:
Tax owners and values presented in this table reflect the County's Assessment Roll Reports.
Total Taxable Value includes State Unitary

Source: Monterey County Assessor data, HDL, Coren and Cone



City of Pacific Grove
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended June 30	Total Tax Levy[1]	Collected within the Fiscal Year of Levy				Total Collections
		Current Tax Collections[2]	Percent of Levy Collected	Supplemental Tax Collections	Delinquent Tax Collections[3]	
2016	$ 4,817,299	$ 4,691,501	97.4%	$ 100,936	$ 74,690	$ 4,867,127
2017	5,087,208	4,954,066	97.4%	93,055	70,203	5,117,324
2018	5,279,399	5,155,609	97.7%	106,153	64,907	5,326,669
2019	5,509,161	5,412,231	98.2%	125,259	80,007	5,617,497
2020	5,847,982	5,688,427	97.3%	101,049	58,108	5,847,584
2021	6,148,663	6,100,480	99.2%	131,177	80,338	6,311,994
2022	6,446,038	6,396,517	99.2%	158,152	75,837	6,630,506
2023	7,017,507	6,983,282	99.5%	180,974	52,430	7,216,686
2024	7,644,843	7,427,063	97.2%	172,887	117,025	7,716,975
2025	**8,027,271**	**7,899,368**	**98.4%**	**120,323**	**77,166**	**8,096,857**

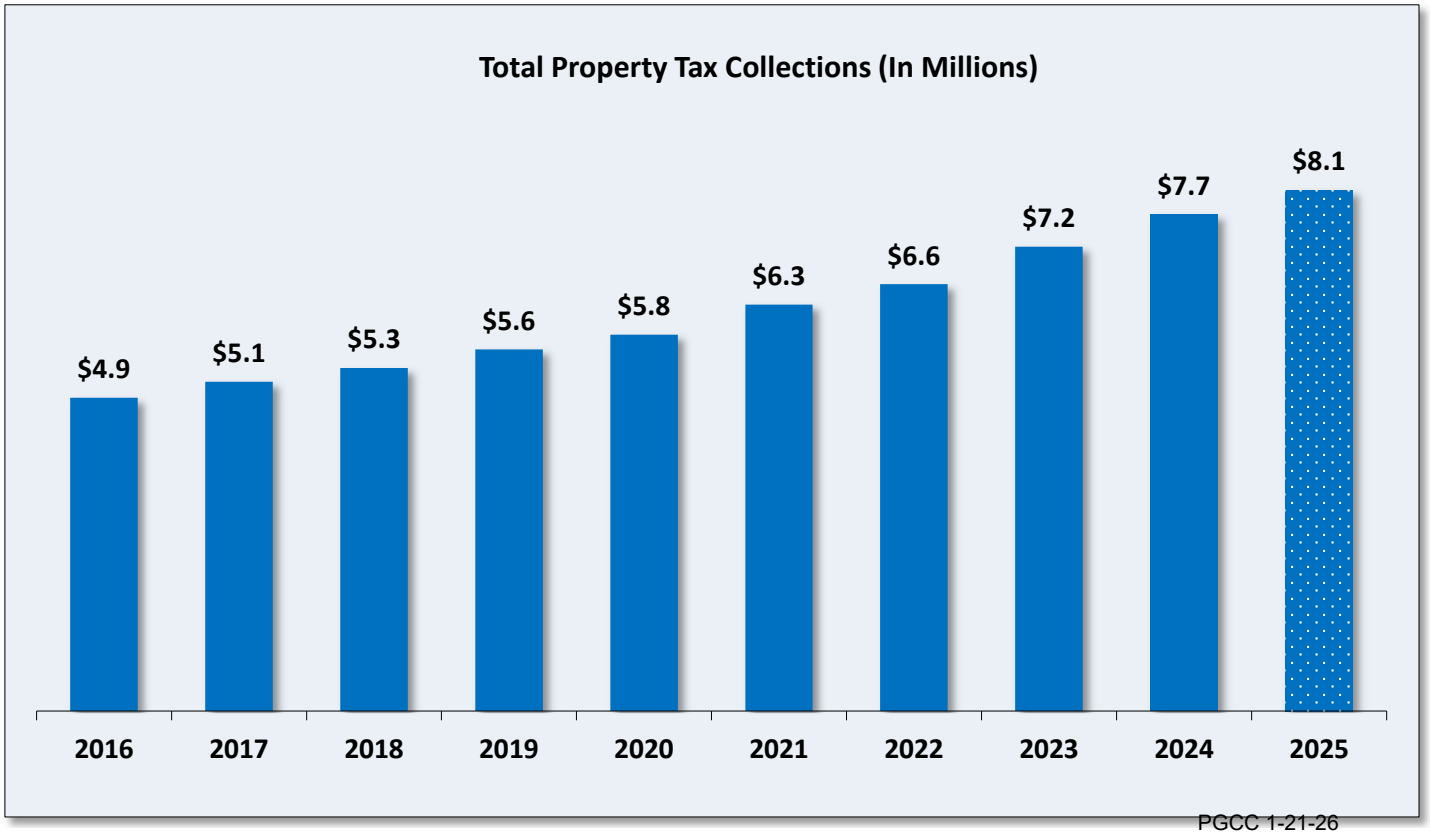
Notes/Analysis:

[1] The Monterey County Auditor-Controller's Office does not list the total assessed value. This amount is calculated referencing the assessed values of properties and the total direct tax rate and general obligation rate for the City.

[2] Monterey County reports collections as current period, regardless of original level year.

[3] The amounts listed in this column represent prior year secured, prior year secured, unsecured, and unitary taxes.

Source: County of Monterey Auditor-Controller's Office
City of Pacific Grove Finance Department



City of Pacific Grove
Ratios of Outstanding Debt By Type
Last Ten Fiscal Years

	Fiscal Year Ended June 30				
	2016	2017	2018	2019	2020
Governmental Activities:					
General obligation bonds	$ 175,057	$ 89,194	$ -	$ -	$ -
Pension obligation bonds	16,625,139	15,712,560	14,680,804	13,522,530	12,228,861
Capital leases	82,534	16,787	-	-	-
PG & E Loan	-	-	-	145,110	121,696
SBITA Liability	-	-	-	-	-
Total Governmental Activities	**16,882,730**	**15,818,541**	**14,680,804**	**13,667,640**	**12,350,557**
Business-type Activities:					
Revenue bonds - Wastewater refunding bonds	1,052,184	999,045	943,812	886,575	827,487
Site Lease - Golf course	2,903,599	2,756,223	2,602,366	2,441,744	2,274,059
Loan- Local water project, State loan	960,522	6,308,658	5,328,076	5,174,788	5,020,088
Loan - PG & E Loan	-	-	-	7,791	4,869
Total Business-type Activities	**4,916,305**	**10,063,926**	**8,874,254**	**8,510,898**	**8,126,503**
Total Primary Government	**$ 21,799,035**	**$ 25,882,467**	**$ 23,555,058**	**$ 22,178,538**	**$ 20,477,060**
Personal income[1]	$ 717,389,000	$ 740,117,000	$ 766,209,000	$ 759,116,000	$ 776,384,000
Debt as percentage of personal income	3.04%	3.50%	3.07%	2.92%	2.64%
Population[2, A]	15,352	15,498	15,660	15,883	15,265
Debt per capita	1,420	1,670	1,504	1,396	1,341
Assessed value[3]	3,073,098,914	3,073,098,914	3,258,083,877	3,469,463,336	3,681,912,773
Debt as percentage of assessed value	0.71%	0.84%	0.72%	0.64%	0.56%

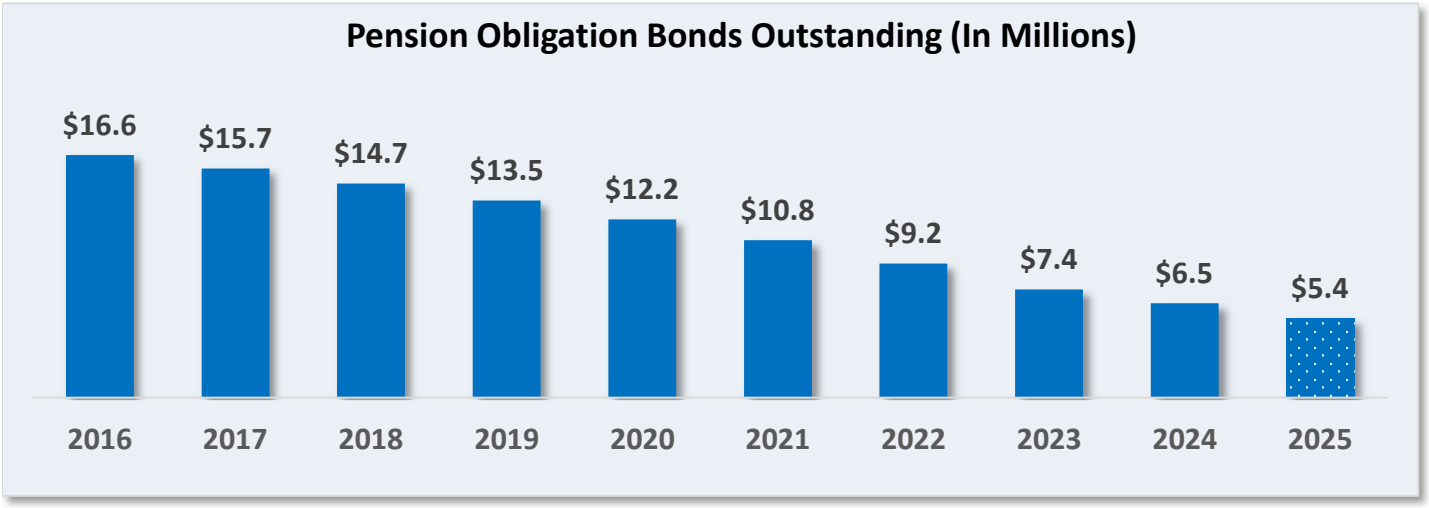
Sources:

[1] US Department of Commerce, Bureau of Economic Analysis (refer to Table 16).

[2] California Department of Finance

[3] HdL Companies and Avenu Insights and Analytics

City of Pacific Grove Finance Department

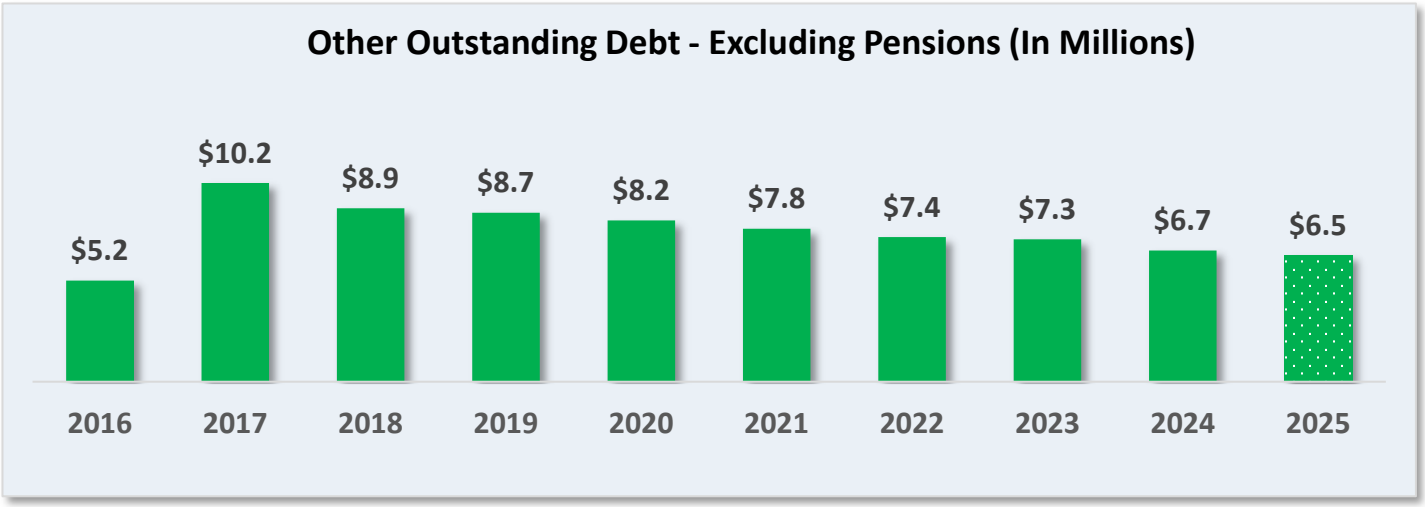


City of Pacific Grove
Ratios of Outstanding Debt By Type (Continued)
Last Ten Fiscal Years

	Fiscal Year Ended June 30				
	2021	2022	2023	2024	2025
Governmental Activities:					
General obligation bonds	$ -	$ -	$ -	$ -	$ -
Pension obligation bonds	10,785,885	9,179,235	7,403,565	6,458,191	5,409,331
Capital leases	-	-	-	-	-
PG & E Loan	98,281	74,866	51,451	31,403	18,841
SBITA Liability	-	-	317,788	200,738	401,677
Total Governmental Activities	**10,884,166**	**9,254,101**	**7,772,804**	**6,690,332**	**5,829,849**
Business-type Activities:					
Revenue bonds - Wastewater refunding bonds	766,573	703,945	639,629	573,704	503,660
Site Lease - Golf course	2,099,001	1,916,244	1,725,451	1,526,268	1,318,327
Loan- Local water project, State loan	4,863,840	4,706,030	4,546,643	4,385,661	4,223,069
Loan - PG & E Loan	1,947	-	-	-	-
Total Business-type Activities	**7,731,361**	**7,326,219**	**6,911,723**	**6,485,633**	**6,045,056**
Total Primary Government	**$ 18,615,527**	**$ 16,580,320**	**$ 14,684,527**	**$ 13,175,965**	**$ 11,874,905**
Personal income[1]	$ 795,868,000	$ 816,648,000	$ 832,496,000	$ 971,497,000	$ 1,001,953,000
Debt as percentage of personal income	2.34%	2.03%	1.76%	1.36%	1.19%
Population[2, A]	15,536	14,761	14,741	14,966	14,871
Debt per capita	1,198	1,123	996	880	799
Assessed value[3]	3,869,760,986	4,054,877,301	4,411,307,034	4,757,213,995	4,995,190,377
Debt as percentage of assessed value	0.48%	0.41%	0.33%	0.28%	0.24%

Notes:

[A] Decrease in 2022 population due to change in Census 2020 benchmark.



City of Pacific Grove

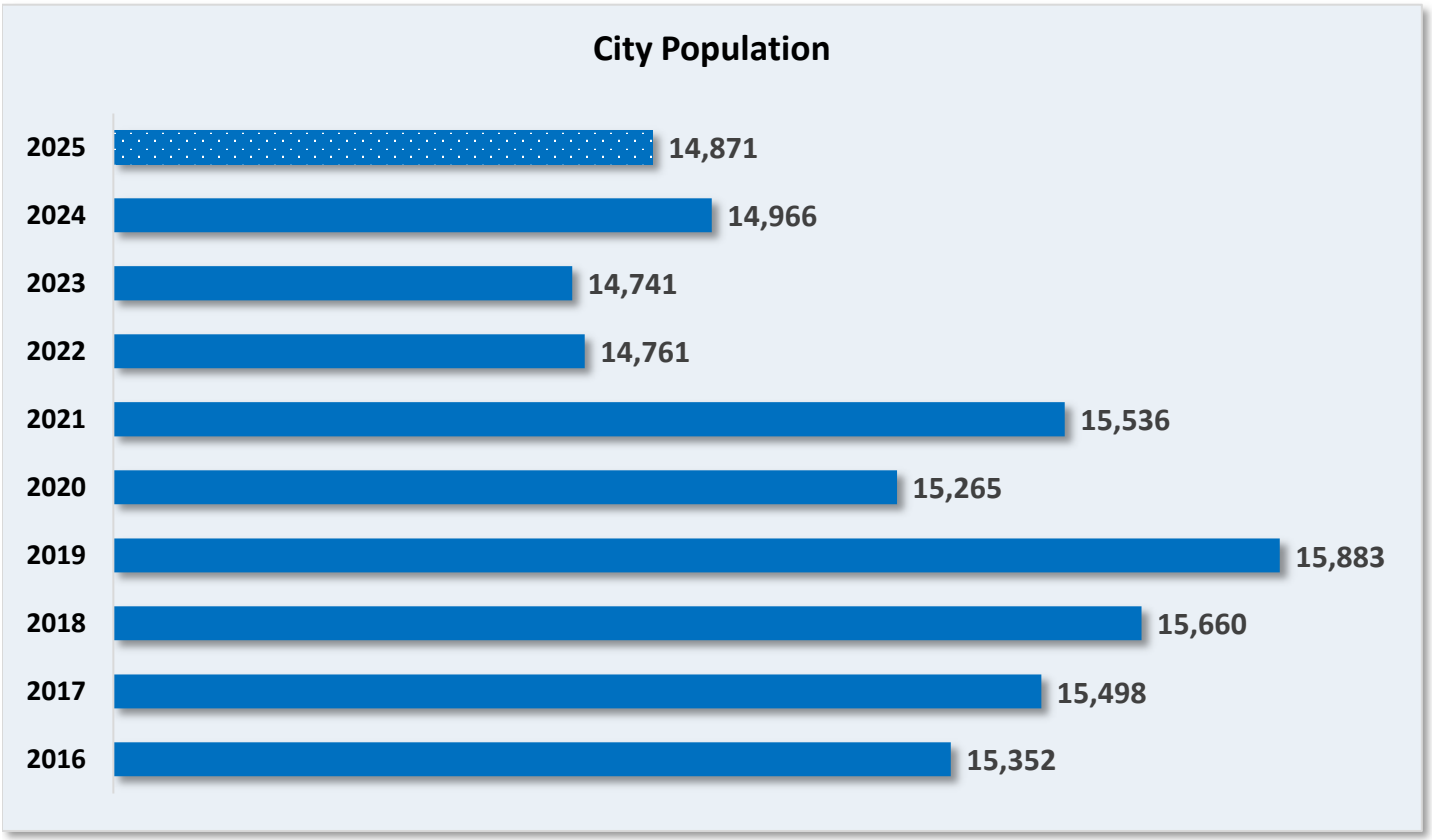
Ratios of General Bonded Debt Outstanding

Last Ten Fiscal Years

Fiscal Year Ended June 30	General Obligation Bonds	Less: Amount Available in Debt Service Fund	Total	Percentage of Assessed Value	Debt Per Capita	Assessed Value[1]	Population[2, A]
2016	$ 175,057	$ 90,746	$ 84,311	0.00%	5	$ 2,894,837,646	15,352
2017	89,194	89,194	-	0.00%	-	3,073,098,914	15,498
2018	-	-	-	0.00%	-	3,258,083,877	15,660
2019	-	-	-	0.00%	-	3,469,463,336	15,883
2020	-	-	-	0.00%	-	3,681,912,773	15,265
2021	-	-	-	0.00%	-	3,869,760,986	15,536
2022	-	-	-	0.00%	-	4,054,877,301	14,761
2023	-	-	-	0.00%	-	4,411,307,034	14,741
2024	-	-	-	0.00%	-	4,757,213,995	14,966
2025	**-**	**-**	**-**	**0.00%**	**-**	**4,995,190,377**	**14,871**

Notes: [A] Decrease in 2022 population due to change in Census 2020 benchmark.

Source: [1] HdL Companies and Avenu Insights and Analytics
[2] California Department of Finance
City of Pacific Grove Finance Department



City of Pacific Grove
Computation of Direct and Overlapping Debt
June 30, 2025

	Total Debt Outstanding	Percentage Applicable to City [1]	Amount Applicable to City
DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:			
Monterey County Water Resources Agency Zone 2C	$ 16,990,000	5.398%	$ 917,120
Monterey Peninsula Community College District	170,860,629	9.661%	16,506,845
Pacific Grove Unified School District	47,112,000	62.927%	29,646,168
Total Direct and Overlapping Tax and Assessment Debt	**$ 234,962,629**		**$ 47,070,134**
DIRECT AND OVERLAPPING GENERAL FUND DEBT:			
Monterey County General Fund Obligations	100,145,000	5.301%	5,308,686
Monterey County Board of Education Certificates of Participation	36,301,000	5.301%	1,924,316
City of Pacific Grove Pension Obligation Bonds	5,409,331	100%	5,409,331
City of Pacific Grove (PG) Pacific Gas and Electric (PG & E) Loan	18,841	100%	18,841
PG Subscription Based Information Technology Agreements (SBITA)	401,677	100%	401,677
Total Gross Direct and Overlapping General Fund Debt	**$ 142,275,849**		**13,062,851**
Total Net Direct and Overlapping General Fund Debt			**$ 60,132,985**
2024-2025 ASSESSED VALUATION			**$ 4,995,190,377**

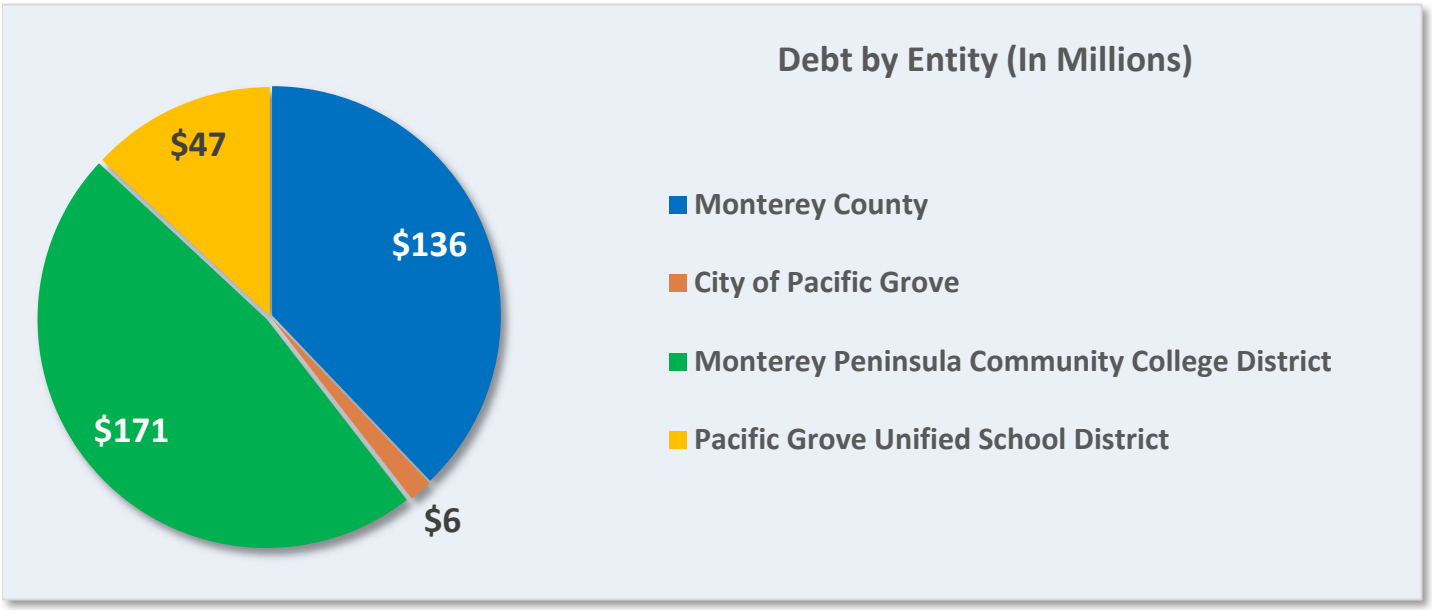
Notes / Analysis:

(1) The percentage of overlapping debt applicable to the City is estimated using taxable assessed property value. Applicable percentages were estimated by determining the portion of the overlapping district's assessed value that is within the boundaries of the City divided by the district's total taxable assessed value.

Ratios to Assessed Valuation:

Total Direct and Overlapping Tax and Assessment Debt	0.94%
Total Direct Debt ($2,723,241)	0.03%
Gross Combined Total Debt	1.12%

Source: California Municipal Statistics




CITY OF PACIFIC GROVE, CA.
INC. 1889

City of Pacific Grove
Legal Debt Margin Information
Last Ten Fiscal Years

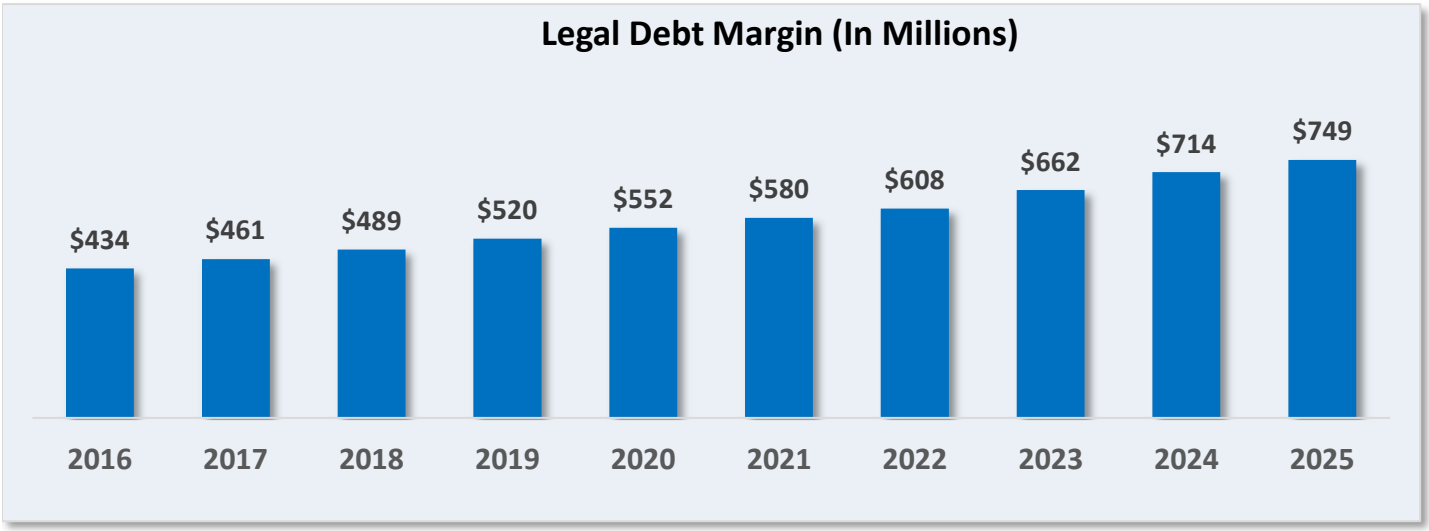
Fiscal Year Ended June 30	Debt limit	Total net debt applicable to the limit	Legal debt margin	Total net debt applicable to the limit
2016	$ 434,225,647	$ 84,311	$ 434,141,336	0.02%
2017	460,964,837	-	460,964,837	0.00%
2018	488,712,582	-	488,712,582	0.00%
2019	520,419,500	-	520,419,500	0.00%
2020	552,286,916	-	552,286,916	0.00%
2021	580,464,148	-	580,464,148	0.00%
2022	608,231,595	-	608,231,595	0.00%
2023	661,696,055	-	661,696,055	0.00%
2024	713,582,099	-	713,582,099	0.00%
2025	**749,278,557**	**-**	**749,278,557**	**0.00%**

Legal Debt Margin Calculation:

Total assessed value	$	4,995,190,377
Debt limit (15% of total assessed value)		749,278,557
Debt applicable to limit:		
General obligation bonds (reported at accreted value)		-
Less: Amount available in debt service fund for repayment of bonds		-
Total net debt applicable to limit		-
Legal debt margin	**$**	**749,278,557**

Notes:
State Code, Section 43605, sets the debt limit at 15% of the total assessed valuation of all real personal property within the City.

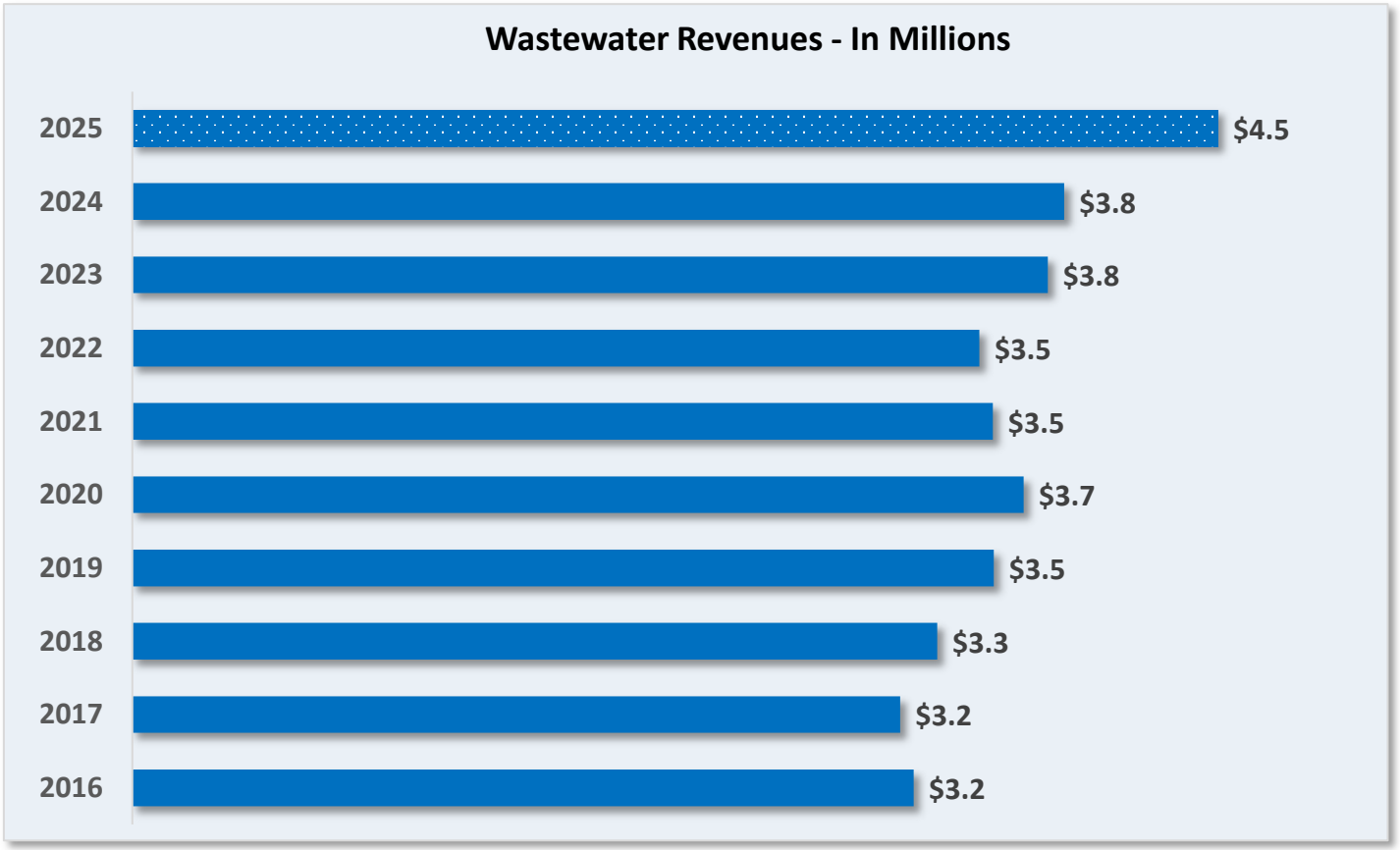
Source: County of Monterey Auditor-Controller's Office, HDL, Coren and Cone
City of Pacific Grove Finance Department



City of Pacific Grove
Pledged-Revenue Coverage
Last Ten Fiscal Years

	Fiscal Year Ended June 30				
	2016	2017	2018	2019	2020
Wastewater Revenue Bonds:					
Wastewater charges and other	$ 3,208,150	$ 3,151,928	$ 3,304,277	$ 3,536,772	$ 3,659,651
Less: operating expenses	1,371,609	1,388,706	1,985,232	1,679,991	2,043,805
Net available revenue	1,836,541	1,763,222	1,319,045	1,856,781	1,615,846
Debt service:					
Principal	50,062	53,138	55,233	57,238	59,088
Interest	36,117	34,353	33,021	31,132	29,220
Total	86,179	87,491	88,254	88,370	88,308
Coverage	**21**	**20**	**15**	**21**	**18**

Source:
City of Pacific Grove Finance Department



City of Pacific Grove
Pledged-Revenue Coverage (Continued)
Last Ten Fiscal Years

	Fiscal Year Ended June 30				
	2021	2022	2023	2024	2025
Wastewater Revenue Bonds:					
Wastewater charges and other	$ 3,533,090	$ 3,477,534	$ 3,759,102	$ 3,825,616	$ 4,456,150
Less: operating expenses	1,748,013	2,181,430	1,640,102	1,506,019	2,482,266
Net available revenue	1,785,077	1,296,104	2,119,000	2,319,597	1,973,884
Debt service:					
Principal	60,914	62,628	64,316	65,925	70,044
Interest	27,203	25,168	23,035	20,349	18,058
Total	88,117	87,796	87,351	86,274	88,102
Coverage	**20**	**15**	**24**	**27**	**22**

Notes / Analysis:

Refunded 2001B Wastewater Bonds with Series 2013 Refunding Wastewater Revenue Loan

Details regarding the city's outstanding debt can be found in the notes to the financial statements.
Operating expenses do not include interest or depreciation.

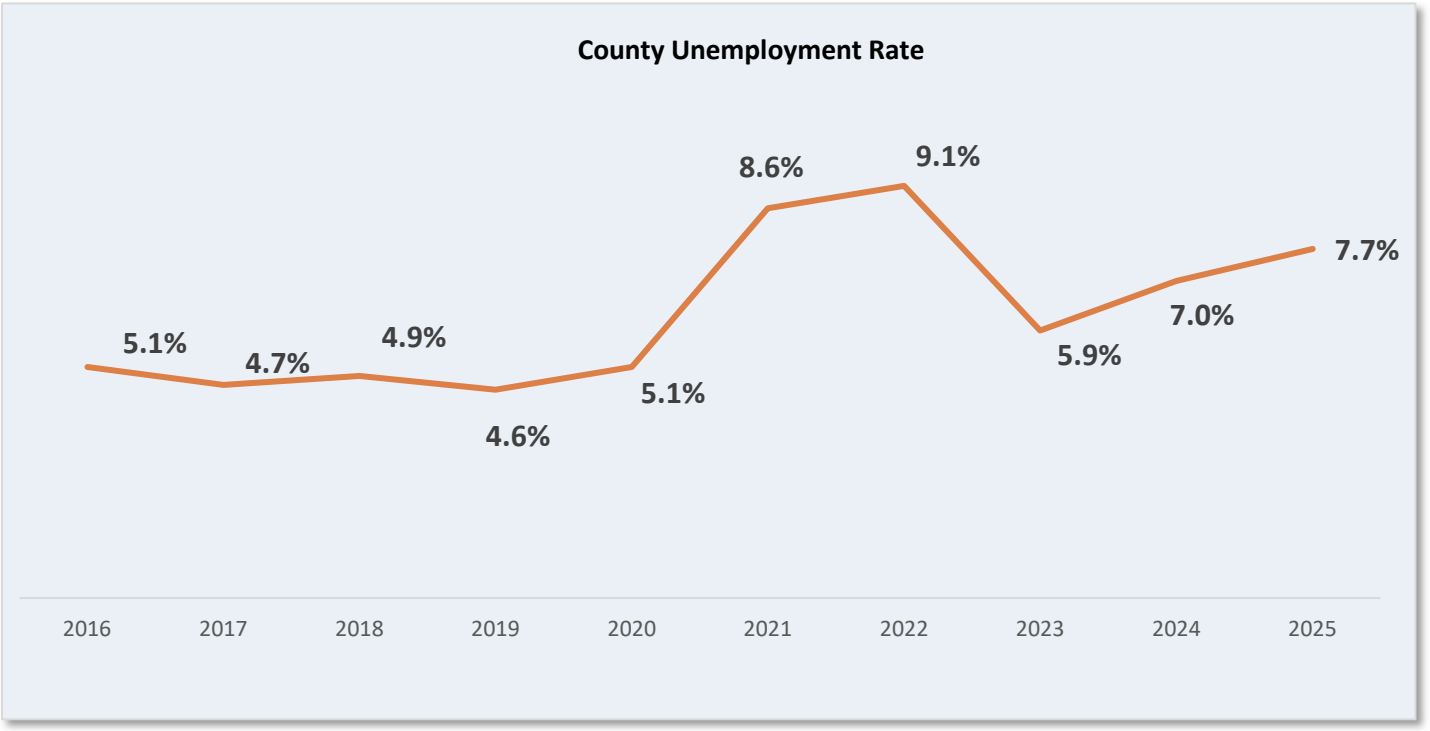


City of Pacific Grove
Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year Ended June 30	Population	Unemployment Rate	Total Personal Income (In thousands)	Per Capita Personal Income	Median Age	% of Population 25+ with High School Diploma	% of Population 25+ with Bachelor's Degree
2016	15,352	5.1%	$ 717,389	$ 46,729	49.3	95%	50%
2017	15,498	4.7%	740,117	47,756	48.8	96%	52%
2018	15,660	4.9%	766,209	48,928	49.0	96%	53%
2019	15,883	4.6%	759,116	47,794	49.0	96%	51%
2020	15,265	5.1%	776,384	50,860	48.5	96%	53%
2021	15,536	8.6%	795,868	51,227	48.9	97%	54%
2022	14,761	9.1%	816,648	55,325	48.3	96%	55%
2023	14,741	5.9%	832,496	56,475	48.0	96%	55%
2024	14,966	7.0%	971,497	64,914	49.2	96%	57%
2025	**14,871**	**7.7%**	**1,001,953**	**67,376**	**50.3**	**97%**	**59%**

Sources:
California Department of Finance and HdL Companies
California Employment Development Department
City of Pacific Grove Finance Department
U.S. Department of Commerce, Bureau of Economic Analysis
California Board of Equalization

Analysis: The City's population has decreased over the past ten years, and it's unemployment rate has increased over the past ten years.



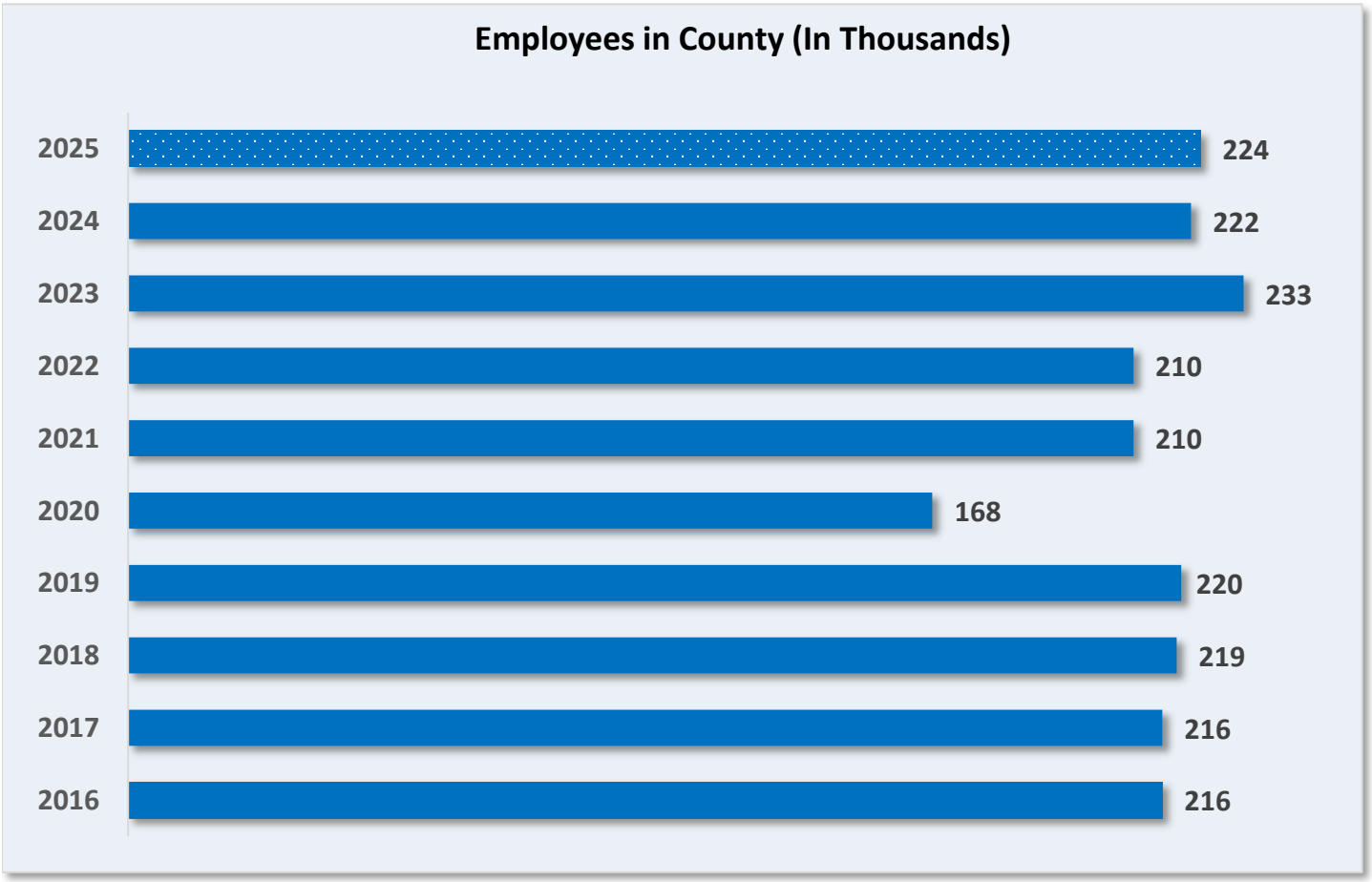
City of Pacific Grove
Employees by Industry
Last Ten Fiscal Years

Industry	For Fiscal Year Ended June 30									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Agriculture	69	68	69	71	38	72	68	74	74	75
Construction, Mining, Manufacturing	12	12	13	13	12	7	13	20	12	12
Trade, Transportation & Utilities	26	27	27	26	25	25	25	26	26	25
Information & Financial Activities	5	5	5	5	5	5	5	5	5	5
Professional & Business Services	14	13	14	15	13	16	14	16	15	14
Educational & Health Services	19	19	20	21	19	20	21	23	24	25
Leisure & Hospitality	25	25	25	28	20	23	24	27	26	27
Government	32	33	35	36	32	33	36	36	34	35
Other	14	14	11	5	4	9	4	6	6	6
Totals	**216**	**216**	**219**	**220**	**168**	**210**	**210**	**233**	**222**	**224**

Analysis: Employment in the agriculture and leisure/hospitality areas have grown over the ten year period, except for 2020 due to the impacts of COVID.

Source: Employment Development Department, Labor Market Information (LMI) Salinas MSA

Note: GASB Statement No. 44 allows for employment by industry in lieu of Principal Employers



City of Pacific Grove

Number of City Employees by Department [1]

Last Ten Fiscal Years

	For Fiscal Year Ended June 30									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Departments:										
General Government [2]	14	14	17	16	17	17	17	18	18	18
Public Safety	34	37	34	34	34	33	34	34	34	34
Public Works	20	20	21	23	23	23	20	20	20	20
Recreation [3]	14	14	14	14	14	3	5	7	7	6
Library [3]	12	12	12	12	11	5	8	8	8	9
Community Development	8	8	8	10	9	8	8	8	8	8
Business-type Activities:										
Cemetery	1	1	2	2	2	2	2	2	2	2
Sewer	4	5	5	5	5	5	5	5	5	5
Total	**110**	**107**	**110**	**112**	**116**	**115**	**95**	**99**	**99**	**102**

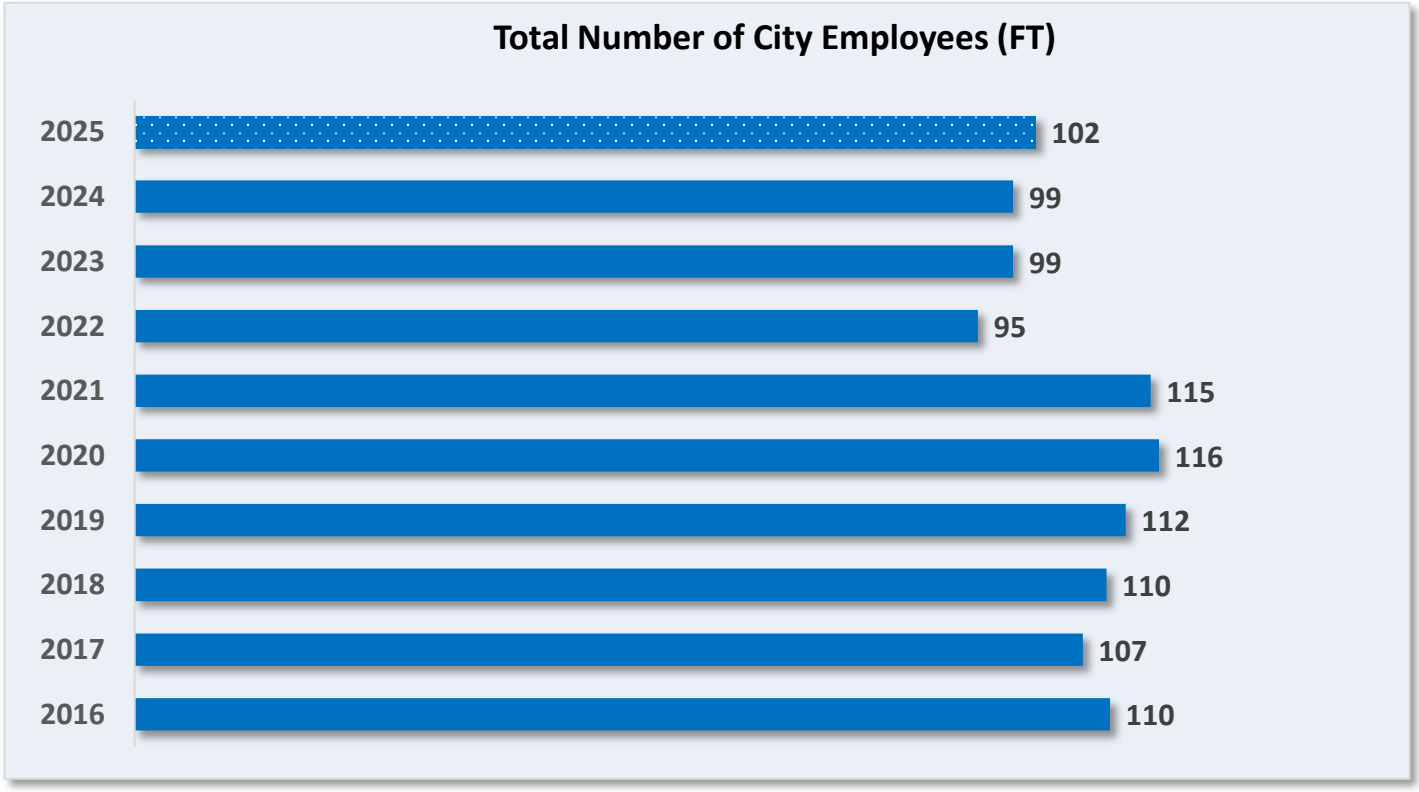
Analysis/Notes:

1 Reflects the authorized positions in each budget year. This number includes both regular and part-time staff.

2 Includes 3.5 FTE's for Council Members and Mayor

3 The counts for Recreation and Library Departments exclude part-time, on-call and seasonal staff. Note that the Museum and Golf Course are operated on a contract basis without City employees.

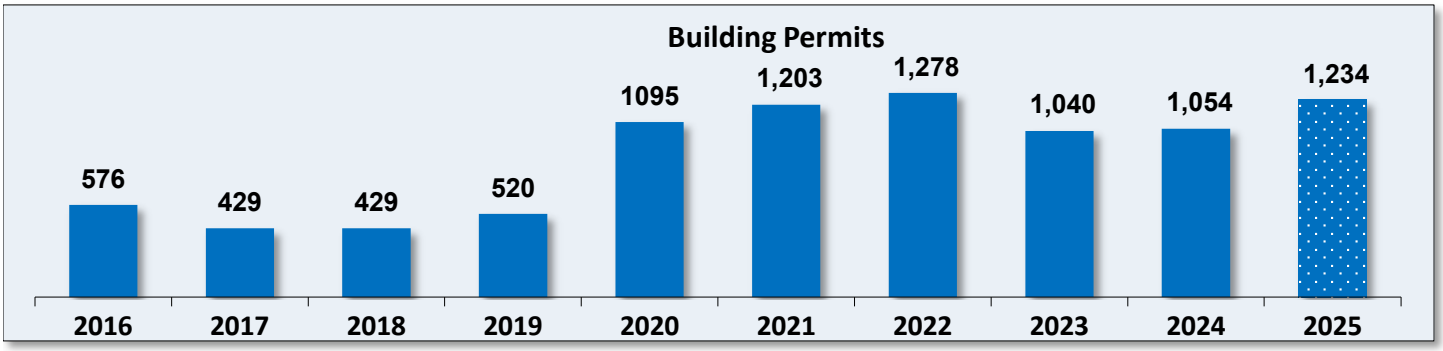
Source: City of Pacific Grove Budget Document

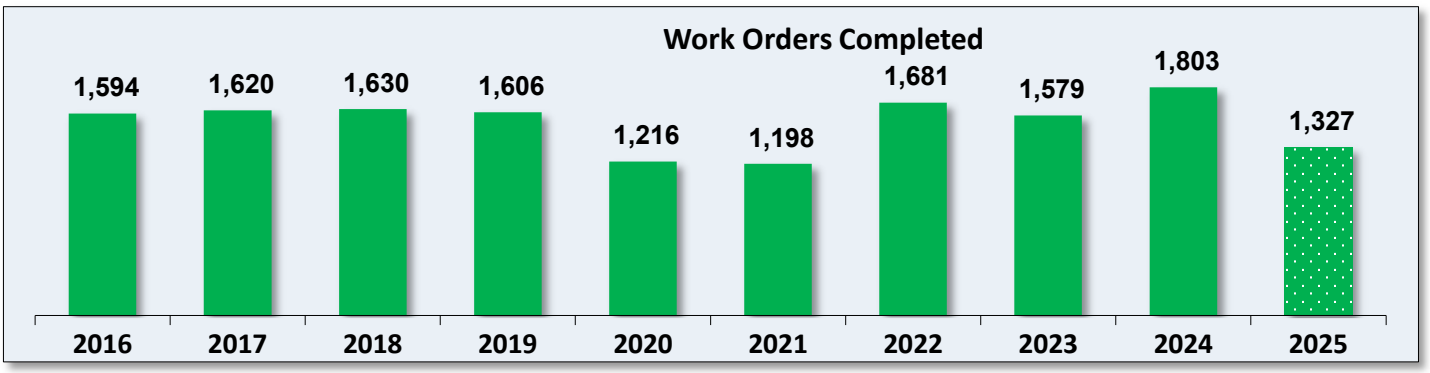


City of Pacific Grove
Operating Indicators By Function
Last Ten Fiscal Years

Function:	For Fiscal Year Ended June 30									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Police										
Calls for service	21,521	15,359	18,032	20,350	18,902	15,875	19,266	12,284	13,214	13,316
Fire										
Calls for service	1,764	1,604	1,694	1,877	1,740	1,772	2,033	2,257	1,948	2,042
Recreation										
Special events	16	18	18	18	24	-	3	21	26	26
Public Works										
Work orders completed	1,594	1,620	1,630	1,606	1,216	1,198	1,681	1,579	1,803	1,327
Library										
Materials circulated (thousands) [1]	291	289	288	328	188	84	180	223	283	238
Community Development										
Building Permits	576	429	429	520	1095	1,203	1,278	1,040	1,054	1,234

Source: City of Pacific Grove Finance Department





City of Pacific Grove
Capital Asset Statistics By Function
Last Ten Fiscal Years

	For Fiscal Year Ended June 30									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Function:										
General Government										
Number of buildings	1	1	1	1	1	1	1	1	1	1
Public Safety										
Police stations	1	1	1	1	1	1	1	1	1	1
Fire stations	1	1	1	1	1	1	1	1	1	1
Public Works										
Miles of paved streets	55	55	55	55	55	55	55	55	55	55
Street lights	699	699	699	699	699	699	699	699	699	699
Fleet Vehicles (Citywide)	121	123	121	93	95	95	95	90	119	119
Recreation										
Parks	19	19	19	19	19	19	19	19	19	19
Playgrounds	4	4	4	4	4	4	4	4	4	4
Community centers / facilities	4	4	4	4	4	4	4	4	4	4
Swimming pools	1	1	1	1	1	1	1	1	1	1
Tennis courts	5	5	5	5	5	5	5	5	5	5
Other City Facilities										
Library facilities	1	1	1	1	1	1	1	1	1	1
Museum facilities	1	1	1	1	1	1	1	1	1	1
Cemetery facilities	1	1	1	1	1	1	1	1	1	1
Historic lighthouse	1	1	1	1	1	1	1	1	1	1
Golf courses	1	1	1	1	1	1	1	1	1	1
Sewer										
Miles of sanitary sewers	58	58	58	58	58	58	58	58	58	58
Number of storm drains	332	332	332	332	332	332	332	332	332	332

Source: City of Pacific Grove Departments



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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Independent Auditor's Report

To the Honorable Mayor and Members of the City Council
of the City of Pacific Grove
Pacific Grove, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Pacific Grove, California (the "City"), as of and for the year ended June 30, 2025, and the related notes to the basic financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated December 18, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

The Pun Group, LLP

Santa Ana, California
December 18, 2025

City of Pacific Grove
Transportation Safety and Investment Plan Account Fund

Pacific Grove, California

Independent Auditor's Reports and Financial Statements

For the Year Ended June 30, 2025

THE PUN GROUP
ACCOUNTANTS & ADVISORS

City of Pacific Grove
Transportation Safety and Investment Plan Account Fund
For the Year Ended June 30, 2025
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INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and the Members of City Council
of the City of Pacific Grove
Pacific Grove, California

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the Transportation Safety and Investment Plan Account Fund (the "Fund") of the City of Pacific Grove, California (the "City"), which comprise the balance sheet as of June 30, 2025 and the related statement of revenues, expenditures, and changes in fund balance for the year then ended, and the related notes to the financial statements, as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Fund as of June 30, 2025, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS") and the standard applicable to financial audits contained in *Governmental Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Note 1, the financial statements present only the Fund and do not purport to, and do not, present fairly the financial position of the City, as of June 30, 2025, the changes in its financial position, or where applicable, its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and G*overnment Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.

- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Management has omitted Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose forming an opinion on the financial statements of the Fund. The Supplementary Information, as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the Fund's financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 18, 2025, on our consideration of the Fund's internal control over financial reporting and on our tests of its compliance with the requirements described in the Transportation Agency for Monterey County's ("TMAC") Ordinance No. 2016-01 and in the agreement between TMAC and the City. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Fund's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Fund's internal control over financial reporting and compliance.

The Pun Group, LLP

Santa Ana, California
December 18, 2025

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FINANCIAL STATEMENTS

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City of Pacific Grove
Transportation Safety and Investment Plan Account Fund
Balance Sheet
June 30, 2025

ASSETS		
Cash and investments	$	842,182
Intergovernmental receivable		404,350
Due from other funds		90,431
Total assets	$	1,336,963
LIABILITIES, AND FUND BALANCE		
Liabilities:		
Accounts payable	$	43,623
Total liabilities		43,623
Fund Balance:		
Restricted		1,293,340
Total fund balance		1,293,340
Total liabilities, and fund balance	$	1,336,963

See accompanying Notes to the Financial Statements.

City of Pacific Grove
Transportation Safety and Investment Plan Account Fund
Statement of Revenues, Expenditures, and Change in Fund Balance
For the Year Ended June 30, 2025

REVENUES:		
Sales and use tax	$	820,135
Investment earnings		35,921
Total revenues		856,056
EXPENDITURES:		
Capital outlay		599,605
Total expenditures		599,605
NET CHANGE IN FUND BALANCE		256,451
FUND BALANCE:		
Beginning of year		1,036,890
End of year	$	1,293,341

See accompanying Notes to the Financial Statements.

City of Pacific Grove
Transportation Safety and Investment Plan Account Fund
Notes to the Financial Statements
For the Year Ended June 30, 2025

Note 1 – Summary of Significant Accounting Policies

Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The Transportation Safety and Investment Plan Account Fund (the "Fund") of the City of Pacific Grove (the "City") is a governmental fund type. Governmental funds are accounted for using a "*current financial resources*" measurement focus. The application of this measurement focus provides that, in general, only current assets and current liabilities are present on the balance sheet. Operating statements of these funds present revenues and expenditures.

The modified accrual basis of accounting is used for the Fund. Under the modified accrual basis of accounting, revenues are recognized when they become susceptible to accrual (i.e., both measurable and available). Measurable means that the amount of the transaction can be determined. Available means the funds are collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Expenditures of governmental funds are generally recognized when the related fund liability is incurred.

Reporting Entity

The Transportation Safety and Investment Plan Account Fund from the Transportation Agency for Monterey County ("TMAC") was approved on November 8, 2016. The revenue from the Measure X sales tax measure will be used to fund transportation safety and mobility projects in Monterey County. Expenditures are restricted to road improvements, pothole repairs, street and road maintenance, traffic deduction and regional safety, mobility and walkability.

The Fund financial statements and related accounting policies of the City conform with accounting principles generally accepted in the United States of America ("US GAAP") applicable to governments in the United States of America. The Governmental Accounting Standards Board ("GASB") is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The financial statements present only the Fund of the City and do not purport to, and do not present, the City's financial position and changes in financial position. The City's basic financial statements are available from the Finance Department at City's address and website.

A. Fund Balances

The Fund reports fund balance as nonspendable, restricted, committed, assigned, or unassigned based primarily on the extent to which the City is bound to honor constraints on how specific amounts can be spent. Fund balances are categorized as follows:

> <u>*Restricted*</u> - This amount indicates the portion of fund balances which has been restricted; a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; b) imposed by law through constitutional provisions or enabling legislation.

The County Council establishes, modifies, or rescinds fund balance commitments and assignments by passage of an ordinance or resolution. This is done through adoption of the budget and subsequent budget amendments that occur throughout the year.

Note 1 – Summary of Significant Accounting Policies (Continued)

A. Fund Balances (Continued)

When expenditures are incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) fund balances are available, the City's policy is to first apply restricted fund balance. When expenditures are incurred for purposes for which committed, assigned, or unassigned fund balances are available, the City's policy is to first apply committed fund balance, then assigned fund balance, and finally unassigned fund balance.

B. Use of Estimates

The preparation of financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions. These estimates and assumptions affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates and assumptions.

Note 2 – Cash

The City follows the practice of pooling cash and investments for all funds (including the Fund) under its direct daily control. Interest earned on pooled cash and investments is allocated periodically to the various funds based on average cash balances. Detailed disclosure regarding the City's cash and investment is included in the notes to City's basic financial statements.

Highly liquid market investments with maturities of one year or less at time of purchase are stated at amortized cost. All other investments are stated at fair value. Market value is used as fair value for those securities for which market quotations are readily available.

Interest income earned on pooled cash and investments is allocated on an accounting period basis to the various funds based on the period-end cash and investment balances. Interest income from cash and investments with fiscal agents is credited directly to the related fund.

Certain disclosure requirements, if applicable, for deposits and investment risks in the following areas:

- Interest rate risk
- Credit risk
  - Overall
  - Custodial credit risk
  - Concentration of credit risk
- Foreign currency risk

In addition, other disclosures are specified including use of certain methods to present deposits and investments, highly sensitive investments, credit quality at year-end and other disclosures.

Note 3 – Amounts Due to City

At June 30, 2025, the Fund owed $90,431 to the City for payment of a project using grant funds received from TAMC after the end of the fiscal year.

Note 4 – Maintenance of Effort

The Measure X Master Programs Funding Agreement between the City and the TAMC as amended, requires that the City must expend each fiscal year from its General Fund for street and highway purposes an amount not less than the annual average of its expenditures from its General Fund during the 2009-10, 2010-11, and 2011-12 fiscal years, but not less than what was expended in 2016-17 (when Measure X passed), as reported to the Controller pursuant to Streets and Highways Code section 2151 ("Maintenance of Effort"). This baseline amount is indexed annually to the Engineering News Record construction index.

The following expenditures were made:

Fiscal year ended June 30:	
2010	$ 326,756
2011	396,862
2012	720,604
Total	$ 1,444,222
Three-year average	$ 481,407
Fiscal year ended June 30, 2017	$ 912,274
Maintenance of effort baseline	$ 912,274
Engineering News Record construction index FY 2019/20	1.37%
Engineering News Record construction index FY 2020/21	1.27%
Engineering News Record construction index FY 2021/22	2.05%
Engineering News Record construction index FY 2022/23	7.34%
Engineering News Record construction index FY 2023/24	4.93%
Engineering News Record construction index FY 2024/25	2.58%
Index-adjusted maintenance of effort requirement	$ 1,104,188
Current year eligible expenditures	$ 1,638,166
Compliant (Yes or No)	Yes

Total expenditures from the General Fund for street and highway purposes for the fiscal year ended June 30, 2025 were $1,638,166 and consisted of salaries and construction costs. The City was in compliance with the Maintenance of Effort requirement of the Measure X Master Programs Funding Agreement between the City and the TAMC.

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SUPPLEMENTARY INFORMATION

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City of Pacific Grove
Transportation Safety and Investment Plan Account Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget Over/(Under)
REVENUES:				
Sales and use tax	$ 828,000	$ 828,000	$ 820,135	$ (7,865)
Investment earnings	12,000	12,000	35,921	23,921
Total Revenues	840,000	840,000	856,056	16,056
EXPENDITURES:				
Capital outlay	930,000	1,757,037	599,605	1,157,432
NET CHANGE IN FUND BALANCE	$ (90,000)	$ (917,037)	256,451	$ 1,173,488
FUND BALANCE:				
Beginning of year			1,036,890	
End of year			$ 1,293,341	

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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Independent Auditor's Report

To the Honorable Mayor and the Members of City Council
of the City of Pacific Grove
Pacific Grove, California

We have audited, in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Transportation Safety and Investment Plan Account Fund (the "Fund") of the City of Pacific Grove, California (the "City"), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Fund's financial statements, and have issued our report thereon dated December 18, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Fund's internal control over financial reporting (the "internal control") as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control. Accordingly, we do not express an opinion on the effectiveness of the Fund's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Fund's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of that report is solely to report our opinion on compliance and to describe the scope of our testing of internal control over financial reporting and the results of that testing, and not to provide an opinion on the effectiveness of the Fund's internal control over financial reporting. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. This report is intended solely for the information and use of City Council, management of the Transportation Agency for Monterey County and for filing with the appropriate regulatory agencies and is not intended to be and should not be used by anyone other than these specified parties.

The Pun Group, LLP

Santa Ana, California
December 18, 2025

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REPORT ON COMPLIANCE WITH TAMC ORDINANCE NO. 2019-01 TRANSPORTATION SAFETY AND INVESTMENT PLAN FUND; AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE

Independent Auditor's Report

To the Honorable Mayor and the Members of City Council
of the City of Pacific Grove
City of Pacific Grove, California

Report on Compliance with TAMC Ordinance No. 2019-01 for Transportation Safety and Investment Plan Fund

Opinion

We have audited the City of Pacific Grove, California's (the "City") compliance with the types of compliance requirements described in Transportation Agency's for Monterey County's (the "TAMC") Ordinance No. 2019-01 and Measure X Master Programs Funding Agreement between TAMC and the City (the "Agreement"), for the year ended June 30, 2025.

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the Agreement for the year ended June 30, 2025.

Basis for Opinion

We conducted our audit of compliance in accordance with auditing standards accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of City and TAMC and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the TAMC. Our audit does not provide a legal determination of the TAMC's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America, *Government Auditing Standards* will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements as a whole.

In performing an audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.

- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Fund's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- obtain an understanding of the Fund's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the *Government Auditing Standards*, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a compliance requirement on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a compliance requirement that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing on internal control over compliance and the results of that testing based on the requirements of TAMC Ordinance No. 2019-01. Accordingly, this report is not suitable for any other purpose.

The Pun Group, LLP

Santa Ana, California
December 18, 2025

City of Pacific Grove
Transportation Safety and Investment Plan Account Fund
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2025

Audit Findings and Questioned Costs

A. Current Year Findings and Questioned Costs

No current year findings were noted.

B. Prior Year Findings and Questioned Costs

No prior year findings were noted.

City of Pacific Grove

Pacific Grove, California

Independent Accountant's Report on Agreed-Upon Procedures Applied to Appropriations Limit Schedule

For the Year Ending June 30, 2026

THE PUN GROUP
ACCOUNTANTS & ADVISORS

THE PUN GROUP
ACCOUNTANTS & ADVISORS

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Honorable Mayor and Members of City Council
of the City of Pacific Grove
Pacific Grove, California

We have performed the procedures enumerated below to the accompanying Appropriations Limit Schedule of the City of Pacific Grove, California (the "City") for the year ending June 30, 2026. The City's management is responsible for the Appropriations Limit Schedule.

The City has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of meeting the requirements set forth in Section 1.5 of Article XIII-B of the California Constitution. These procedures, which were suggested by the League of California Cities and presented in the publication entitled *Agreed-upon Procedures Applied to the Appropriations Limitation Prescribed by Article XIII-B of the California Constitution,* were performed solely to assist you in meeting the requirements. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

1. We obtained the completed worksheets used by the City to calculate its appropriations limit for the year ending June 30, 2026, and compared the limit and annual calculation factors that were adopted by resolution of the City Council. We also compared that the population and inflation options included in the aforementioned worksheets were selected by a recorded vote of the City Council.

   Finding: No exceptions were noted as a result of our procedures.

2. For the accompanying Appropriations Limit Schedule, we added the prior year's limit to the total adjustments, and compared the resulting amount to the current year's limit.

   Finding: No exceptions were noted as a result of our procedures.

3. We compared the current year information presented in the accompanying Appropriations Limit Schedule to corresponding information in worksheets used by the City.

   Finding: No exceptions were noted as a result of our procedures.

4. We compared the prior year appropriations limit presented in the accompanying Appropriations Limit Schedule to the appropriations limit adopted by the City Council for the prior year.

   Finding: No exceptions were noted as a result of our procedures.

We were engaged by the City to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an audit or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the accompanying Appropriations Limit Schedule. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the City, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the City Council and management of the City and is not intended to be and should not be used by anyone other than those specified parties. However, this report is a matter of public record and its distribution is not limited.

The Pun Group, LLP

Santa Ana, California
July 30, 2025

City of Pacific Grove
Appropriations Limit Schedule
For the Year Ending June 30, 2026

	Amount	Source
A. Appropriations Limit from FY 2024-2025	$ 49,842,649	*Prior Year appropriations limit adopted by the City*
B. Adjustment Factors:		
1. Growth in City Population	1.0015	*State Department of Finance*
2. California per Capita Personal Income Growth	1.0644	*State Department of Finance*
3. Adjustment Factor	1.0660	B1*B2
C. Annual Adjustment Increase	3,289,446	A * (B3 - 1)
D. Other Adjustments:		
1) Loss reponsibility (-)	–	N/A
2) Transfer to private (-)	–	N/A
3) Transfer to fees (-)	–	N/A
4) Assumed responsibility (-)	–	N/A
E. Total Adjustments	3,289,446	(C+D)
F. Appropriations Limit FY 2025-2026	$ 53,132,095	(A+E)

See accompanying Notes to the Appropriations Limit Schedule.

City of Pacific Grove
Notes to the Appropriations Limit Schedule
For the Year Ending June 30, 2026

Note 1 – Purpose of Limited Procedures Review

Under Article XIII-B of the California Constitution (the Gann Spending Limitation Initiative), California governmental agencies are restricted as to the amount of annual appropriations from proceeds of taxes. Effective for years beginning on or after July 1, 1990, under Section 1.5 of Article XIII-B, the annual calculation of the appropriations limit is subject to a limited procedures review in connection with the annual audit.

Note 2 – Method of Calculation

Under Section 10.5 of Article XIIIB, for fiscal years beginning on or after July 1, 1990, the appropriations limit is required to be calculated based on the limit for the fiscal year 1986-87, adjusted for the inflation and population factors discussed in Notes 3 and 4 below.

Note 3 – Population Factors

A California governmental agency may use as its population factor either the annual percentage change of the jurisdiction's own population or the annual percentage change in population of the county where the jurisdiction is located. The factor adopted by the City for the year ending June 30, 2026, represents the annual percentage change in population for the county.

Note 4 – Inflation Factors

A California governmental agency may use as its inflation factor either the annual percentage change in the 4th quarter per capita personal income (which percentage is supplied by the State Department of Finance) or the percentage change in the local assessment roll from the preceding year due to the change of local nonresidential construction. The factor adopted by the City for the year ending June 30, 2026, represents the percentage change in California per capita personal income.

Note 5 – Other Adjustments

A California government agency may be required to adjust its appropriations limit when certain events occur, such as the transfer of responsibility for municipal services to, or from, another government agency or private entity. The City had no such adjustments for the year ending June 30, 2026.