From:	Kenneth Catanzarite
То:	Robert Vestal; Jillian Fountain
Cc:	Carole Kendrick; Hugo Escobedo; Melody Arechiga; Darryl Moore
Subject:	RE: 1360 E. 6th St Conditions of Approval
Date:	Monday, March 31, 2025 12:42:40 PM
Attachments:	image001.png
	image002.png
	image003.png
	image004.png

Fine we are at an impasse.

We need to Waiver form because we do not agree with your analysis.

Further we do not see the appeal form on your website so please forward that as well.

We will be making the appeal to City Council for the waiver and appeal.

Thank you.

Ken

From: Robert Vestal <rvestal@beaumontca.gov>

Sent: Monday, March 31, 2025 12:32 PM

To: Kenneth Catanzarite <kcatanzarite@catanzarite.com>; Jillian Fountain

<jfountain@beaumontca.gov>

Cc: Carole Kendrick < CKendrick@beaumontca.gov>; Hugo Escobedo

<hescobedo@beaumontca.gov>; Melody Arechiga <marechiga@beaumontca.gov>; Darryl Moore <dmoore@aegisbuilders.com>

Subject: Re: 1360 E. 6th St -- Conditions of Approval

Mr. Catanzarite,

Please obtain a separate quote for the work, independent of the numbers I provided. The conditions you provided do not meet the difficulties and hardships specified in the ordinance as listed below:

- 1. Certain topographical conditions- No topo conditions impacting the undergrounding of the utilities exist.
- 2. Street configurations- There is nothing unusual regarding the street configuration.
- 3. underground obstacles There are no undergrounding obstacles that I am aware of.
- 4. Soil, Water, or other natural condition- No issue has been identified

The project does not meet the requirements for a waiver, and City staff cannot accept your proposal.

We have reached the conclusion of this email thread. If you wish to continue the discussion it will have to be via a meeting. I have no availability this week and limited availability next week. Please respond with your intent to meet and we can coordinate a date and time.

Sincerely,

ROBERT L. VESTAL

Director of Public Works |City Engineer

From: Kenneth Catanzarite <<u>kcatanzarite@catanzarite.com</u>>
Sent: Monday, March 31, 2025 9:00 AM
To: Robert Vestal <<u>rvestal@beaumontca.gov</u>>; Jillian Fountain <<u>jfountain@beaumontca.gov</u>>
Cc: Carole Kendrick <<u>CKendrick@beaumontca.gov</u>>; Hugo Escobedo
<<u>hescobedo@beaumontca.gov</u>>; Melody Arechiga <<u>marechiga@beaumontca.gov</u>>; Darryl Moore
<<u>dmoore@aegisbuilders.com</u>>
Subject: RE: 1360 E. 6th St -- Conditions of Approval

Mr. Vestel: I am addressing only our present situation, leaving to another day if necessary, the prior ordinance and whether or not it required us to do anything.

What we are down to it appears is the following:

We can and will certainly underground the wires on our property between the two poles one which is on the PL and the other which is 15' from the PL. That will underground 160 linear feet of lines against a total of 175 linear feet of lines or 91.4% of the lines.

We ask that the City waive any further work. Our reasoning is that the pole at 15' is the last of 16 poles in an already developed area. Moving the one pole 10' (to get it within the 5' of the POL) at a \$200,000 cost along with 10' of line at \$400 per foot or \$4,000 for a total of \$204,000 makes no sense economically- indeed it appears punitive. Nor does payment of an in lieu fee of such a prohibitive amount make sense. Nor will it change anything in terms of street view. After all, if you can see 16 poles then moving the 1 pole 10' closer to the remaining 15 pole group makes matters worse not better by concentrating the poles even more. At the same time leaving the 16th pole changes nothing in appearance overall of the street view. That 16th pole cannot be taken down because that would require undergrounding wires not on our property. A utility district to solve the 16 poles at issue is the answer and we would certainly participate in that effort for our fair share.

I also take issue with your contention that the waiver does not apply and refer you to the provision:

If an owner or developer who is the applicant for a permit, or development application subject to the

provisions of this chapter believes that the undergrounding requirement is impractical and will cause practical difficulties and unnecessary hardship due to certain topographical conditions, street configurations, underground obstacles, soil, water or other natural conditions which would make the **placement of existing overhead utilities into new underground systems unreasonable**, the owner or developer shall provide such notice of intent to pursue a waiver with the utility assessment form required by Section 12.18.050.

The conditions are clearly cited:

- 1. We accomplish 91.4% of the objective of the ordinance
- 2. We stand ready to contribute to a utility district
- 3. Because of the overall condition that would require us to underground to the 15th pole about 150' further away he proposed alternative to move the pole 10' at a cost of \$204,000 or incur an in lieu fee of like amount or \$20,400 per lineal foot is clearly unreasonable.
- 4. This coupled wit the fact we did not have notice this ordinance was in the works to cost us 10% of project costs and now faced with these demands is further unreasonable- we would have stopped the project until the issue was resolved or abandoned it.

Please send the cited form for 12.18.050 to us along with the appeal form.

My view, the better policy position in fairness to the developer would be to accept our proposal.

We look forward to your response.

Ken

From: Robert Vestal <<u>rvestal@beaumontca.gov</u>>

Sent: Friday, March 28, 2025 2:17 PM

To: Kenneth Catanzarite <<u>kcatanzarite@catanzarite.com</u>>; Jillian Fountain

<jfountain@beaumontca.gov>

Cc: Carole Kendrick <<u>CKendrick@beaumontca.gov</u>>; Hugo Escobedo

<<u>hescobedo@beaumontca.gov</u>>; Melody Arechiga <<u>marechiga@beaumontca.gov</u>>; Darryl Moore <<u>dmoore@aegisbuilders.com</u>>

Subject: Re: 1360 E. 6th St -- Conditions of Approval

The project was not entitled until 3/25/2025, so the applicable ordinance is the one currently in effect. To your point, the previous code was found in Chapter 17.04.100 in the Beaumont Municipal Code. It was modified as part of the recent undergrounding ordinance. In summary, it required all development to physically underground poles with only one exemption for higher-voltage transmission wires.

Attached are my comments from the first pre-application submitted in 3/2022. One of the comments was to relocate the pole and underground the overhead utilities. My intent is to demonstrate that the project was conditioned to underground the overhead lines from the very first pre-entitlement submittal. I understand your frustration, but I have been with this project from the start and have been consistent with the undergrounding requirement.

Lastly, with the information you have provided, the project does not meet the requirements for a waiver. Below are the waiver requirements:

12.18.080 - Waiver and deferral.

If an owner or developer who is the applicant for a permit, or development application subject to the provisions of this chapter believes that the undergrounding requirement is impractical and will cause practical difficulties and unnecessary hardship due to certain topographical conditions, street configurations, underground obstacles, soil, water or other natural conditions which would make the placement of existing overhead utilities into new underground systems unreasonable, the owner or developer shall provide such notice of intent to pursue a waiver with the utility assessment form required by Section 12.18.050. The burden is imposed on the owner or developer to provide sufficient justification for a waiver to be considered by the City Council. The waiver, if requested, shall be requested and considered prior to the time the approval authority considers the permit or development application. If such waiver is granted, the City may require the owner or developer to pay an in-lieu fee in accordance with Section 12.18.070(G).

(Ord. No. 1169, § 2(Exh. A), 2-6-2024)

Sincerely,

ROBERT L. VESTAL

Director of Public Works | City Engineer

From: Kenneth Catanzarite < <u>kcatanzarite@catanzarite.com</u>>

Sent: Friday, March 28, 2025 1:36:38 PM

To: Robert Vestal <<u>rvestal@beaumontca.gov</u>>; Jillian Fountain <<u>ifountain@beaumontca.gov</u>>

Cc: Carole Kendrick <<u>CKendrick@beaumontca.gov</u>>; Hugo Escobedo

<<u>hescobedo@beaumontca.gov</u>>; Melody Arechiga <<u>marechiga@beaumontca.gov</u>>; Darryl Moore

<<u>dmoore@aegisbuilders.com</u>>

Subject: RE: 1360 E. 6th St -- Conditions of Approval

Mr. Vestal: I cannot find the code in place in 2023 but it appears from the attached ordinance that prior to 2/6/24 the owners had no such requirement to underground absent a district being in place.

Please confirm.

From: Kenneth Catanzarite
Sent: Friday, March 28, 2025 1:11 PM
To: Robert Vestal <<u>rvestal@beaumontca.gov</u>>; Jillian Fountain <<u>jfountain@beaumontca.gov</u>>
Cc: Carole Kendrick <<u>CKendrick@beaumontca.gov</u>>; Hugo Escobedo
<<u>hescobedo@beaumontca.gov</u>>; Melody Arechiga <<u>marechiga@beaumontca.gov</u>>; Darryl Moore
<<u>dmoore@aegisbuilders.com</u>>
Subject: PE: 1260 E_6th St__Conditions of Approval

Subject: RE: 1360 E. 6th St -- Conditions of Approval

Mr. Vestal: We estimate with two poles and the lineal feet that options 1 and 2 would cost approximately \$460,000. That makes the project wholly uneconomical. We have spent approximately \$100,000 on fees thus far and with construction costs estimated at all in \$2 million this \$460,000 is 25% of the budget. Frankly, this is nonsense.

We are not asking to forever not pay, we simply ask that we pay when the district is set up and our share where all the stakeholders and able to evaluate costs.

However, reading your email the City insists on being paid \$460,000 before we could or should build the project. We cannot do that.

Indeed if we had known this we would not have started or paid the development costs thus far.

Please send us the ordinance that was in place when we submitted our plans in early 2023. It is our understanding no such in lieu fee was required at that time. Do you confirm that was the case?

If you contend that the ordinance adopted February 2024 applies, then we disagree and it clearly causes a hardship.

We intend to ask for a Hardship Waiver, a Waiver and/or Appeal.

We cannot find those forms on the City Website so we ask that someone please forward to us so that we can submit them timely.

Thank you in advance.

Ken

From: Robert Vestal <<u>rvestal@beaumontca.gov</u>>
Sent: Friday, March 28, 2025 12:06 PM
To: Kenneth Catanzarite <<u>kcatanzarite@catanzarite.com</u>>
Cc: Carole Kendrick <<u>CKendrick@beaumontca.gov</u>>; Jillian Fountain <<u>jfountain@beaumontca.gov</u>>; Hugo Escobedo <<u>hescobedo@beaumontca.gov</u>>; Melody Arechiga <<u>marechiga@beaumontca.gov</u>>
Subject: Re: 1360 E. 6th St -- Conditions of Approval

Mr. Catanzarite,

The recently adopted Undergrounding of Existing Overhead Utilities Ordinance exempts the project from physically undergrounding the poles. An in-lieu fee is still in effect. This exemption did not occur in previous ordinances. You mentioned the Utility Undergrounding Districts in the March 26th, 2025, Planning Commission Meeting. The Districts still exist, but the project is not within the boundary and was not a part of the assessment.

Consequently, the project has three options to satisfy the approved Conditions of Approval:

- 1. Pay an in-lieu fee for the cost to underground all the poles and overhead lines along the project frontage; or,
- As you mentioned in the March 26th 2025, Planning Commission Meeting; Underground the service pole and overhead utilities, and pay an in-lieu fee for the undergrounding of the distribution pole and remaining overhead utilities.
- 3. Underground all the power poles and overhead utilities along the project frontage.

These options will remain in effect for the duration of the project. Options 1 and 2 require an estimate for the work. For reference, the City is experiencing \$200,000 for pole relocation, \$400 per linear foot for the undergrounding of electrical lines, plus \$75 per linear foot for each additional overhead utility. The project is subject to a relocation fee for the poles as this would be the method you would use to underground the poles. Similarly, the City would need to relocate the pole to accommodate the project.

No further action is required by the Planning Commission or City Council regarding this issue unless you want to modify the Conditions of Approval to reflect the options above. However, any one of the options satisfies the condition, so modifying the conditions is not needed.

Sincerely,

ROBERT L. VESTAL

Director of Public Works |City Engineer

From: Kenneth Catanzarite <<u>kcatanzarite@catanzarite.com</u>
Sent: Thursday, March 27, 2025 6:10 PM
To: Jillian Fountain <<u>ifountain@beaumontca.gov</u>
Cc: Darryl Moore <<u>dmoore@aegisbuilders.com</u>
Subject: FW: 1360 E. 6th St -- Conditions of Approval

Jillian: Thank you for looking into this and we will wait until Monday for your complete research.

Meanwhile please see our exchange on this from May 10, 2024.

Note in particular the last sentence of G. Clearly this shows that the new ordinance should not apply to our project because at the time we submitted

the ordinance did not exist. "...disclose at the time of application their intent to pursue the in-lieu fee..."

Clearly the in lieu fee would have been applied for if it had existed at the time of our application in 2023 a full 12 months before the Adopted 2/6/24.

But now because you adopted after our application you cannot give us the in lieu fee?

And we cannot get the undergrounding cost from the utility because in order to do so Edison first requires an approved project and consent from the adjoining landowner. The ordinance confesses its impossibility.

The adjoining landowner will not agree. And why should they?

Even if applicable now, the in lieu election cannot be made because we cannot get the costs from Edison.

The solution we request is simple: either give us an in lieu fee or simply we leave the pole until you do a district. We then pay.

Planning Commission clearly stated why this makes no sense in this case. The pole is 10 feet from our 170 frontage property line. Visually, there will be no change in street view by that 15 feet move. It is wholly impractical and without benefit to anyone. Indeed it just wastes our money.

We remain of the view the ordinance cannot be applied because it is written prospectively as applicable to those who apply after 2/6/24- that is the only way it can be read and applied.

And the ordinance does not recognize that Edison will not give fees without an entitled project.

The ordinance simply cannot apply to projects started before 2/6/24.

We do not even believe we should have to appeal but that Planning Commission indicated the condition should be waved.

Please save us all the time trouble and money and waive the condition.

Nothing is lost to the City and when you do a district we pay for our lineal 10 feet.

Ken

Kenneth J. Catanzarite President Direct Dial: (714) 678-2100 Direct Fax: (714) 399-0577 Aegis Properties, Inc.

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