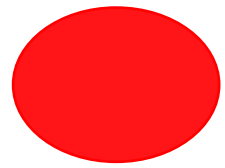


Del Mar City Council Meeting Agenda

Del Mar Town Hall
1050 Camino del Mar, Del Mar, California

March 3, 2026 City Council Meeting

**INFORMATION RECEIVED
AFTER THE COUNCIL AGENDA
WAS DISTRIBUTED
("Red Dots")**



February 27, 2026

+1.619.338.6530
Bmiller@sheppard.com

File Number: 47WF-387822

Mayor Tracey Martinez and Members of the City Council
City of Del Mar
1050 Camino del Mar
Del Mar, California 92014
Via email to: cityclerk@delmar.ca.us
tqaasterland@delmar.ca.us; tmartinez@delmar.ca.us; jspelich@delmar.ca.us;
dquirk@delmar.ca.us

Re: City of Del Mar Council Regular Meeting of March 3, 2026
Agenda Item 11: 2025 Housing Element Annual Progress Report

Dear Mayor Martinez and Members of the City Council:

This firm represents Carol Lazier and the Stensrud Lazier Holding Trust, owner of that certain real property generally referred to as 929 Border Avenue and listed in the City's 6th Cycle Housing Element, Appendix B, Table B-7 as a "Low and Very Low-Income Site" and identified for rezoning pursuant to Housing Program 1E, "Rezone of Vacant North Bluff and/ or South Stratford Properties" (herein, the "Property").

With regard to Program 1E, we dispute the statement in the draft 2025 Housing Element Annual Progress Report ("Report"), prepared by City staff and recommended to be authorized by your Council for submittal to the State Department of Housing and Community Development ("HCD") and the Governor's Office of Land Use and Climate Innovation ("LCI"), that "[no] action [is] required at this time." As set forth in our previous correspondence, the City has failed to meet the deadline to rezone the Property pursuant to Government Code section 65583.2(c) and the City has failed to meet the requirements of Housing Element Program 3A to secure a binding agreement with the 22nd District Agricultural Association ("22nd DAA") for the siting of housing on the Fairgrounds property by April 2024. As such, Program 1E is, in fact, required at this time.

Additionally, the draft Report states:

"[A] private development project (Seaside Ridge) submitted an application seeking benefits they are not entitled to for proposed development on north bluff, including exemptions from CEQA and development inconsistent with General Plan, Zoning Code, and Local Coastal Program in an environmentally sensitive, non-infill site location. City met with developer team in good faith to facilitate permit processing. Owner made clear their intent is to continue with legal challenge and that they will not be submitting a complete application for the City to process. The developer worked in bad faith since 2023 by trying to delay the City's Program 3A fairgrounds housing efforts as a tactic to try and secure 'by right' processing[.]"

We object to the inclusion of this factually and legally inaccurate language in the Report. As the City has been made well aware, by both this firm and the Office of the Attorney General, the “Seaside Ridge” project qualifies for ministerial approval pursuant to the Builder’s Remedy in accordance with California Government Code section 65589.5(f)(6) and (h)(11) and, by law, “shall not be required to apply for, or receive approval of, a general plan amendment, specific plan amendment, rezoning, or other legislative approval.” Moreover, the application for the project is deemed complete as a matter of law pursuant to California Government Code section 65589.5(h)(5) (“[n]otwithstanding any other law, ‘deemed complete’ means that the applicant has submitted a preliminary application pursuant to Section 65941.1”) and California Government Code section 65943(c) (“if the final written determination on the appeal is not made within that 60-day period, the application with the submitted materials shall be deemed complete for the purposes of this chapter”).

We further object to any characterization of the participation of Ms. Lazier or any member of the project development team, including legal counsel, in publicly noticed and open meetings of the 22nd DAA Board as a “bad faith... tactic to try and secure ‘by right’ processing[.]” Not only is Ms. Lazier and every individual on her team entitled by law to comment on the 22nd DAA Board’s consideration of the City’s proposal to site affordable housing on State-owned property pursuant to Government Code section 11125.7 (“the state body shall provide an opportunity for members of the public to directly address the state body on each agenda item before or during the state body’s discussion or consideration of the item”), the City Council as a local legislative body itself is barred by law from prohibiting “public criticism of the policies, procedures, programs, or services of the agency, or of the acts or omissions of the legislative body.” (Gov. Code § 54954.3.) Any attempt to do so violates First Amendment rights and is subject to injunction. (See, e.g., *Leventhal v. Vista Unified Sch. Dist.* (1997) 973 F. Supp. 951, 960, quoting *Schenck v. Pro-Choice Network* (1997) 519 U.S. 357 [“commenting on matters of public concern” is “classic form[] of speech that lie[s] at the heart of the First Amendment”]; *Rosenberger v. Rector & Visitors of the Univ. of Va.* (1997) 515 U.S. 819 [“When the government targets not subject matter but particular views taken by speakers on a subject, the violation of the First Amendment is all the more blatant.”].)

For these reasons we request the City Council direct staff to remove the above language from the Report in its entirety prior to submitting it to the State. We reserve all rights to supplement the above comments and seek judicial relief relating to these matters if and as may be necessary.

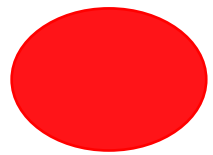
Sincerely,

[Redacted signature]

Brooke Miller
for SHEPPARD, MULLIN, RICHTER & HAMPTON LLP

SMRH:4932-4612-0338.2

cc: Carol Lazier
California Department of Housing and Community Development
(Melinda.Coy@hcd.ca.gov; David.Zisser@hcd.ca.gov)
California Department of Justice, Office of the Attorney General (Alex.Fisch@doj.ca.gov;
david.pai@doj.ca.gov)



Del Mar City Council:

I am very disappointed in your resolution to declare the small, vacant 10th Street property at the Civic Center as surplus land. This one-tenth of an acre parcel was set aside by Miller-Hull in the design of the Civic Center with the utilities installed and capped off in anticipation of the Alvarado House. On that parcel Alvarado House would be the Del Mar History Museum. Del Mar remains the only city in San Diego county without a history museum.

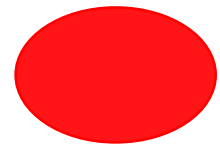
During previous iterations of the Affordable Housing dilemma, you have excluded from consideration many acres of City owned land – North Bluff Preserve, Powerhouse Park, Seagrove Park, Shores Park, and the Del Mar Canyon Preserve. I understand and agree with these exclusions.

My question for you is why can't you add a mere one-tenth of an acre to that list of many acres?

Thank you for your thoughtful consideration,

Larry Brooks
411 9th Street

Leslie Carrillo



From: Susanne Stevenson <goodstevenson@yahoo.com>
Sent: Sunday, March 1, 2026 10:09 AM
To: City Clerk Mail Box; Larry D. Brooks
Cc: Terry TG. Gaasterland; Tracy Martinez; John Spelich-private; Dan Quirk
Subject: Re: RED DOT - Item 11

Follow Up Flag: Follow up
Flag Status: Flagged

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Well done, Larry. It's such a disappointing decision.

On Sunday, March 1, 2026 at 09:15:41 AM PST, Larry D. Brooks <xiceman62@gmail.com> wrote:

Del Mar City Council:

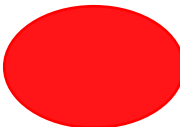
I am very disappointed in your resolution to declare the small, vacant 10th Street property at the Civic Center as surplus land. This one-tenth of an acre parcel was set aside by Miller-Hull in the design of the Civic Center with the utilities installed and capped off in anticipation of the Alvarado House. On that parcel Alvarado House would be the Del Mar History Museum. Del Mar remains the only city in San Diego county without a history museum.

During previous iterations of the Affordable Housing dilemma, you have excluded from consideration many acres of City owned land – North Bluff Preserve, Powerhouse Park, Seagrove Park, Shores Park, and the Del Mar Canyon Preserve. I understand and agree with these exclusions.

My question for you is why can't you add a mere one-tenth of an acre to that list of many acres?

Thank you for your thoughtful consideration,

Larry Brooks
411 9th Street



Leslie Carrillo

From: Buck <buckabell@gmail.com>
Sent: Sunday, March 1, 2026 12:36 PM
To: Larry D. Brooks
Cc: City Clerk Mail Box; Terry TG. Gaasterland; Tracy Martinez; John Spelich-private; Dan Quirk
Subject: Re: RED DOT - Item 11

Follow Up Flag: Follow up
Flag Status: Flagged

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My wife, Penny, and I agree with Larry 100%.

Buck Abell
351 Serpentine Drive

On Sun, Mar 1, 2026 at 9:15 AM Larry D. Brooks <xiceman62@gmail.com> wrote:
Del Mar City Council:

I am very disappointed in your resolution to declare the small, vacant 10th Street property at the Civic Center as surplus land. This one-tenth of an acre parcel was set aside by Miller-Hull in the design of the Civic Center with the utilities installed and capped off in anticipation of the Alvarado House. On that parcel Alvarado House would be the Del Mar History Museum. Del Mar remains the only city in San Diego county without a history museum.

During previous iterations of the Affordable Housing dilemma, you have excluded from consideration many acres of City owned land – North Bluff Preserve, Powerhouse Park, Seagrove Park, Shores Park, and the Del Mar Canyon Preserve. I understand and agree with these exclusions.

My question for you is why can't you add a mere one-tenth of an acre to that list of many acres?

Thank you for your thoughtful consideration,

Larry Brooks
411 9th Street



Leslie Carrillo

From: Jeff Barnouw <barnouw@yahoo.com>
Sent: Sunday, March 1, 2026 1:13 PM
To: City Clerk Mail Box
Subject: Red Dot Letter Item #11 City Council Meeting March 3

Follow Up Flag: Follow up
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To:City Clerk Mail Box
Sun, Mar 1

I want to second the remarks of Larry Brooks, President of the Del Mar Historical Society. The value of the material culture of our past should weigh more heavily in determining such choices as the eventual use of this parcel for our future.

Del Mar City Council:

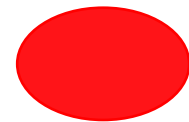
I am very disappointed in your resolution to declare the small, vacant 10th Street property at the Civic Center as surplus land. This one-tenth of an acre parcel was set aside by Miller-Hull in the design of the Civic Center with the utilities installed and capped off in anticipation of the Alvarado House. On that parcel Alvarado House would be the Del Mar History Museum. Del Mar remains the only city in San Diego county without a history museum.

During previous iterations of the Affordable Housing dilemma, you have excluded from consideration many acres of City owned land – North Bluff Preserve, Powerhouse Park, Seagrove Park, Shores Park, and the Del Mar Canyon Preserve. I understand and agree with these exclusions.

My question for you is why can't you add a mere one-tenth of an acre to that list of many acres?

Thank you for thinking about this seriously.

Jeff Barnouw
705 Amphitheatre Drive



From: Tate Scott <tate.scott@gmail.com>
Sent: Thursday, February 26, 2026 8:34 AM
To: City Clerk Mail Box
Cc: Tracy Martinez; Dan Quirk; John Spelich; Terry Gaasterland; Ashley Jones
Subject: Red Dot - Item 13 - UP Updated Long-Term Cash Flow Analysis

Follow Up Flag: Follow up
Flag Status: Flagged

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Dear City Council, City Manager, Staff, Committee Members and Residents,

City staff and the Undergrounding Program Advisory Committee (UPAC) deserve real credit for recent progress. They have reduced the projected total program cost from \$209.8 million (November 2024) to \$121.8 million — an \$88 million or 42% drop — and proposed a thoughtful phasing plan that would advance District 2 (Beach Colony) three years earlier than previously expected while staying within the Council’s pay-as-you-go framework. These are genuinely positive developments driven by strong cost controls and favorable 2025 bids.

That said, the program’s enormous scale and repeated forecasting volatility raise serious governance and risk-management concerns that must be addressed.

Undergrounding is a huge project - the revised \$121.8 million commitment is staggering: it equals more than 2.5 times the City’s entire annual operating and capital budget (\$48.4 million in FY 2025-26 and \$65.0 million in FY 2026-27) and roughly 6–7 years of General Fund operating expenditures in a community of only 3,900 residents. Peak construction years under the proposed phasing could still require \$10–16 million+ annually, dominating capital spending and staff bandwidth for decades. This is by far the largest capital project in Del Mar’s history.

Of highest concern is the extreme volatility in the forecasts themselves. The \$88 million (42%) reduction occurred in just 15 months (November 2024 to February 2026). While the potential savings are welcome, this is still a significant forecasting miss — exactly the pattern shown in the December 12, 2024 UPAC agenda, where staff explicitly reviewed the history of underground cost estimates and presented the then-current \$105.6 million base (with escalated scenarios reaching \$197–\$222 million). Earlier examples include the Tewa Court pilot ballooning 51%, Stratford Court South nearly doubling in mid-2024, and multiple upward revisions followed by large downward corrections.

This underscores two critical risks in the forecasting process:

- Recency bias — the new lower estimate heavily weights today’s temporarily favorable bids and SDGE revisions.
- Latency factor — many real cost increases only show up years later, and the current \$121.8 million forecast is based in part on districts that are still in design or have no final invoices yet.

The pattern is consistent with the May 2024 Crowe LLP audit of SDG&E (which found 80%+ understatements on similar projects, including one in Del Mar).

Del Mar is fortunate to have two excellent, separate expert groups: the Undergrounding Program Advisory Committee (UPAC) that brings deep project-specific knowledge, and the Finance Committee that brings independent city-wide financial oversight. These **separate** roles are valuable and should be preserved.

Therefore, as this is clearly the largest project in our city's history, the Finance Committee — not UPAC — should drive the comprehensive financial analysis.

The core problem is that without full city-wide projections, we simply cannot see the choke points that may appear years from now. We won't know when cash could get tight, when reserves might drop too low, when pension or other liabilities start to pressure the budget, or when other vital needs (roads, parks, shoreline protection) compete for the same limited dollars. The dramatic swings we've already seen in undergrounding estimates prove how important it is to have this complete picture before we commit taxpayer dollars for decades.

To address these concerns responsibly, I respectfully recommend that the Finance Committee (with staff) be directed to independently prepare clear, comprehensive 15–20 year financial projections for the entire City (not limited to the undergrounding project).

Specifically, please provide the two conventional parallel sets:

1. Without the full Undergrounding Program (baseline city-wide scenario), and
2. With the full phased Undergrounding Program (baseline plus Undergrounding city-wide scenario).

For each scenario, please include straightforward long-term forecasts prepared in accordance with governmental accounting standards (GASB). These forecasts should present a complete picture of all items impacting cash flow, structured in the manner of a Sources and Uses of Funds statement under GAAP, showing:

- All City revenues and expenditures year by year,
- The resulting impact on reserves and available cash balances,
- All major assets and liabilities (including pensions, retiree healthcare obligations, existing debt, and contingent liabilities), and
- Full “what-if” sensitivity analysis ($\pm 20\text{--}30\%$) on every key driver, such as Measure Q sales tax revenues, construction and SDGE costs, inflation rates, and interest rates.

Only this kind of conventional, thorough, independent and Finance Committee driven city-wide analysis can surface hidden choke points and risks, show the true impact on the City's overall budget and reserves, and give Council the clear picture needed before locking in taxpayer commitments for decades.

Without conventional comprehensive city-wide projections and full sensitivity analysis, we also cannot confidently say that the pay-as-you-go plan will remain viable over the full 15–20 year horizon. A single unfavorable swing in revenues or costs could force difficult choices later — exactly what we want to avoid.

This is our biggest project ever at over \$30,000 per resident. This demands a thorough, conventional financial impact analysis that examines the full city-wide picture — and that analysis should be driven by our Council-appointed Finance Committee experts.

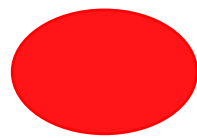
Thank you again for your service to Del Mar.

Respectfully,

Tate Scott

1200 Oribia Rd

/wts



Leslie Carrillo

From: Bill Carpenter <bill@bcarpenter.com>
Sent: Monday, March 2, 2026 8:21 AM
To: Dan Quirk; Terry Gaasterland; Tracy Martinez; John Spelich; City Clerk Mail Box
Subject: City Countil Meeting 3/3 Item #13 - Undergrounding

Follow Up Flag: Follow up
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City Council -

Please move ahead with planning NOW for ALL undergrounding districts, finance construction with a bond issue, and enjoy the resulting economies of scale AND increased property tax revenues.

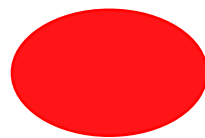
Government needs to balance efficiency with fairness. Most of Del Mar has waited patiently as other districts go first. We've crawled (Tewa) and walked (Districts 1) - **it's time to run!**

Cleaning up the visual pollution from overhead power lines will not only make our town prettier - it will boost overall property values. Views drive property values. Del Mar will benefit from that as homes are resold at higher values (on average) resulting in higher property tax assessments - and payments by the new owners.

Bill Carpenter
Luneta Drive

Bill Carpenter | Strategic Advisor & Broker Associate DRE#01943283
Bill@BCarpenter.com | **858.232.2339** m [SeaDreamHomes.com](https://www.SeaDreamHomes.com)





Leslie Carrillo

From: Jenny <jdbelezzuoli@gmail.com>
Sent: Monday, March 2, 2026 8:56 AM
To: City Clerk Mail Box
Subject: Del Mar City Council Meeting 3/3/2026 Item # 13 undergrounding project

Follow Up Flag: Follow up
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Honorable City Council Members,

We whole heartedly support Scenario # 3 as outlined in Mr. Quirk's email dated March 2, 2026.

We believe the prudent use of pay as you go financing to accelerate the undergrounding of our powers lines for the entire city and its residents is a critical action item. Removing overhead power lines and the aging poles is essential for safe and reliable delivery of power for all our residents and businesses.

Scenario #3 takes advantage of synergies in the process and creates an efficient and effective plan to action.

Please adopt Scenario #3 as our plan of action.

Respectfully,

Jennifer and Ernest Belezuoli
424 Carolina Road

858-342-7400

Jdbelezzuoli@gmail.com