

Minutes

City Council/Public Financing Authority City of Huntington Beach

Tuesday, June 6, 2023
2:00 PM – Council Chambers
6:00 PM – Council Chambers
Civic Center, 2000 Main Street
Huntington Beach, California 92648

A video recording of the 2:00 PM and 6:00 PM portions of this meeting is on file in the Office of the City Clerk, and archived at www.surfcity-hb.org/government/agendas/

2:00 PM — COUNCIL CHAMBERS

CALLED TO ORDER — 2:02 PM

ROLL CALL

Present: Kalmick, Moser, Van Der Mark, Strickland (**arrived at 2:15 PM**), McKeon, Bolton, and Burns
Absent: None

CITY COUNCILMEMBER COMMENTS (3-Minute Time Limit)

Councilmember McKeon read aloud a letter he received from a resident that thanked him for witnessed improvements to vagrancy and loud vehicle issues that present a threat to public health, shared support for volunteerism with organizations designed to help the homeless, and expressed their love for a multiracial and multicultural living environment.

Councilmember Moser shared information about the HB Community Café event held at the Central Library on May 31 where the discussion topic was, “*A Neighborly Conversation about Homelessness.*” She stated that the event was well-attended, recognized participation by HBPD Lieutenant Brian Smith, and enjoyed good food provided by Say Yum Thai Street Food.

ANNOUNCEMENT OF SUPPLEMENTAL COMMUNICATIONS PERTAINING TO STUDY SESSION AND/OR CLOSED SESSION ITEMS (Received After Agenda Distribution) — None

PUBLIC COMMENTS PERTAINING TO STUDY AND/OR CLOSED SESSION ITEMS — None

STUDY SESSION

1. 23-468 Parking Study

Community Development Director Ursula Luna-Reynosa introduced this item by providing a brief background of parking standards city wide, and introduced Walker Consultants.

Community Development Director Ursula Luna-Reynosa, and City Consultant Steffen Turoff, Director of Planning, Policy and Financial Studies with Walker Consultants, presented a PowerPoint communication titled *City of Huntington Beach, Parking Requirements Review and Update Downtown, Industrial Districts, and Citywide* with slides entitled: *Presentation Agenda; 01|Study Purpose and Focus Areas; Study Purpose; Data Collection; 02|Citywide; Determining Appropriate Parking Requirements; Citywide - Observations; Citywide - Minimum Parking Requirement Recommendations; 03|Industrial; Industrial District Parking Requirement Issues; Industrial - Recommendations; 04|Downtown; Downtown Existing Parking Supply (Spaces); Weekday Parking Occupancy; Weekend Parking Occupancy; Demand Over Time - Weekday; Demand Over Time - Weekend; Downtown - Recommendations; and Next Steps.*

Councilmember McKeon stated interest in requiring parking studies for each development project.

Councilmember Kalmick called attention to consistent data reported since 2008 that addresses the 30 worst parking days of the year in the Downtown, noting that he will probably not support additional parking requirements for that specific issue. He provided support for review of parking requirements for allowing restaurants in industrial areas, and suggested establishing development project thresholds rather than requiring a parking study for every project. He also cautioned about policies that may just shunt parking into residential areas.

Councilmember Moser asked that the data from this study be included in any future parking fee increase considerations, especially the time-of-day data.

Councilmember Bolton stated her support for Downtown parking fees based on demand, and confirmed with Director Luna-Reynosa those details are not currently available.

Director Luna-Reynosa suggested that Council might want to ensure that parking is prioritized during the upcoming Strategic Planning Session so that staff clearly understands how much more time and resources they should focus on this issue in the near future.

Councilmember McKeon asked that staff provide data on projects in the last year that had parking challenges for the Strategic Planning Session.

A motion was made by Bolton, second Burns, to recess to Closed Session for Items 2 – 8.

Mayor Strickland publicly announced Closed Session Item No. 3 — Labor Negotiations: Police Management Association (PMA).

RECESSED TO CLOSED SESSION – At 2:38 PM, motion by Bolton, second by Burns.

CLOSED SESSION

- 2. 23-472 PUBLIC EMPLOYEE PERFORMANCE EVALUATION: Pursuant to Government Code §54957 for performance evaluation of the City Manager.**
- 3. 23-494 CONFERENCE WITH LABOR NEGOTIATORS (Gov. Code section 54957.6.) Agency designated representatives: Al Zelinka, City Manager, and Peter Brown, Chief Negotiator; also in attendance: Jose Rodriguez, Human Resources Manager; Theresa St Peter, Interim Director of Human Resources; Travis Hopkins, Assistant City Manager; Michael E. Gates, City Attorney; Eric Parra, Chief of Police; and**

Sunny Han, Acting Chief Financial Officer. Employee Organization: Police Management Association (PMA).

4. **23-473 CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION. (Paragraph (1) of subdivision (d) of Section 54956.9). Name of case: Tater/Staniskis v. City of Huntington Beach, et al.; USDC Case No. 8:20-cv-01772-MEMF (JDEx).**
5. **23-474 CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION. (Paragraph (1) of subdivision (d) of Section 54956.9). Name of case: Tabares (Tiffany) v. City of Huntington Beach/Eric Esparza; OCSC Case No.: 30-2021-01200297.**
6. **23-475 CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION. (Paragraph (1) of subdivision (d) of Section 54956.9). Name of case: Briscoe (John) v. Robin Estanislau, et al.; OCSC Case No. 30-2022-01273424.**
7. **23-476 CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION. (Paragraph (1) of subdivision (d) of Section 54956.9). Name of case: Kennedy Commission, et al. v. City of Huntington Beach, et al.; OCSC Case No. 30-2015-00801675.**
8. **23-486 CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION. (Paragraph (1) of subdivision (d) of Section 54956.9). Name of case: People of the State of California/Bonta v. City of Huntington Beach/Zelinka; Case No. 30-2023-01312235.**

6:00 PM — COUNCIL CHAMBERS

RECONVENED CITY COUNCIL/PUBLIC FINANCING AUTHORITY MEETING — 6:01 PM

ROLL CALL

Present: Kalmick, Moser, Van Der Mark, Strickland, McKeon, Bolton, and Burns
Absent: None

PLEDGE OF ALLEGIANCE — Led by Councilmember Bolton

INVOCATION

In permitting a nonsectarian invocation, the City does not intend to proselytize or advance any faith or belief. Neither the City nor the City Council endorses any particular religious belief or form of invocation.

9. 23-464 Huntington Beach Police & Fire Chaplain Roger Wing

CLOSED SESSION REPORT BY CITY ATTORNEY — By a vote of 7 – 0, the City Council authorized the City Attorney to file an appeal with the Supreme Court in the case of Kennedy Commission, et al. v. City of Huntington Beach, et al.; OCSC Case No. 30-2015-00801675.

ANNOUNCEMENT OF SUPPLEMENTAL COMMUNICATIONS (Received After Agenda Distribution)

Pursuant to the Brown "Open Meetings" Act, City Clerk Robin Estanislau announced supplemental communications that were received by her office following distribution of the Council Agenda packet, and uploaded to the City's website and Councilmember iPads:

City Manager's Report Item #12 (1 PowerPoint presentation, 1 email); Consent Calendar Item #16 (1 Staff memo); Item #17 (1 email); #22 (1 PowerPoint presentation); Administrative Items #25 (1 email); Councilmember Items #26 (2 emails); and #27 (4 emails).

MAYOR'S ANNOUNCEMENT

10. 23-477 Mayor Strickland recognized May 23rd as "Sammy Hagar Day," acknowledging the rock star and his investment in Huntington Beach via the new Cabo Wabo Beach Club at the Waterfront Beach Resort

Mayor Strickland thanked rock star Sammy Hagar for his heavy investment in Huntington Beach, and noted that profits from Cabo Wabo Beach Club at the Waterfront Beach Resort will be donated to charity.

PUBLIC COMMENTS (3-Minute Time Limit) — 14 Speakers

The number [hh:mm:ss] following the speakers' comments indicates their approximate starting time in the archived video located at <http://www.surfcity-hb.org/government/agendas>.

Mike Ali, a Vietnam Veteran, was called to speak and introduced Anne Dunsmore after handing each Councilmember a "challenge" coin to remind them to help stop "sui-silence" i.e., silence on veteran suicides. (00:42:00)

Anne Dunsmore, Angel Force USA Founder, was called to speak and shared details related to entertaining, engaging and educating the public on the issue of veteran suicides. Ms. Dunsmore announced details for the Angel Force USA event from 11 am to 5 PM at Zack's on Sunday, June 11, and encouraged everyone to attend the Vietnam Veterans Pinning Ceremony at 11 am, and enjoy the live band performance afterwards. (00:42:26)

Amory Hanson was called to speak and stated his support for Councilmember Items #27 regarding decertification of Beach/Edinger Corridor Specific Plan Environmental Impact Report (EIR). (00:46:01)

Andrew Einhorn, a resident of Huntington Beach, was called to speak and dedicated his discussion to those who have experienced hate. Mr. Einhorn requested, for the fifth time, that an external board be commissioned to conduct a thorough, ethical and non-partisan investigation of the Councilmember who has been accused of making racist statements on social media. (00:47:40)

Russell Neal, a resident of Huntington Beach, was called to speak and shared his opinions related to Pride month, specifically his opposition to the City of Huntington Beach Public Library's "Rainbow Book Month" children's program and Pride activity kits for kids. He asked City Council to put a stop to these efforts. (00:50:47)

Tim Geddes, a Huntington Beach voter since 1984, was called to speak and asked that if Council approves Councilmember Items #27 regarding the request to form a Charter Review Ad Hoc Committee to recommend proposed Charter amendments, it also insists on diversity for the Ad Hoc Committee so that not just the Council majority are represented. (00:53:19)

Unnamed Guest was called to speak and read her prayer of invocation and moment of silent reflection. (00:56:30)

Brenda Glim, a long-time Huntington Beach homeowner, was called to speak and shared historical information on the original Pledge, as well as repeating a modified statement of invocation written by Angela Parra that Angela had presented to her Council in Florida. (00:59:36)

Pat Goodman was called to speak and shared information related to the October 2, 2021, local ocean oil spill off our coast that prevented continuation of the Pacific Airshow on its last day. She shared her opinion that the City of Huntington Beach has no liability for that situation, and should not be obliged to spend taxpayer monies to any impacted business. (01:02:44)

Ken Inouye, a 50-year resident of Huntington Beach, was called to speak and shared his support for the Pacific Air Show and the value it provides to the community. He thanked City Attorney Michael Gates for meeting with him personally to discuss the promoter's lawsuit and outcome. Mr. Inouye expressed his expectation that at some point in time full disclosure is needed to explain why the City taxpayers are paying over \$7M to settle this matter. (01:05:09)

Connie Boardman, former Huntington Beach Mayor and Councilmember, was called to speak and shared her opinions related to the hate being spread regarding Pride month and LGBTQ+ books in the Huntington Beach Public Library. Ms. Boardman thanked the librarians for featuring books about the LGBTQ+ community during Pride month. (01:07:58)

Melvyn Sterling, Navy veteran, and former Director of UCI's Emergency Department and Orange County's Level 1 Trauma Center, was called to speak. Mr. Sterling stated his support for the comments made by previous speaker Andrew Einhorn, and asked that Councilmembers all help to keep Huntington Beach safe for everybody. (01:10:38)

Adam Wood, Building Industry Association – OC Representative, was called to speak and stated opposition to Councilmember Items #27 regarding decertification of the Beach/Edinger Corridor Specific Plan EIR. (01:13:04)

Unnamed Guest was called to speak and stated his support for the Pacific Air Show that he believes brings in approximately \$120M to the City each year. He further stated he does not understand the outcry over a settlement of \$7M over seven years. (01:15:10)

COUNCIL COMMITTEE APPOINTMENT ANNOUNCEMENTS — None

AB 1234 REPORTING — None

OPENNESS IN NEGOTIATION DISCLOSURES

Councilmember Kalmick reported speaking with representatives of the Huntington Beach Police Officers' Association (POA).

CITY MANAGER'S REPORT

11. 23-466 May 2023 Vector Control Board AB 1234 Report

City Manager Al Zelinka shared that Vector Control Trustee Mike Posey's Report was provided through Supplemental Communication and previously made available to the public and Councilmembers.

12. 23-493 Quality of Life Community Survey Results Presentation

City Manager Al Zelinka introduced City Consultant, Dr. Richard Bernard, FM3 Research, who presented a PowerPoint communication titled *Huntington Beach Quality of Life Survey Summary of Key Results* with slides entitled: *Survey Specifics and Methodology*; *General Community Attitudes*; *Nearly 8-in-10 respondents rate Huntington beach as either an "excellent" or "good" place to live with almost none calling it "poor"*; *Consistent with findings from other communities in the current environment, views on the direction of the City are mixed*; *Issues in Huntington Beach*; *Homelessness is highest priority issue for Huntington Beach residents (2)*; *Satisfaction with City Services*; *Two-thirds are satisfied with the job the City government is doing in providing services to residents and businesses*; *Huntington Beach residents are also largely satisfied with many services provided by the City (2)*; *Priorities for Future Investment - Beaches*; *Specifically at beaches, there is a strong sense of need to improve the safety, cleanliness and maintenance of bathrooms*; *Sources of Information*; and *Respondents rely on a variety of information sources including City mailers, City service guides, and unofficial Facebook groups (3)*.

Councilmember Burns and Dr. Bernard discussed how the 533 residents were found that participated in the study, and Dr. Bernard reiterated the *Survey Specifics and Methodology* slide of his presentation.

Councilmember Kalmick shared that "too much growth" and "cost of housing" were inverse to what he expected, and noted that most people are getting information from friends and family. He said in his mind the next question should be "Where are your friends and family getting their information?" Dr. Bernard noted that Huntington Beach is not unique and most people are getting information from friends and family.

Councilmember Moser expressed her appreciation for statistically relevant data to be used for moving forward, and confirmed with Dr. Bernard the final report will include more details, including the question asked by Councilmember Kalmick: "Where are your friends and family getting their information?"

CITY ATTORNEY'S REPORT

13. 23-484 Update on the City of Huntington Beach v. State, Department of Finance lawsuit

City Attorney Michael Gates reported the State Finance Department sent a letter to the City last week indicating their confirmation of approval of payment on the \$22.4M that is being returned to Huntington Beach by the State of California. City Attorney Gates noted this is significant as it appears there will not be an appeal of the lower court's ruling in this case. He stated that with interest the final amount will be closer to \$25M, in addition to the \$6.8M the court already awarded in a previous decision.

14. 23-485 Update on the Pacific Airshow v. City of Huntington Beach lawsuit and settlement

City Attorney Michael Gates reported that Pacific Airshow communicated that it was not planning to return to the City if it could not reach a compromise through the lawsuit. Without revealing any confidential communication or details of Closed Session discussions with City Council, City Attorney Gates reiterated that a settlement was reached between Pacific Airshow and City of Huntington Beach on May 9, 2023, and was announced the same day. He noted a recent *Voice of OC* article, which contains a number of errors and misrepresentations raising concerns about ethics and transparency of the settlement.

City Attorney Gates stated the handling of this case occurred just like every other case. He added, with regard to process, settlement negotiations in all cases are presented to the entire City Council in writing and discussed in Closed Session; all negotiation terms are voted on by the entire City Council; and, there

is no negotiated term in a final settlement that the City Council has not seen in writing, discussed, and authorized by a vote. He also stated that publicly published Closed Session Agendas show that he met with City Council, in Closed Session, regarding this Pacific Airshow case, a number of times between December 2022 and the May settlement.

City Attorney Gates noted that no Councilmember ever sent him an email, or a letter, or directly told him they had any ethical or transparency concerns during the approximately five months of settlement negotiations. After the Pacific Airshow lawsuit was settled, a summary of negotiated terms that meet State law was released to the public on a number of occasions. He specifically noted State law §54957.1, Subsection A 3(b), as providing for a disclosure of "the substance of the agreement."

City Attorney Gates noted a few reasons the settlement was announced this way: 1) the government code does not expressly require disclosure of the entire final settlement agreement; and 2) the City Council authorized in December 2022 pursuit of legal action against Oil Spill defendants in a new City lawsuit. Because of that potential pending litigation, the law creates an exception for disclosure of documents under Government Code §7927.200 and §7927.205 to not require disclosure of documents or records which may affect any litigation.

City Attorney Gates stated the City has always followed the law, and the Pacific Airshow settlement was handled in the exact same way that all other settlements have occurred in the past. He closed his report by stating that any criticism by anyone regarding this case is completely without merit, and continuing to make such statements only serves to harm the City.

Councilmember Moser noted she believes that full settlement agreements in the past have been recorded in Laserfiche and City Attorney Gates responded he would be happy to review anything she provides him.

Councilmember McKeon confirmed that there is no negotiated term in this settlement that the City Council had not seen in writing, discussed, and authorized by a vote.

Mayor Pro Tem Van Der Mark suggested that if Councilmembers Bolton, Kalmick, and Moser feel that the other Councilmembers have been unethical or non-transparent in this settlement, they should address their concerns to their fellow Councilmembers rather than making those comments to the public. She added that the actions taken to date by the three mentioned Councilmembers do not help to create a cohesive City Council, and actually do harm to the City.

Councilmember Bolton stated that ultimately it would be up to a judge to decide what is appropriate to release in a settlement agreement to the public.

City Attorney Michael Gates stated for the record he is not aware of a lawsuit, pending lawsuit, or threat of a lawsuit regarding this situation, and asked any Councilmember who has different information to reach out to him off-line.

CITY CLERK'S REPORT

15. 23-458 May Update of Activities for Citizen Boards, Commissions, Committees (BCCs) and Regional Agencies

City Clerk Robin Estanislau introduced a new monthly high-level report by Staff Liaisons to keep the City Council, staff and citizens advised of the activities of the City's boards, commissions and committees

(BCCs). She described a new website portal that allows Staff Liaisons to enter details on their respective board activities, and noted the portal includes agendas and minutes for easy one-stop public access.

City Clerk Estanislau noted this portal provides an additional tool for Council Liaisons to report out to the community Regional Agency action.

Mayor Strickland stated he would not be participating in this effort because meeting notices, agendas and minutes for these boards, commissions and committees are already publicly available, and he sees this as adding to Councilmember burdens.

Councilmember Moser asked if it is possible to include whether Council Liaisons are present for each meeting. Mayor Strickland noted that currently member attendance is documented and available publicly via minutes.

Councilmember Bolton shared her understanding that this is a convenient way to report out to the community and make it easier for residents to access information without necessarily having to know the exact names for boards, committees, commissions or regional agencies. She thanked staff for implementing this process.

CONSENT CALENDAR

OFFICE OF THE CITY CLERK

16. 23-457 Approved and Adopted Minutes

A motion was made by Burns, second Van Der Mark to approve and adopt the City Council/Public Financing Authority regular meeting minutes of May 16, 2023, **as amended by Supplemental Communication**; and, approve and adopt the City Council/Public Financing Authority special meeting minutes of May 16, 2023.

The motion as amended carried by the following roll call vote:

AYES: Kalmick, Moser, Van Der Mark, Strickland, McKeon, Bolton, and Burns
NOES: None

POLICE DEPARTMENT

17. 23-462 Annual Military Equipment Use Report (AB 481)

A motion was made by Burns, second Van Der Mark to find that each type of military equipment identified in that report attached hereto as Attachment 1 complies with the following standards for approval: 1. The military equipment is necessary because there is no reasonable alternative that can achieve the same objective of officer and civilian safety. 2. The proposed military equipment use policy will safeguard the public's welfare, safety, civil rights, and civil liberties. 3. Any future purchased equipment is reasonably cost effective compared to available alternatives that can achieve the same objective of officer and civilian safety. 4. Prior military equipment use complied with the military equipment use policy that was in effect at the time, or if prior uses did not comply with the accompanying military equipment use policy, corrective action has been taken to remedy nonconforming uses and ensure future compliance; and, renew Ordinance No. 4255 authorizing the continued use of the listed military equipment by the Police Department (Annual Military Equipment Use Report (AB 481), Exhibit 3).

The motion carried by the following roll call vote:

AYES: Kalmick, Moser, Van Der Mark, Strickland, McKeon, Bolton, and Burns
NOES: None

PUBLIC WORKS DEPARTMENT

18. 23-434 Approved and authorized execution of a Professional Services Contract in the amount of \$1,350,000 over 3 years with Enterprise Automation to provide On Call Engineering Services for Water and Wastewater SCADA Systems

A motion was made by Burns, second Van Der Mark to approve and authorize the Mayor and City Clerk to execute the "Professional Services Contract between the City of Huntington Beach and Enterprise Automation for On-Call Engineering Services for Water and Wastewater SCADA Services.

The motion carried by the following roll call vote:

AYES: Kalmick, Moser, Van Der Mark, Strickland, McKeon, Bolton, and Burns
NOES: None

19. 23-437 Accepted bid and authorized execution of a construction contract with Crosstown Electrical & Data, Inc. in the amount of \$445,480.00 for the construction of fiber optic communications along Garfield Avenue (CC-1682), and authorized change orders (as needed) not to exceed 15 percent

A motion was made by Burns, second Van Der Mark to accept the lowest responsive and responsible bid submitted by Crosstown Electrical & Data, Inc., in the amount of \$445,480.00; and, authorize the Mayor and City Clerk to execute a construction contract in a form approved by the City Attorney; and, authorize the Director of Public Works to execute change orders not to exceed a total of 15 percent of the construction costs, or \$66,822.

The motion carried by the following roll call vote:

AYES: Kalmick, Moser, Van Der Mark, Strickland, McKeon, Bolton, and Burns
NOES: None

20. 23-447 Accepted bid and authorized execution of a construction contract with International Line Builders, Inc. in the amount of \$250,656.00 for the construction of Fiber Optic Communications to the Oak View Community Center and water well, CC-1636 and authorized change orders not to exceed 15 percent

A motion was made by Burns, second Van Der Mark to accept the lowest responsive and responsible bid submitted by International Line Builders, Inc. in the amount of \$250,656.00; and, authorize the Mayor and City Clerk to execute a construction contract in a form approved by the City Attorney; and authorize the Director of Public Works to execute change orders not to exceed a total of 15 percent of the construction contract, or \$37,598.

The motion carried by the following roll call vote:

AYES: Kalmick, Moser, Van Der Mark, Strickland, McKeon, Bolton, and Burns
NOES: None

21. 23-460 Accepted bid and authorized execution of a construction contract with Crosstown Electrical & Data, Inc., in the amount of \$625,650 for the construction of fiber optic communications along Gothard Street (CC-1692), issuance of change orders not to exceed 15 percent (as needed), and the appropriation of \$149,805 from the undesignated Traffic Impact Fee fund balance

A motion was made by Burns, second Van Der Mark to accept the lowest responsive and responsible bid submitted by Crosstown Electrical & Data, Inc., in the amount of \$625,650.00; and, appropriate \$149,805 of undesignated Traffic Impact Fee balance to Traffic Impact Fee account 20685201.82700; and, authorize the Mayor and City Clerk to execute a construction contract in a form approved by the City Attorney; and, authorize the Director of Public Works to execute change orders (as needed) not to exceed a total of 15 percent of the construction contract, or \$93,848.

The motion carried by the following roll call vote:

AYES: Kalmick, Moser, Van Der Mark, Strickland, McKeon, Bolton, and Burns
NOES: None

22. 23-461 Approved the Infrastructure Fund Annual Report for FY 2021/22

A motion was made by Burns, second Van Der Mark to approve the Infrastructure Fund Annual Report for FY 2021/22.

The motion carried by the following roll call vote:

AYES: Kalmick, Moser, Van Der Mark, Strickland, McKeon, Bolton, and Burns
NOES: None

23. 23-463 Accepted bid and authorized execution of a construction contract with Elecnor Belco Electric, Inc. in the amount of \$145,763 for the construction of Fiber Optic Communications to the Central Library, CC-1722, and authorized change orders not to exceed 15 percent

A motion was made by Burns, second Van Der Mark to accept the lowest responsive and responsible bid submitted by Elecnor Belco Electric, Inc. in the amount of \$145,763; and, appropriate \$90,815 of undesignated Public Education and Government Access (PEG) funds to PEG fund business unit 24385101.82800; and, authorize the Mayor and City Clerk to execute a construction contract in a form approved by the City Attorney; and, authorize the Director of Public Works to execute change orders not to exceed a total of 15 percent of the construction contract, or \$21,864.

The motion carried by the following roll call vote:

AYES: Kalmick, Moser, Van Der Mark, Strickland, McKeon, Bolton, and Burns
NOES: None

PUBLIC HEARING

24. 23-481 **CONTINUED TO JUNE 20 WITH PUBLIC HEARING OPEN request to consider adoption of Resolution No. 2023-24 to Adopt a Budget for the City for Fiscal Year 2023/2024 and Authorize the Corresponding Appropriation and Transfer of \$4.9 Million of AES Reserves and \$3.9 Million of Equipment Replacement Reserves and Return to a 12-year Paving Cycle; Resolution No. 2023-25 Establishing the Gann Appropriation Limit for Fiscal Year 2023/2024; Resolution No. 2023-23 Levying a Retirement Property Tax for Fiscal Year 2023/2024 to Pay for Pre-1978 Employee Retirement Benefits; Resolution No. 2023-27 Amending the City's Classification Plan by Adding the Classifications of Graphic Designer, Multimedia Officer, and Municipal Records Manager; Resolution No. 2023-28 to Adopt a Revised General Fund Reserve Policy; Resolution No. 2023-26 Acknowledging Receipt of a Report Made by the Fire Chief of the Huntington Beach Fire Department Regarding the Inspection of Certain Occupancies Required to Perform Annual Inspections in such Occupancies Pursuant to Sections 13146.2 and 13146.3 of the California Health and Safety Code; Approve and Authorize the execution of Amendment No. 2 to the Agreement between the City of Huntington Beach and Mind OC for Pilot Mobile Crisis Response Program; and Approve and Authorize the Execution of Professional Services Contract between the City of Huntington Beach and National Council for Community Development (NDC) for Technical Assistance Services**

Sunny Han, Acting Chief Financial Officer, and Tom Herbel, City Engineer, presented a PowerPoint communication titled *City of Huntington Beach FY 2023/24 Budget Adoption* with slides entitled: *Presentation Overview; FY 2022/23 General Fund Budget Update; Economic Overview & Local Budgetary Impacts; Proposed FY 2023/24 General Fund Budget Review; FY 2023/24 General Fund Proposed Budget Review; FY 2023/24 General Fund Proposed Revenues - \$280.4M (2); FY 2023/24 General Fund Proposed Expenditures - \$285.6M (3); Recommend FY 2023/24 Authorized Positions (3); FY 2023/24 Full Time Equivalent - General Fund; General Fund Long-Term Financial Plan; Pension Update; CalPERS UAL Payment Projection; General Fund Reserve Policy (2); FY 2023/24 Capital Improvement Program (CIP); FY 2023/24 CIP Budget; FY 2023/24 Key Budget Components and Approval Requested; and City Council Approval Requested (2).*

Mayor Strickland stated his understanding, after discussions with City Manager Zelinka, that a budget deficit is expected if current POA negotiation numbers are included, and the presented numbers do not include the other collective bargaining unit negotiations. He also noted he has asked the City Manager to return this budget, plus two years, to all Department Heads, excluding Public Safety, for modest reductions. He added that since the final budget numbers are not available today, he is not prepared to vote today, but believes with a bit more time it will be possible to provide a positive budget.

Mayor Strickland opened the Public Hearing.

Pursuant to the Brown "Open Meetings" Act, City Clerk Robin Estanislau announced supplemental communications that were received by her office following distribution of the Council Agenda packet, which were all uploaded to the City's website and Councilmember iPads: 2 emails

Public Speakers — 1

Amory Hanson was called to speak and stated his support for Public Hearing Item #23 (H), the addition of three new positions for the Communications Department. (02:13:56)

There being no more speakers, Mayor Strickland requested that the Public Hearing be continued open to allow staff the opportunity to submit a balanced budget that includes data from Administrative Items No. 25 (23-488) (if approved by Council) regarding the proposed Memorandum of Understanding between the Huntington Beach Police Officers' Association and the City of Huntington Beach for July 1, 2023 through June 30, 2025.

Councilmember Moser suggested that Department Heads be asked to evaluate not only potential budget reductions but also potential increased revenues. City Manager Al Zelinka confirmed that both sides of the budget will be addressed.

Councilmember Kalmick confirmed with Acting Chief Financial Officer Han that the next review of the adjusted budget will include Police Officer Association (POA) numbers, if approved by Council; and confirmed with Mayor Strickland and City Manager Zelinka best efforts will be for the FY 2023/24, plus two years.

A motion was made by McKeon, second Strickland to continue this item, with public hearing open, to June 20, 2023. The motion carried by the following roll call vote:

AYES: Kalmick, Moser, Van Der Mark, Strickland, McKeon, Bolton, and Burns
NOES: None

ADMINISTRATIVE ITEMS

25. 23-488 Approved introduction of the Proposed Memorandum of Understanding Between the Huntington Beach Police Officers' Association and the City of Huntington Beach for July 1, 2023 through June 30, 2025

Travis Hopkins, Assistant City Manager, presented a PowerPoint communication titled *Introduction of Proposed Memoranda of Understanding with Police Officers' Association* with slides entitled: *Meyers-Milias Brown Act; Proposed Memoranda of Understanding (2); Fiscal Impact; and City Council Options.*

Mayor Strickland thanked everyone involved in getting to this point in negotiations, and noted Chief Parra's remarkable leadership. Mayor Strickland said his goal is to provide the tools that Chief Parra needs for a competitive Police Department that can continue to keep the City safe for everyone.

Councilmember Bolton noted for the public record that police departments nation-wide are finding it increasingly difficult to find qualified officers and staff.

Councilmember Kalmick confirmed with Chief Parra there are currently approximately 27 open positions in the Police Department. Councilmember Kalmick noted this Memoranda of Understanding (MOU) is expected to improve recruitment, retention of institutional knowledge, as well as incentivize Academy participation. He added his interest in working to find additional sources of revenue to help offset some of the costs.

Mayor Strickland stated for the record that he would not support any proposed sales tax increase as an effort to increase revenue. City Attorney Michael Gates advised Council to be careful of commenting on items that are not agendized.

A motion was made by Strickland, second Kalmick to approve introduction of the proposed Memorandum of Understanding between the Huntington Beach Police Officers' Association and the City of Huntington Beach for the period July 1, 2023 through June 30, 2025.

The motion carried by the following roll call vote:

AYES: Kalmick, Moser, Van Der Mark, Strickland, McKeon, Bolton, and Burns
NOES: None

COUNCILMEMBER ITEMS

26. 23-480 Approved item submitted by Council Member Burns — Request to Form a Charter Review Ad Hoc Council Committee to Recommend Proposed Charter Amendments

Councilmember Burns noted that a majority of the Charter Amendments proposed for the November 2022 ballot failed, and added he believes there are some areas of the Charter that could use meaningful updates. He noted his intention is to have any proposed City Charter Amendments on the ballot for the March 5, 2024 election.

Councilmember Bolton stated she would need to know the costs for a Charter review before she can support this item.

Councilmember Kalmick stated he cannot support an item that utilizes an Ad Hoc Committee, which means meetings are held behind closed doors vs. the recent Charter Review Commission effort which held public meetings. He suggested any Charter review should be an open and rigorous process that includes public meeting notices and opportunity for public comments.

Councilmember Moser stated support for Councilmember Kalmick's comments, and appreciation for the efforts of the previous Charter Review Commission which she believes provided an example of transparency and good governance. She noted that all Councilmembers were able to select a member for the previous Charter Review Commission, and stated she cannot support using an Ad Hoc Committee for the purpose of making proposed City Charter amendments.

Mayor Strickland stated that any recommendations of an Ad Hoc Committee would come before the City Council, and the public would have opportunity to share their comments as they do for any other Council item, and anything approved by City Council would then be presented to the community for a ballot vote.

A motion was made by Burns, second Strickland to designate Mayor Strickland to lead an ad hoc committee of himself and two other Council Members of his choice to work with the City Attorney's Office, if necessary, and to return to City Council at a regular City Council meeting in July of this year with recommendations for proposed Charter Amendments; and, it is also requested that the City Clerk, who is our local elections official, provide a timeline of events or deadlines the City is required to meet in order to get any proposed City Charter Amendments on the ballot for the March 5, 2024 election.

The motion carried by the following roll call vote:

AYES: Van Der Mark, Strickland, McKeon, and Burns
NOES: Kalmick, Moser, and Bolton

27. 23-497 Approved item submitted by Council Member McKeon — Decertification of Beach/Edinger Corridor Specific Plan Environmental Impact Report

Councilmember McKeon reviewed many reasons for submitting this item, including his opinion that the Beach/Edinger Corridor Specific Plan (BECSP) Environmental Impact Report (EIR) is outdated and obsolete. He does not want to include a date specific, and asked that if this item is approved, the City Manager and City Attorney provide regular updates during the process.

Councilmember Bolton expressed her frustration with trying to understand why a long-standing EIR that has been used for many projects, and may even currently have projects that are being contemplated under it, should suddenly be deemed obsolete.

Councilmember McKeon stated this EIR in his opinion is outdated, does not reflect issues related to more recent State housing laws, and does not take into consideration increased public safety needs, or current infrastructure needs, or available resources, or updated landscape considerations.

Councilmember Kalmick asked Councilmember McKeon what he was trying to solve by presenting this item. Councilmember Kalmick noted that this EIR is for a specific project, and each project under the Beach/Edinger Corridor Specific Plan must go through an environmental checklist. He also stated that to the best of his knowledge there is currently no mechanism established to decertify an EIR. Councilmember Kalmick shared his opinion that trying to decertify this EIR is actually anti-business because a majority of the projects approved under the BECSP EIR are businesses, not residential, projects.

Councilmember Kalmick continued by sharing his opinion that if the goal is to make it more difficult to build more housing on Beach Boulevard, the appropriate action would be to re-zone Beach Boulevard back to commercial use. He added that if the BECSP EIR were decertified, then each new business project in that Specific Corridor would have to actually spend more money for an EIR. Councilmember Kalmick stated he believes government should focus on actions that help make businesses more successful and having programmatic EIRs does that. Councilmember Kalmick asked which Specific Plan EIRs will be decertified next, and stated he believes this is not a serious policy goal.

Councilmember McKeon stated he has full faith in the staff, City Manager and City Attorney to come back with a workable plan. He added his opinion that the BECSP EIR has been problematic for a long time, and noted that in his construction business projects throughout the country, he does not have to do an EIR, but does have to evaluate negative impacts to the environment through a CEQA checklist.

Councilmember Moser asked for clarification on the intent of this item, which specifically asks for "decertification" of the BECSP EIR, and noted decertification has never been done before except by a judge prior to the completion of a project. She added that if the intent is to stop or reduce housing development along the Beach/Edinger Corridor, that that is another thing for which staff could return with possible solutions to change policy.

Councilmember Moser invited Community Development Director Luna-Reynosa to weigh in on potential ramifications if it is possible to decertify the BECSP EIR. Director Luna-Reynosa clarified that an EIR is not a policy document, but rather a disclosure document to identify potential environmental impacts due to a project. She added that an EIR has a threshold of significance, and it analyzes and discloses the environmental impacts of development up until a particular threshold. She noted that in reality only 1,900 units, of the 6,500 originally analyzed, have either been constructed or permitted for the BECSP. She deferred to the City Attorney regarding any possible legal ramifications.

Director Luna-Reynosa named the projects approved within the BECSP EIR during her tenure that included only one residential project and many businesses. She noted that if the BECSP EIR didn't exist, then each project would require staff to go through a CEQA checklist to determine potential environmental impacts and further determine if the impacts are significant or could be mitigated which would determine the type of environmental decision, whether exempt, negative, or mitigated, or require an EIR.

Councilmember McKeon reiterated based on his experience this is the process every state commercial project must go through, and he does not understand why some Councilmembers feel this item could stifle business growth, as every commercial and retail developer knows they have to go through the CEQA checklist.

Councilmember Moser explained that AB 2011 could potentially affect what can be built on current commercial properties with regards to housing, and asked Director Luna-Reynosa if there is no programmatic certified EIR, could the City potentially lose mitigation measures. Director Luna-Reynosa responded that if the mitigation monitoring program was approved and pulled into the BECSP review process, so that projects are required to comply with those mitigation measures, and a project was exempt, it means no CEQA is required, or there is no way to extract those mitigation measures. The cumulative impact through the EIR that considered development throughout the entire corridor resulted in a number of intersections identified as needing improvements, and any individual project that is analyzed only on its own, wouldn't reach the significance threshold to require those intersections to be improved. Therefore, some of those types of mitigations could be lost, and maybe others as well. Councilmember Moser clarified, essentially mitigating community concerns such as potential challenges of noise, or shadow studies, etc.

Councilmember Bolton confirmed with Director Luna-Reynosa that having to do a complete study, if there is no programmatic EIR available, would add time and costs for each project. Councilmember Bolton referenced the letter received from the Auto Dealers, which gives her the impression this issue has not been discussed with them, and they are concerned about potential ramifications. She stated she cannot support something that may just increase time and costs for development projects.

Mayor Pro Tem Van Der Mark clarified this item request is only to ask staff to return with a plan, and not actually decertify anything.

Councilmember Bolton suggested a wording change to make that clearer. Councilmember McKeon stated he likes the way the item now reads.

City Manager Zelinka confirmed that if he or the City Attorney have questions during the process to come up with a plan, they will return to Council with those questions for clarification.

Mayor Strickland noted he has concerns, as expressed by the Auto Dealers today, and he personally sees this item as a step forward with opportunity to delve into all concerns and for additional discussions. He stated at the moment he will support this item and will review what comes back from staff.

A motion was made by McKeon, second Burns to direct the City Attorney and City Manager to return to the City Council with a plan for decertification of the BECSP EIR and vacate all associated findings.

The motion carried by the following roll call vote:

AYES: Van Der Mark, Strickland, McKeon, and Burns
NOES: Kalmick, Moser, and Bolton

ADJOURNMENT — at 8:27 PM a motion was made by McKeon, second Van Der Mark, to adjourn to a special meeting of the Huntington Beach City Council to be held on Thursday, June 8, 2023, at 9:00 AM in Rooms C & D of the Huntington Central Library, 7111 Goldenwest Street, Huntington Beach, California.

The next regularly scheduled meeting of the Huntington Beach City Council/Public Financing Authority is Tuesday, June 20, 2023, in the Civic Center Council Chambers, 2000 Main Street, Huntington Beach, California.

INTERNET ACCESS TO CITY COUNCIL/PUBLIC FINANCING AUTHORITY AGENDA AND
STAFF REPORT MATERIAL IS AVAILABLE PRIOR TO CITY COUNCIL MEETINGS AT
<http://www.huntingtonbeachca.gov>

City Clerk and ex-officio Clerk of the City Council
of the City of Huntington Beach and Secretary of
the Public Financing Authority of the City of
Huntington Beach, California

ATTEST:

City Clerk-Secretary

Mayor-Chair