



# City of Huntington Beach

## INTER-DEPARTMENT COMMUNICATION

**TO:** Honorable Mayor and City Councilmembers  
**FROM:** Robin Estanislau, City Clerk *RE*  
**DATE:** July 15, 2022  
**SUBJECT:** SUPPLEMENTAL COMMUNICATION FOR CONSENT ITEM NO. 8 –  
APPROVE AND ADOPT MINUTES

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Please find attached for your consideration draft minutes of the City Council/Public Financing Authority regular meeting of July 5, 2022 that were not included when the City Council agenda packet was released.

### SUPPLEMENTAL COMMUNICATION

Meeting Date: 7/19/2022

Agenda Item No.: 8(22-015)

## Minutes

### City Council/Public Financing Authority City of Huntington Beach

Tuesday, July 5, 2022  
4:00 PM - Council Chambers  
6:00 PM - Council Chambers  
Civic Center, 2000 Main Street  
Huntington Beach, California 92648  
or Virtual via Zoom Webinar

A video recording of the 4:00 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/](http://www.surfcity-hb.org/government/agendas/)

#### 4:00 PM — COUNCIL CHAMBERS

#### CALLED TO ORDER — 4:01 PM

#### ROLL CALL

Present: Peterson, Bolton, Posey, Delgleize, Carr, Moser (arrived at 4:05 pm), and Kalmick  
Absent: None

#### ANNOUNCEMENT OF SUPPLEMENTAL COMMUNICATIONS PERTAINING TO STUDY SESSION AND CLOSED SESSION ITEMS (Received After Agenda Distribution)

Pursuant to the Brown "Open Meetings" Act, City Clerk Robin Estanislau announced supplemental communications received by her office following distribution of the Council Agenda packet:

#### Study Session

#1. 22-579 A PowerPoint communication entitled *Policy Discussion Concerning Cannabis Business Taxation and Regulation* submitted by Senior Administrative Analyst Grace Yoon-Taylor.

#### PUBLIC COMMENTS PERTAINING TO STUDY SESSION / CLOSED SESSION ITEMS

(3 Minute Time Limit) — 1 In-Person Speaker

*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/>.*

Russell Neal, a resident of Huntington Beach, was called to speak and stated his opposition to any legalization of cannabis within Huntington Beach as Federal law describes marijuana as a Schedule 1 drug. He asked that no taxation or regulation measures be put on the November 8, 2022 General Municipal Election ballot. (00:01:21)

#### STUDY SESSION

1. 22-579 Policy discussion held concerning Cannabis Business Taxation and Regulation

City Manager Zelinka introduced Senior Administrative Analyst Grace Yoon-Taylor who jointly presented a PowerPoint communication with Senior Planner Hayden Beckman titled *Policy Discussion Concerning Cannabis Business Taxation & Regulation* with slides entitled: *Background - City of Huntington Beach, Background - Continued (2), Cannabis laws adopted by Voters and Council, Key Features of Cannabis Regulatory Framework (12), Additional Community Feedback (5), The City's Approach to Cannabis Businesses, and Questions?*

Councilmember Peterson asked which staff made the recommendations, and Assistant City Manager Travis Hopkins stated this item is a response to previous City Council discussions as well as the Council subcommittee. Councilmember Peterson stated he supports a thousand feet for all buffers.

Councilmember Kalmick stated that the subcommittee recommendations tried to reach parity with other Orange County cities.

Councilmember Peterson described what he felt were redundant issues, and questioned why a business would be restricted to hire only locals living in Huntington Beach, but supports the requirement for the owner being a resident of Huntington Beach for at least three years, and owning at least 51 percent of the business. Councilmember Peterson also stated his support for placing any cannabis ordinance on the ballot.

Councilmember Kalmick described the process to reach this point that included a town hall discussion, and noted he anticipates at least one more ad hoc committee, and another town hall meeting would be held. He further stated that placing an ordinance on the ballot is highly complicated and technical, and the ordinance will most likely require tweaks moving forward. Councilmember Kalmick stated the ad hoc committee has reviewed what other cities have done, learned from their mistakes, and used best practices.

Councilmember Kalmick also explained that two ballot initiatives have appeared over which the City has no control, and Council is taking the initiative in a good faith effort to control the process. Mayor Delgleize and Councilmember Kalmick discussed how the ad hoc committee and staff reached the Recommended Actions as presented for Administrative Items #21 (22-565), which included community input during the town hall meeting.

Councilmember Carr stated that since she was not on the ad hoc committee, and was advised to not attend the town hall meeting, she has many basic questions. Discussions continued on how many businesses to permit, based on population and staff resources to allow one business for every 20,000 residents; engaging outside advisors if Council agrees to proceed; allowing transfer of permits after three years vs returning the permit to the City; approval of the City Manager; using State minimums regarding hours of operation; determining if two permits for local owners are part of, or added to, the group of 10; and support for presenting an ordinance with specifics for the voters, to avoid ambiguity and creating room for people to interpret in their own way.

Councilmember Moser stated her support for Councilmember Carr's comments, and recommended more town hall meetings. She also stated support for allowing a total of 10 businesses, including the two for local residents.

Councilmember Kalmick stated he supports allowing 10 businesses, plus two for local residents, because he believes it will be difficult for these businesses to be successful. He added that Council could set a different tax rate and lower fees for the businesses operated by local residents. He noted

that a threshold of 10 businesses is lower than what other cities are setting and is well below the industry standard.

Councilmember Peterson asked if it is legal to have different standards, i.e., business owner must be a Huntington Beach resident. He noted that low- or moderate-income housing cannot stipulate it is only available to residents of Huntington Beach.

Senior Administrative Analyst Yoon-Taylor noted several cities have set up "social equity" standards based on segments of society that have been impacted by the war on drugs. Councilmember Kalmick stated that the framework exists to differentiate permits by class. Councilmember Bolton noted the concern expressed by existing Huntington Beach businesses that may not have the same capital as someone from out of the area who is already in the industry.

Councilmember Moser and Senior Administrative Analyst Yoon-Taylor discussed options or special considerations for serving medical vs adult use can be addressed in the ordinance as Long Beach did. Councilmember Moser suggested being aware of any unintended consequences.

Mayor Delgleize thanked staff for the excellent information presented, and stated her support for taking the time to do this right.

A motion by Posey, second Carr to recess to Closed Session. With no objections the motion passed.

#### **RECESSED TO CLOSED SESSION — 5:09 PM**

#### **CLOSED SESSION**

2. 22-576 CONFERENCE WITH LEGAL COUNSEL — LITIGATION (Gov. Code section 54956.9(d)(4).): Number of Matters: One (1) - City of Long Beach et. al v. Monsanto Company et. al. Case No. 2:16-cv-03493-FMO-AS.
3. 22-588 CONFERENCE WITH LEGAL COUNSEL — ANTICIPATED LITIGATION. Significant Exposure to Litigation Pursuant to Paragraph (2) of Subdivision (d) of Section 54956.9: Number of cases, one (1).
4. 22-596 CONFERENCE WITH LEGAL COUNSEL — EXISTING LITIGATION. (Paragraph (1) of subdivision (d) of Section 54956.9). Name of case: City of Huntington Beach v. State of California, et al.; Court of Appeal Case No.: G061184.

#### **6:00 PM - COUNCIL CHAMBERS**

#### **RECONVENED CITY COUNCIL/PUBLIC FINANCING AUTHORITY MEETING — 6:02 PM**

#### **ROLL CALL**

Present: Peterson, Bolton, Posey, Delgleize, Carr, Moser, and Kalmick  
Absent: None

**PLEDGE OF ALLEGIANCE** — Led by Councilmember Posey

#### **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 endorse any particular religious belief or form of invocation.

5. **22-512 Maha Ragab of the Muslim Community, HB and member of the Greater Huntington Beach Interfaith Council**

**CLOSED SESSION REPORT BY CITY ATTORNEY — None**

**AWARDS AND PRESENTATIONS**

6. **22-563 Mayor Delgleize presented a commendation to Kimberly J. VanderMeulen, Field Representative for Congresswoman Michelle Steel, for championing support and funding to replenish and preserve our beautiful coastline with her Surfside-Sunset replenishment project**

Mayor Delgleize recognized Congresswoman Steel's support and funding of \$15.5M to help replenish and preserve the coastline through her Surfside-Sunset-Newport Beach replenishment project. Mayor Delgleize noted that beach erosion affects not only natural habitat, but local businesses, residents, visitors and community infrastructure.

Ms. VanderMeulen expressed appreciation for the acknowledgement, and noted Congresswoman Steel understands the importance of maintaining local beaches goes well beyond residents and visitors.

7. **22-585 Mayor Delgleize called on Victoria Alberty for the Adoptable Pet of the Month**

Ms. Alberty and Markelle introduced 11-week-old puppies Casey and Beth, and noted there are currently lots and lots of dogs of all sizes waiting to be fostered or adopted. The kennels are overflowing and will provide food and medications for fostering dogs until they are adopted. Details can be found at [saferescueteam.org](http://saferescueteam.org).

8. **22-578 Mayor Delgleize called on Police Chief Eric Parra who presented a certificate of appreciation to Alexis Taylor for her fundraising efforts which enabled her to provide engraved 'thin blue line' dog tags to all HBPD employees, in honor of Officer Nicholas Vella**

Police Chief Parra described the incredible fundraising efforts of Alexis Taylor to allow her to provide "thin blue line" dog tags for all Huntington Beach Police Department employees.

Alexis, who will be a freshman at Santa Margarita Catholic High School next year, described her desire to provide dog tags in memory of Huntington Beach Officer Nicholas Vella. By asking family, friends and local businesses she was able to raise \$1,550 which allowed her to donate not only to Huntington Beach, but also the Aero Bureaus of Fountain Valley, Anaheim, and Orange County, as well as Huntington Beach Councilmembers, City Manager Zelinka, City Attorney Michael Gates, and Fire Chief Scott Haberle.

9. **22-547 Mayor Delgleize called on resident Matt Liffreing to recognize him for his 40-year videography career covering the City through videos and photographs**

Mayor Delgleize recognized on-camera host, producer and videographer Matt Liffreing. She noted he graduated from Marina High School, and was recruited from Golden West College in 1982 for a weekly

program for HBTV. Matt has filmed, hosted, edited and produced *Surf City Highlights* for 14 years. He also produces *Huntington Beach Business News* for the Chamber of Commerce.

Mr. Liffreing thanked former and current staff for their support through the years, and described some of the ups and downs of his career since 1982. He noted that he has been involved with the Huntington Beach Fourth of July Parade since he was 19 years old. He expressed his appreciation to the Mayor and Councilmembers for this recognition.

**10. 22-575 Mayor Delgleize proclaimed July as "Parks Make Life Better Month" and presented a proclamation to Community & Library Services Director Chris Slama**

Mayor Delgleize noted that Huntington Beach has over 1,000 acres of beach and open space, including 79 parks, and 190 playgrounds. Community & Library Services programs and facilities provide access to the beauty and serenity of our open spaces as well as direct recreation for social connections, physical exercise, and positive extra-curricular and leisure activities for children.

Director of Community & Library Services Chris Slama stated the mission is to enhance the quality of life for residents and visitors, and introduced Marketing and Technology Supervisor Codi Tennessen who described some of the summer activities people can participate in. More details can be found in the *Sands* magazine sent to all residents last month, or at [www.huntingtonbeachca.gov/adventurehb](http://www.huntingtonbeachca.gov/adventurehb).

**ANNOUNCEMENT OF SUPPLEMENTAL COMMUNICATIONS (Received After Agenda Distribution)**

Pursuant to the Brown "Open Meetings" Act, City Clerk Robin Estanislau announced supplemental communications received by her office following distribution of the Council Agenda packet:

**Consent Calendar**

#17 (22-593) Communication received from Michael Gates, City Attorney, regarding the proposed acceptance of the Legal Issues ad hoc subcommittee recommendation.

Two (2) email communications received regarding the proposed acceptance of the Legal Issues ad hoc subcommittee recommendation.

**Administrative Items**

#21 (22-565) PowerPoint presentation entitled *Cannabis Regulatory Framework & Draft Ordinances* submitted by Grace Yoon-Taylor, Senior Administrative Analyst.

Email communication received regarding the proposed cannabis business taxation and regulation measures for voter approval on the November 8, 2022 General Municipal Election ballot.

#22 (22-572) PowerPoint presentation entitled *Consider Submission of Charter Amendment Measures for Voter Approval in November* submitted by Catherine Jun, Assistant to the City Manager.

Five (5) email communications received regarding the proposed submission of four Charter Amendment Measures.

**PUBLIC COMMENTS** (3 Minute Time Limit) — 29 In-Person and 6 Call-In 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>.*

Carol Rohr, Skandia Mobile Home Park Home Owner Association President and Huntington Beach Mobile Home Resident Coalition (HBMRHC) Advocate, was called to speak and shared her thoughts and suggestions related to the Senior Mobile Home Rental Assistance Program which was approved by City Council on June 21, 2022. She also announced that August 21 is National Senior Day, and offered the assistance of the HBMRHC for any City-planned event for the 36,127 seniors that live and vote in Huntington Beach. (01:31:52)

Gina Alexander, Skandia Mobile Home Park Home Owner Association Vice President, was called to speak and shared her opinion that Councilmembers have failed to respond and relay updates regarding input of mobile home owner needs, requests, or meeting with experts. Ms. Alexander stated that the recent Senior Resource Fair and the Senior Mobile Home Rental Assistance Program plan are steps in the right direction, but will not have a lasting effect and positive impact without including expert advice, transparency, panel communication, and communication with the Huntington Mobile Home Advisory Board (MHAB) and mobile home owners. (01:35:05)

Dan Pantano, Skandia Mobile Home Park homeowner, and resident of Huntington Beach for over 25 years, was called to speak and admonished Councilmembers for appearing to lump together mobile homeowners and apartment renters when discussing rent increases. Mr. Pantano shared his opinion that a committee of experts would recommend rental fees that provide both a cost-of-living increase for park owners and affordable rates for mobile homeowners, and asked that Councilmembers, at minimum, communicate with their Mobile Home Advisory Board (MHAB). (01:36:58)

Art Estrada was called to speak and stated that having City Manager Zelinka join the team gives him hope because Riverside has a Rent Stabilization Ordinance (RSO). Mr. Estrada thanked the Mobile Home Advisory Board (MHAB) for having the courage to take a stand against corporate conglomerates across the country who raise rents to unsustainable rates. He encouraged Councilmembers to listen to their constituents and take a stand by letting the voters decide. (01:39:22)

Marion Guihe, a Skandia Mobile Home Park homeowner, was called to speak and stated that rental increases can be devastating for anyone living on a fixed income and asked Councilmembers to do the right thing and support all Huntington Beach mobile homeowners control rental costs. (01:41:47)

John Etheridge, Surfing Walk of Fame President, was called to speak and introduced Board Members Mike Adams, Peter "PT" Townend and Glenn Brumage. Mr. Etheridge presented official Surfing Walk of Fame Hawaiian shirts for each Councilmember, as well as for Police Chief Parra and Fire Chief Haberle. He announced the upcoming Wednesday, August 3, Reception at Pacific City and Van's US Open of Surfing on Wednesday, August 4, and acknowledged the 2022 Inductees. (01:43:38)

Cari Swan was called to speak and stated for the public record her opposition to Consent Calendar Item #17 regarding subcommittee recommendation to waive Attorney-Client Privilege, Administrative Items #21 regarding direction on regulatory framework and proposed ordinances on commercial cannabis activities, and #22 regarding placement of Charter amendment ballot measures for voter approval. (01:47:47)

Pat Burns, a candidate for City Council in 2022, was called to speak and used budget numbers from the City's website to demonstrate how drastically revenue has decreased, compared to expenditures, in the

last four or five years. Mr. Burns shared his serious concern with the trend in budget numbers, and his opinion that Councilmembers are allowing State overreach for homeless and low-income housing, and questioned how these programs benefit the residents of Huntington Beach. Mr. Burns stated his opposition to any Charter amendments and support for keeping the City Attorney, City Clerk and City Treasurer as elected positions. (01:50:53)

Councilmember Carr questioned if Chief Financial Officer (CFO) Dahle Bulosan could present another Study Session at the next City Council meeting to review the proposed 2022-2023 Budget for those that evidently were not present for budget discussions held on June 7. (01:54:07)

Russ Neal, a resident of Huntington Beach, was called to speak and stated his opposition to Administrative Items #21 regarding direction on regulatory framework and proposed ordinances on commercial cannabis activities, and #22 regarding placement of Charter amendment ballot measures for voter approval. Mr. Neal shared his opinion that Administrative Items #21 and #22 are examples of actions that will foster instability and extremism. (01:55:36)

Cathey Ryder, a 30-year resident of Huntington Beach, was called to speak and stated her support for allowing the voters to approve, or not, the proposed Charter amendments. (01:58:35)

Shari Freidenrich, elected Orange County Treasurer since 1996, was called to speak and stated her support for keeping the City Treasurer as an elected position. Ms. Freidenrich shared how important oversight protection is, and noted that most cases of fraud happen when there is lack of segregation for duties. (02:00:07)

Richard Worley, a resident of Huntington Beach since 1971 and currently living in Huntington Shorecliffs Mobile Home Park, was called to speak and described his recent space rent increase of 8.5%. He shared that over the next five years he will be put out of his house if the rent increases continue, and the value of his home will be cut in half. Mr. Worley asked Councilmembers to address this issue and research how increasing space rents will truly impact the residents living on fixed incomes. (02:04:00)

Suzane Neil, a resident of Skandia Mobile Home Park, was called to speak and asked that City Council schedule a Study Session with Rent Stabilization Ordinance (RSO) experts to enlighten everyone to the many benefits of RSOs. She asked that the Councilmembers help the residents living on fixed incomes. (02:06:49)

Mark Tonkovich was called to speak and stated his support for keeping the City Attorney as an elected position, and his opposition to any amendments to the City charter. He stated his support for the senior citizen residents of the City's mobile home parks and asked that Councilmembers listen and show some evidence of support to address their concerns. (02:08:59)

Pano Frousiakis, was called to speak announced he will be postponing his City Council run to the 2024 election cycle, and this year will focus on supporting 2022 Council Candidates Tony Strickland, Casey McKeon, Pat Burns and Gracey Van Der Mark. He thanked his supporters and stated this will a unique beginning for Huntington Beach. (02:10:36)

Martha Morrow, a 30-year resident of Huntington Beach, was called to speak and expressed her concerns with Consent Calendar Item #17 regarding ad hoc subcommittee recommendation to waive Attorney-Client Privilege. She stated her support for rejecting all proposed Charter amendments, and leaving any further discussions in the hands of a fair and balanced future City Council. (02:13:55)



Casey McKeon, life-long Huntington Beach resident and Councilmember Peterson's Charter Review Commissioner, was called to speak and shared his points of contention with Administrative Items #22 regarding placement of Charter amendment ballot measures for voter approval at the November 8, 2022, General Municipal Election, as well as with Consent Calendar Item #17 regarding Legal Issues ad hoc subcommittee recommendation to waive Attorney-Client Privilege for limited privileged information. Mr. McKeon further stated his opinion that the majority Council's goal is a power grab to consolidate local elected government into one branch: (02:17:12)

Kathy Carrick was called to speak and read from a recent news report on the purported actions and investigation into Mayor Pro Tem Posey and Councilmember Kalmick related to their green energy efforts. She also stated her opposition to Administrative Items #22 regarding placement of Charter amendment ballot measures for voter approval at the November 8, 2022 General Municipal Election, (02:20:28)

Tim Geddes, a 38-year resident of southeast Huntington Beach, was called to speak and welcomed new City Manager Zelinka. Mr. Geddes shared highlights from his attendance at the Huntington Beach 4th of July parade. Mr. Geddes stated his opinion that if people do not call out the anti-authority and anti-social extremists who defy democracy, then the violence and disregard for human life as happened at the July 4th mass shooting in Highland Park, Illinois, will continue to spread. (02:23:20)

Gracey Van Der Mark was called to speak and shared her opinions regarding Charter amendments, especially related to the apparent efforts of City Council to change the City Attorney, City Clerk and City Treasurer to appointed positions. In response to a recent discussion with Mayor Pro Tem Posey, she clarified that the vocal citizens and voters of Huntington Beach are not a mob, as he called them, but rather concerned residents trying to be heard. (02:25:40)

Maureen was called to speak and stated she has complained for years about the oil seepage onto the sidewalk at 220 Oswego Avenue, where she walks her dog every day. She shared photos of several areas and noted that when she complains, City staff will come clean up the oil seepage, but several days later, the seepage is back. Maureen asked why the City is doing nothing to permanently address the issue which, in her opinion, creates a trip and fall situation. Mayor Delgleize asked Maureen to complete a blue card for staff follow-up. (02:28:58)

Luanne Nichols, a fourth generation Huntington Beach property owner, was called to speak and stated her opposition to City Council determining Charter amendments. (02:32:18)

R. Allen Baylis, a resident of Huntington Beach for 58 years and a practicing attorney, was called to speak and shared his observation that the client must have confidence in their legal representation, and a City Attorney should not be a political position. (02:33:10)

Dinorah was called to speak and shared her belief that people should be inclusive of all cultures, stop spending their time bickering, and should be focused on enjoying life. Ms. Dinorah expressed her desire to connect with Councilmember Bolton and set up an appointment. (02:36:26)

Ann Palmer, a 30+ year resident of Huntington Beach, was called to speak and stated her opposition to Consent Calendar Item #17 regarding the Legal Issues ad hoc subcommittee recommendation to waive Attorney-Client Privilege for limited privileged information; Administrative Items #21 regarding regulatory framework and proposed ordinances on commercial cannabis activities; and #22 regarding placement of Charter amendment ballot measures for voter approval at the November 8, 2022 General Municipal Election. (02:39:13)

Courtney Gillett, a 45-year resident of Huntington Beach, was called to speak and stated her opposition to any Charter amendments, and asked Councilmembers to put their personal agendas aside. (02:42:29)

Jignesh Padhiar was called to speak and described his experiences of proclaiming his opinions at the July Fourth parade. Mr. Padhiar stated his opposition to Administrative Items #21 regarding regulatory framework and proposed ordinances on commercial cannabis activities, and shared his opinion that the proposed 6 percent tax is too high. He also stated his opposition to Administrative Items #22 regarding placement of Charter amendment ballot measures for voter approval at the November 8, 2022 General Municipal Election. (02:44:20)

Ceason Baker, a resident of Huntington Beach, was called to speak and stated her opposition to Administrative Items #22 regarding placement of Charter amendment ballot measures for voter approval at the November 8, 2022 General Municipal Election, and support for keeping an elected City Attorney position. (02:47:20)

Carrie was called to speak and shared her joy at experiencing the July Fourth parade, and stated her opinion that Councilmember Bolton is an "emperor with no clothes on" because she was not elected. Carrie also shared her opinion that Councilmembers are gas-lighting the residents, and representing the globalists. (02:50:00)

Caller #7890, Ben Pickens, a resident of Huntington Beach, was invited to speak and shared his opinions related to coming worldwide situations and options he believes that Huntington Beach should be focused on. (02:53:33)

Caller Kandice Hawes-Lopez, Founder and Chair, Orange County Chapter, National Organization for the Reform of Marijuana Laws (NORML), was invited to speak and stated her support for Administrative Items #21 regarding regulatory framework and proposed ordinances on commercial cannabis activities. Ms. Hawes-Lopez asked that Marla James, who recently passed away, be acknowledged for her cannabis access efforts in Orange County. She stated her opinion that based on her experience, patients 18 – 21 years of age, such as veterans who chose medical cannabis rather than pharmaceuticals should have access, and that a reduced tax rate be made available for medical cannabis patients. (02:55:02)

Caller Allison Plum, owner of a manufactured home in Huntington Beach for almost a decade, was called to speak and welcomed City Manager Zelinka, especially because of his experience and familiarity with rent stabilization and rent assistance programs. She reminded everyone of the Huntington Beach Mobile Home Advisory Board (MHAB) meeting on Monday, July 25, at 5 PM. (02:58:17)

Caller Valentina Bankhead, a resident of Huntington Beach, was invited to speak and stated her opposition to any Charter ballot measures proposing to change the City Attorney, City Clerk or City Treasurer to appointed positions. (03:00:28)

Caller Ada Hand was invited to speak and shared her opinion that the proposed rental assistance program will not result in any help for the vast majority of mobile home park residents. In response to information shared by Councilmembers at the June 21, 2022, Council meeting that federal funds and cannabis tax money will be used for the proposed rental assistance program, and that Families Forward participants will be rolled into the program, Ms. Hand asked if City Attorney Michael Gates has advised

Councilmembers that they cannot supplant a locally funded program with Federal funds, per the 2020 Office of Justice Programs. (03:03:33)

Caller Victor, a member of Oakview ComUNIDAD, was invited to speak and read from an article in the *Daily Pilot*, which described the efforts of Costa Mesa to address escalating rents, and stated his support for the Save Our Seniors campaign. Victor shared his hope that any rental assistance programs will also include extremely-low and low-income residents in all of Huntington Beach. (03:05:51)

### **COUNCIL COMMITTEE – APPOINTMENTS – LIAISON REPORTS, AB 1234 REPORTING, AND OPENNESS IN NEGOTIATIONS DISCLOSURES**

Councilmember Kalmick reported attending a meeting of the Orange County Power Authority (OCPA).

Councilmember Carr reported attending a meeting of the Communications Committee.

Councilmember Moser reported attending a meeting of the Communications Committee, and thanked staff, consultants, vendors, Fourth of July Board, and all volunteers who had a part in the successful Fourth of July celebration.

### **CITY MANAGER'S REPORT**

City Manager Al Zelinka thanked staff, department heads and the community for being so welcoming, and thanked everyone who was involved in the wonderful Fourth of July celebration.

#### **11. 22-506 Update of the Coyote Management Plan — 2022**

Police Chief Parra introduced Police Captain Bo Svendsbo who presented a PowerPoint communication titled *2022 Update Coyote Management Plan* with slides entitled: *Report Sightings & Feedings, Identify Wildlife Accidents and Implement Deterrents, Utilize Convenient Technology for Accurate, Real-Time Reporting, Review of OC Animal Control Contract, and Updated 2022 CMP Incorporates Newer Tools and Best Management Practices.*

Mayor Delgleize and Captain Svendsbo discussed ways the community can be informed about the coyote management plan, including the City's website; trained Wildlife Watch volunteers who will canvass neighborhoods for face-to-face communication; a robust social media campaign; and noted that reported confrontations will be broadcast to the community. Captain Svendsbo explained that all reported sightings will be placed on a map to help with identifying high-activity areas. Everyone is encouraged to use the MyHB app to report coyote sightings or people feeding wild life.

Police Chief Parra explained the goal is to have Wildlife Watch volunteers involved with every Neighborhood Watch group community wide.

Councilmember Bolton and Captain Svendsbo discussed enforcement procedures in response to reports of someone feeding wild life will start with education and can result in fines.

Councilmember Moser, Captain Svendsbo and Chief Parra discussed Neighborhood/Wildlife Watch groups, community outreach efforts to educate and inform the residents, and methods for long-term tracking of incidents and sightings.

## CONSENT CALENDAR

Councilmember Peterson pulled Item #17 for further discussion, and noted for Item #14 "Rescue Boards" should be "Rescue Boats".

Mayor Pro Tem Posey pulled Item #15 for further discussion.

Councilmember Carr pulled Item #16 for further discussion.

### **12. 22-549 Approved and Adopted Minutes**

A motion was made by Kalmick, second Posey to approve and adopt the City Council/Public Financing Authority special meeting minutes dated June 14, 2022; and, approve and adopt the City Council/Public Financing Authority regular meeting minutes dated June 21, 2022.

The motion carried by the following vote:

AYES: Peterson, Bolton, Posey, Delgleize, Carr, Moser, and Kalmick  
NOES: None

### **13. 22-577 Adopted Resolution No. 2022-38 Reciting the Fact of the Primary Municipal Election of June 7, 2022, and Declaring Result**

A motion was made by Kalmick, second Posey to adopt Resolution No. 2022-38, "A Resolution of the City Council of the City of Huntington Beach, California, Reciting the Fact of the Primary Municipal Election held on June 7, 2022, Declaring the Result and Such Other Matters as Provided by Law."

The motion carried by the following vote:

AYES: Peterson, Bolton, Posey, Delgleize, Carr, Moser, and Kalmick  
NOES: None

### **14. 22-552 Approved a sole source purchase in the amount of \$1,200,006.95 for two Surf Pro Rescue Boats from Willard Marine**

A motion was made by Kalmick, second Posey to approve sole source purchase of two Surf Pro Rescue Boats from Willard Marine.

The motion carried by the following vote:

AYES: Peterson, Bolton, Posey, Delgleize, Carr, Moser, and Kalmick  
NOES: None

### **15. 22-555 Authorized execution of a Multi-Year Contract with Yunex Traffic for Streetlight Maintenance Services**

Mayor Pro Tem Posey, Transportation Manager Bob Stachelski and Assistant City Manager Hopkins discussed energy consumption and street light savings of approximately \$280,000 annually since implementing LEDs.

A motion was made by Posey, second Kalmick to authorize the execution of "Service Agreement Between the City of Huntington Beach and Yunex Traffic for Streetlight Maintenance Services," a multi-year contract for streetlight maintenance services.

The motion carried by the following vote:

AYES: Peterson, Bolton, Posey, Delgleize, Carr, Moser, and Kalmick  
NOES: None

**16. 22-562 Approved and authorized execution of amendments to Professional Services Contracts with Goal Productions, Marketworks Video, and Creator Up for On-Call Video Production Services for HBTB Channel 3 to extend the terms by one additional year**

Councilmember Carr pulled this item to commend the efforts of locals Chris Epstein and Matt Liffreing to document the history of Huntington Beach.

A motion was made by Carr, second Posey to approve and authorize the Mayor and City Clerk to execute, "Amendment No. 4 to Professional Services Contract Between the City of Huntington Beach and Goal Productions, Inc. for On-Call Video Production Services"; and approve and authorize the Mayor and City Clerk to execute, "Amendment No. 2 to Professional Services Contract Between the City of Huntington Beach and Marketworks Video for On-Call Video Production Services" for SurfCity Highlights programming; and approve and authorize the Mayor and City Clerk to execute, "Amendment No. 3 to Professional Services Contract Between the City of Huntington Beach and Marketworks Video for On-Call Video Production Services"; and approve and authorize the City Manager and City Clerk to execute "Amendment No. 2 to Professional Services Contract Between the City of Huntington Beach and Creator Up, Inc. for On-Call Video Production Services."

The motion carried by the following vote:

AYES: Peterson, Bolton, Posey, Delgleize, Carr, Moser, and Kalmick  
NOES: None

**17. 22-593 Accepted the Legal Issues ad hoc subcommittee recommendation to waive Attorney-Client Privilege for limited privileged information in the confidential report prepared by Richards Watson Gershon pertaining to the City Council direction to conduct a review into the City's overall handling of the case, Neal Moore and Scott Field v. Michael Gates v. the City of Huntington Beach, et al.**

Councilmember Peterson pulled this item to explain he left the room when this issue was discussed because he felt it was a Charter violation, and added that City Attorney Michael Gates recused himself from the lawsuit in question and had nothing to do with the case. Counsel for the lawsuit was selected by the City Council, and money was spent on a report for a case that City Council supported for several years. Now it appears some Councilmembers believe that something nefarious happened and the issue needs to be revisited. Councilmember Peterson noted he has not seen the confidential report referenced in this item.

Assistant City Manager Hopkins confirmed that City Council hired counsel through the City Manager's Office.

Councilmember Peterson asked, and City Attorney Michael Gates confirmed, that the City Council action violated the City Charter. City Attorney Gates noted that violating the Charter for a remedy injures the City, and added that methods exist to handle second opinions, do investigations and get additional legal expertise through the City Attorney's Office. City Attorney Gates noted he also has not seen the confidential report, and noted that Mr. Steele never interviewed him or any attorneys in the City Attorney's Office, or Mr. Williams who was the Lead Trial Counsel, nor the trial attorneys whom City Council retained, nor any of the Councilmembers who were present in Closed Session discussions from 2018 through 2020 about the case.

Councilmember Bolton stated that Charter Section 304(b) says that the City Council is in control of legal affairs for the City and may hire other counsel.

City Attorney Gates added, "subordinate to the City Attorney's Office" as interpreted by the Court of Appeal.

Councilmember Bolton stated 304(b) does not say that, and the Charter is not clear. She also stated this issue is not directed to any one person, and her review of the confidential report shows systemic communication breakdowns, and lack of oversight. Further, no department should be in charge of investigating itself if there is an issue raised by that department, and in her opinion, the City Charter does not provide the level of clarity needed.

City Attorney Gates noted that anytime he had any conversations with Mr. Steele it was because he reached out to Mr. Steele. City Attorney Gates added if this were purely about trying to make the City better, he would have expected either Mr. Steele or the Legal Issues ad hoc subcommittee to honor his request to see the findings before a public display.

City Attorney Gates and Councilmember Bolton continued the discussion regarding the truly independent review, as well as the competing reports, what is correct, or what is not correct, systemic chaos, failure to communicate, and confusion, which is a result of a Charter that needs to be amended. Councilmember Bolton stated this case is a good example of why the Charter needs to be amended, and stated her support for making the confidential report public to clarify the situation for everyone.

City Attorney Gates stated he can't comment on that because he has not seen the confidential report. He added that there was no confusion or lack of clarity with regard to roles and responsibilities for the ten Closed Sessions that were held. He also noted the City Council at that time never voiced any objections or concerns, but it is a new City Council that is looking retroactively at the situation.

City Attorney Gates requested that Council consider allowing him to see the confidential report before it is released publicly to allow him to respond.

Mayor Delgleize stated that Council met with Mr. Steele for a year, and that Mr. Steele reached out to City Attorney Gates numerous times to meet, and if City Attorney Gates would have responded to those requests, the situation would not have escalated to this point.

City Attorney Gates stated he had two meetings with Mr. Steele, both of which were initiated by himself, and at no time did he delay or decline a meeting request by Mr. Steele. Further, City Attorney Gates requested directly to Mr. Steele, and through his own attorney, that the findings be shared with him.

Mayor Delgleize stated the report issued last year came from an independent objective attorney which City Attorney Gates hired to review the situation, and noted the confidential report under discussion is the

result of former City Manager Chi hiring Mr. Steele. City Attorney Gates noted that Mr. Steele is advocating, which is not an objective and independent evaluation.

Councilmember Kalmick described his experience in his first Closed Session as a new Councilmember, where he was asked to vote on something with very little background information on the case, and staff noted that the bills were escalating for an uncomplicated employment case. Councilmember Kalmick stated he believes Mr. Steele's report is an operational audit to help Council understand the situation in order to prevent a similar situation in the future, and the recommendations are for good governance. He also stated his opinion the residents need to read the confidential report for a better understanding of the need for Charter amendments related to the City Attorney Office.

Councilmember Carr stated her opinion that the situation is really about a position, not a person, and noted that people are looking for oversight, transparency, and rules and regulations that are clearly defined. She stated there were questions about the process, including questions from City Attorney Gates himself, and he encouraged finding answers to those questions.

Councilmember Carr confirmed with City Attorney Gates that the City paid for the report he authorized and for his attorney through his department's budget. Councilmember Carr stated the Council's investigation through the City Manager's office was about the process, and stated her support for allowing City Attorney Gates a half hour to read the confidential report before it is made public.

City Attorney Gates stated appreciation for the consideration, and asked that if this report is something that can be relied on to supposedly make governance better, why are there so many people who were not interviewed, especially knowing that normally when grievances are investigated the subject of the grievance is always interviewed.

Councilmember Bolton stated the reason there are competing reports is solely because the Charter is not clear about respective roles, and City Council does not want a repeat of this situation that eroded trust between the function of the City Attorney and City Council.

A motion was made by Kalmick, second Bolton to receive and file this Request for City Council Action; and, waive Attorney-Client Privilege for limited privileged information in the RWG report and subsequently release it to the public, ***as amended to provide a 30-minute recess to retrieve the aforementioned report and share it with City Attorney Gates prior to its public release.***

The motion as amended carried by the following vote:

AYES: Bolton, Posey, Delgleize, Carr, Moser, and Kalmick  
NOES: Peterson

**At 9:04 PM, Mayor Delgleize called for a 30-minute recess to retrieve the aforementioned report and share it with City Attorney Gates prior to its public release.**

**At 9:26 PM the meeting was reconvened.**

**18. 22-566 Adopted Ordinance No. 4259 approving Zoning Text Amendment (ZTA) No. 22-002 establishing regulations for SB 9 development projects  
Approved for Introduction June 21, 2022 (Vote: 6-0-1; Peterson-Absent)**

A motion was made by Kalmick, second Posey to approve Zoning Text Amendment No. 22-002 with findings and adopt Ordinance No. 4259, "An Ordinance of the City Council of the City of Huntington Beach Establishing Objective Standards for Urban Lot Splits and Housing Units Built in Accordance with Senate Bill 9, and Making a Finding of Exemption Under CEQA." (Attachment No.2).

The motion carried by the following vote:

AYES: Peterson, Bolton, Posey, Delgleize, Carr, Moser, and Kalmick  
NOES: None

**19. 22-569 Adopted Ordinance No. 4256 approving Zoning Text Amendment (ZTA) No. 20-003 (Holly Triangle Townhomes - 19070 Holly Lane)  
Approved for Introduction June 21, 2022 (Vote: 6-0-1; Peterson-Absent)**

A motion was made by Kalmick, second Posey to approve Zone Text Amendment No. 20-003 and adopt Ordinance No. 4256, "An Ordinance of the City of Huntington Beach Amending the Holly-Seacliff Specific Plan to Rezone the Real Property Located at 19070 Holly Lane from Commercial (C) to Residential Medium Density (RM) (Zoning Text Amendment No. 20-003)" (Attachment No. 4).

The motion carried by the following vote:

AYES: Peterson, Bolton, Posey, Delgleize, Carr, Moser, and Kalmick  
NOES: None

**PUBLIC HEARING**

**20. 22-473 Continued Public Hearing opened June 7, 2022; Approved Entitlement Plan Amendment No. 22-003 (7-11 Gas Station and Convenience Store)**

Director of Community Development Ursula Luna-Reynosa introduced this item and Associate Planner Tess Nguyen presented a PowerPoint communication titled *7-11 Gas Station & Convenience Store* with slides entitled: *Request, PC Action, Appeal of PC Action, Analysis, and Recommendation*.

Mayor Delgleize announced for the benefit of the public, that prior to a public hearing item, each member of the City Council will disclose any ex parte communications they may have had pertaining to the item. In simple terms, public hearings are quasi-judicial proceedings and the information used by the City Council to make its decisions should be limited to that which is obtained during the public hearing. Ex parte communications, then, means any information obtained outside of a public hearing. In such public hearing proceedings, the City Council must uphold constitutional and statutory due process rights of present and non-present parties by disclosing ex parte communications. Ex parte communications include oral and written information, as well as visual or auditory information obtained during a site visit.

Councilmember Peterson disclosed he had no communication with the developer, and confirmed with staff these utility lines are behind the structure, and are not on the frontage street.

Councilmember Kalmick disclosed he was on the Planning Commission when this project originally came through, and he voted against it. He also stated that he received an email from the applicant, responded with a phone call, but never received a call back.

Mayor Delgleize continued the Public Hearing that was opened on June 7, 2022.



City Clerk Robin Estanislau announced there was one Speaker.

Tim Martin, representing the Applicant, was called to speak and stated the Appellant Applicant supports the City staff recommendation. Mr. Martin noted they have an appealing appeal, but they hope the City Council will ratify the staff recommendation and thereby solve what was an overly burdensome requirement for this project. (04:11:03)

There being no more speakers, Mayor Delgleize closed the Public Hearing.

Mayor Pro Tem Posey stated his support for the staff recommendation, and suggested to staff that since this option has been used for a number of other projects, when the power lines are not on a frontage road, this might become a standard option for future projects.

A motion was made by Posey, second Peterson to find the proposed project exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15061(b)(3) (General Rule) of the CEQA Guidelines; and, approve Entitlement Plan Amendment No. 22-003 with findings by modifying Condition of Approval No. 6(b) to require the payment of in-lieu fee instead of undergrounding existing overhead utilities (Attachment No. 1).

The motion carried by the following vote:

AYES: Peterson, Bolton, Posey, Delgleize, Carr, Moser, and Kalmick  
NOES: None

## ADMINISTRATIVE ITEMS

### **21. 22-565 Provided direction on regulatory framework and proposed ordinances on commercial cannabis activities and placing cannabis business taxation and regulation measures for voter approval on the November 8, 2022 General Municipal Election ballot**

City Manager Zelinka introduced Senior Administrative Analyst Grace Yoon-Taylor who presented, along with Senior Planner Hayden Beckman, a PowerPoint communication titled *Cannabis Regulatory Framework & Draft Ordinances* with slides entitled: *Background — City of Huntington Beach, Background — Continued (2), Cannabis laws adopted by Voters and Council, Key Features of Cannabis Regulatory Framework (4), Additional Community Feedback, The City's Approach to Cannabis Businesses, Recommended Actions, and Questions?*

Senior Administrative Analyst Yoon-Taylor reviewed the Councilmember recommendations made during the Study Session on this topic to include:

Different regulation and tax rates for medical vs other consumers; store-front operational hours of 6 AM – 6 PM; two permits out of a total of 10 be set aside for local Huntington Beach businesses; 51% of ownership to be Huntington Beach residents; follow local and State labor requirements for a business of 20+ employees rather than using more restrictive requirements; not allowing transfer of permit; and matching State buffer regulations of 600 feet – 1000 feet.

Mayor Delgleize and Senior Administrative Analyst Yoon-Taylor discussed the buffer zone distances as recommended by the ad hoc committee could be changed by the City Council if desired.

Councilmember Bolton shared her personal opinion that using the larger buffer amount would decrease available retail properties to the point of creating a land rush and drive prices really high.

Councilmember Carr confirmed with Senior Administrative Analyst Yoon-Taylor that 600 feet is the State minimum buffer standard, and 1,000 feet buffer would be self-imposed. She also requested cleaner maps that clearly define the proposed boundaries. Senior Administrative Analyst Yoon-Taylor replied that detailed and accurate maps will be prepared once there is direction on this from the City Council.

Councilmember Carr also asked when the next ad hoc meeting and/or town hall is scheduled to take place. Councilmember Kalmick responded that those meetings will be scheduled "as needed." He recommended the discussion center on the "go, no-go" issue first, and then the regulatory decisions can follow.

Councilmember Carr asked if the ad hoc committee will be putting together the ballot measure language/ordinance, and Councilmember Kalmick said he expected that to be decided tonight. He further explained there is plenty of time to get a detailed ordinance prepared for placement on the City's website for review by the voters before November 8, 2022. He added his opinion that the ballot measure should basically be the question: Should commercial cannabis be legal in Huntington Beach?

Senior Administrative Analyst Yoon-Taylor stated staff received a lot of calls and inquiries from people confused by Measure A in June, and suggested another ballot measure in November would be helpful.

Councilmember Peterson suggested that if the actual ordinance is not ready to be placed on the ballot, at least the ordinance bullet points should be listed. He also recommended taking the time to do it right the first time and eliminate as much as possible the chances for litigation that other cities going down this road have experienced. He also said the voters appreciate having a clear outline in the ballot materials to answer their questions such as whether the buffer zone is 600 feet, or 1,000 feet, from their kindergarten. The more details, the better understanding the voters will have.

Councilmember Carr expressed her support for flexibility regarding how retail businesses are being changed by technology, and shared her concern for being too limiting.

Councilmember Kalmick suggested this ballot measure be modeled after the fireworks issue where City Council was expected to create resolutions and ordinances if the voters approved the sale of Safe and Sane fireworks.

Councilmember Moser stated support for the ballot measure containing the proposed framework, but not in too much detail.

Councilmember Peterson shared he sees at least five specific issues that need to be part of the ballot measure, including the number of businesses allowed, and buffer zone distance(s). Councilmember Kalmick responded that if Council chose to adjust any of the listed items in the future, it would require another vote of the people.

Senior Administrative Analyst Yoon-Taylor suggested the bullet point details could be part of the measure's argument information.

Chief Assistant City Attorney Mike Vigliotta stated any details should be in the actual ballot measure, and confirmed that as long as any future changes do not conflict with what the people approved, they would not have to go back for a vote.

City Attorney Michael Gates noted that upcoming Item #22 is an outline of how the procedure works for preparing items for a ballot measure, where the ballot language may be a little different from the actual ordinance, but the details are in the ballot measure.

Mayor Delgleize and Councilmember Kalmick summarized the process as taking a vote tonight on whether to place the issue of allowing and regulating cannabis businesses on the ballot; asking staff to proceed with regulatory and zoning ordinances and a cannabis general tax measure resolution, for the November 8, 2022, ballot. If these items are passed by Council tonight, then the ad hoc committee can focus on the details, and schedule some town hall meetings as well as at least one more Study Session. The goal would be to have Council's approved ordinance, resolution and zoning maps available for public review by the time the ballot materials come out in October.

Mayor Pro Tem Posey clarified the "Why" question is an opportunity for revenue, and being preemptive against what could be more onerous circumstances. He explained that since he is opposed to new taxes, and conscious of the social cost, he would not support this item.

Councilmember Kalmick explained that a new tax is not required if the City supports allowing cannabis businesses.

Senior Administrative Analyst Yoon-Taylor noted that approval of a resolution to place a new tax on a general election ballot requires a two-thirds approval by City Council.

City Clerk Robin Estanislau clarified the ballot measure deadline is August 12, and explained that when written arguments are proposed, there is then a 10-day window for filing an argument for, and then a 10-day window for rebuttal, which has to all be completed by August 12.

Director Luna-Reynosa noted that no other zoning code contains detailed language for buffers, and for implementation and best practices, staff recommends consistency among land uses. She added that this detail could cause some confusion.

Mayor Delgleize asked for a consistent definition, and Director Luna-Reynosa stated that is property line to property line.

Councilmember Kalmick stated his understanding is that Huntington Beach doesn't usually measure premise-to-premise, but other cities do. He added the way this business is planned to be regulated is much different from other businesses, and the intent is to protect the sensitive use while not eliminating an enormous amount of retail locations.

Councilmember Carr and Director Luna-Reynosa discussed if using existing property-to-property buffer designations would increase or decrease available property.

Senior Planner Hayden Beckman noted that staff used several different iterations when drafting maps and stated that although there is some difference between using 600 feet vs 1,000 feet, it appears an average of 400 – 425 retail and non-retail cannabis sites in either scenario.

Councilmember Kalmick asked if quite a bit of non-retail space is eliminated when using a buffer of 1,000 feet. Senior Planner Beckman responded that because of where the industrial corridors are located in Huntington Beach, the Gothard corridor would be most impacted, and added that the decision is a Councilmember prerogative, which can be modified in the future.

Councilmember Bolton confirmed that staff recommendation is 1,000 feet buffer restriction for retail use for high schools and middle schools, and 600 feet buffer for other sensitive receptors.

Councilmember Kalmick stated the number of businesses and local resident ownership requirements are parallel paths. He recommends ten, plus two, as a reasonable solution with locals being a priority for all permits. He expects the two locals-only permits would not have the property requirement, would have lower fees, and be processed later, after the initial businesses are operating.

Councilmembers Kalmick and Peterson discussed the pros and cons for requiring 51 percent vs 100 percent local owners and local employees. Staff noted that both percentages could be used.

Councilmembers Moser and Carr stated support for starting small with ten businesses, including two permits for local residents. Councilmember Carr noted that she expects the industry to change over time, and recommends City support for recognizing local owners and local employees in the permit process. Whether the two local permits are processed concurrently, or later in the process, is not critical to decide at this time.

Councilmember Bolton noted that one aspect of funding social equity set-asides is using resources that are generated by the first eight businesses. Senior Administrative Analyst Yoon-Taylor stated that the State has just passed a budget that includes \$10M to assist local governments contemplating social equity as part of their ordinances.

Councilmember Carr suggested that the specific criteria for the two local permits could be defined as the whole process develops. Councilmember Kalmick stated those details can be developed through more town hall meetings for community input.

Councilmember Kalmick stated having property is important to the process, and only one permit should be allowed per property.

Councilmember Peterson noted there must be a security plan for the property.

Councilmember Carr clarified that an applicant either owns the building, or has a signed 12-month lease. A Letter of Intent (LOI) is not acceptable.

Councilmember Kalmick discussed the pre-application process and noted that Costa Mesa has been inundated with applicants; and Stanton chose to use a refundable application fee of \$100,000 as proof of cash flow to mitigate the issue of staff having to spend time on essentially non-qualified applicants. Councilmember Kalmick stated that he supports requiring an applicant have at least four permits before submitting their application.

Senior Administrative Analyst Yoon-Taylor confirmed for Mayor Delgleize that the application process will be intense, and referenced a problem in Costa Mesa whereby applicants sometimes pay on lease agreements for several years before obtaining all of the required permits.

Senior Administrative Analyst Yoon-Taylor noted the expectation is to use the Request for Proposal (RFP) plan, which accepts all applications received within a date parameter, and the applications received will be evaluated to determine the top ten that meet the set standards.

Councilmember Kalmick added that the pre-application criteria, such as identified property, and affidavit showing business already operating within the State, would filter out unqualified applicants. The intent is to only allow owners with existing business and not allow first-timers.

Councilmember Moser and Councilmember Kalmick noted that whether the amount of the refundable application fee is \$100,000 or \$250,000 could be decided later.

Senior Administrative Analyst Yoon-Taylor noted the applicant process would require a 100 percent cost-recovery fee that would not be refundable, and in addition to that fee could be a security deposit that becomes refundable when a permit is approved or denied.

Councilmember Carr confirmed these requirements apply for both retail and manufacturing applicants, except manufacturing will not be required to have a retail permit. Councilmember Kalmick stated that he does not expect a rush of manufacturing applicants because the lease for available property is quite high in Huntington Beach compared to what other area cities offer.

Councilmember Carr noted that community feedback indicates that the four-permit requirement may be too huge a barrier. Councilmember Kalmick responded that from his perspective, four permits does not seem to be a barrier for the people already operating. He added that the goal is to get the retail centers open and people employed.

Director Luna-Reynosa wanted to ensure that Councilmembers are aware that Huntington Beach does have mixed-use zoning districts, such as Beach-Edinger Corridor and Holly-Seacliff. It appears they would currently be allowed by right or ministerial approval by right. She added that when staff presents the zoning ordinance, staff would most likely recommend some sort of discretionary permit for mixed-zone use districts where a residence is on top of a potential dispensary. Director Luna-Reynosa noted that if Council provides clear direction not to allow Conditional Use Permits (CUP), or discretionary permits, it would be helpful to have that early on in this process rather than later.

Councilmember Kalmick stated his opinion that decision needs further discussion by the ad hoc committee and would require evaluating how much property would be impacted and whether or not to require a public hearing as part of the process.

A motion was made by Kalmick, second Bolton to direct staff to prepare and return to the City Council for adoption a resolution placing a City-sponsored measure on the November 8, 2022 General Election ballot, asking voters if the City should allow and regulate a limited number of cannabis retailers and non-retailers for medical and recreational users to operate in areas zoned for cannabis commercial activity within Huntington Beach.

The motion carried by the following vote:

AYES: Bolton, Delgleize, Carr, Moser, and Kalmick  
NOES: Peterson, and Posey

A motion was made by Kalmick, second Bolton to direct staff to prepare and return to the City Council for adoption a resolution placing a City-sponsored cannabis general tax measure, at the same rates as presented to voters on June 7, 2022 on the November 8, 2022 General Election ballot as a General Tax.

The motion carried by the following vote:

AYES: Bolton, Delgleize, Carr, Moser, and Kalmick  
NOES: Peterson, and Posey

Councilmember Kalmick asked for straw votes on the regulatory and zoning issues previously discussed for incorporation into ordinances regarding commercial business activities for Council adoption, and the City's Commercial Cannabis Regulations to be adopted by resolution.

Straw Vote #1 re: Medicinal cannabis businesses and customers

Kalmick made a motion, second Bolton for different age regulation, no taxes, and SB35 component for veterans

Vote: 6 – 1 (Peterson – No)

Straw Vote #2 re: Operation Hours

Kalmick made a motion to approve storefront operating hours of 6 AM – 10 PM to match State minimums; Carr made a substitute motion, second Delgleize for 8 AM – 8 PM operating hours to match staff's proposed times

Vote: 6 – 1 (Kalmick – No)

Straw Vote #3 re: Buffer Measurements

Kalmick made a motion to approve buffer zone of 600 feet for affected use to affected use; elimination of Downtown, Sunset Beach and Coastal Zones; 1,000 feet from the property line of high schools and middle schools, and parks, to the business premise (most elementary schools are in residential neighborhoods and are already protected); and 600 feet premise-to-premise for day care and youth centers.

Carr made a substitute motion to keep buffer measurements consistent with the code (property line to property line).

Moser moved to amend the motion to use 1,000 feet buffers for retail and 600 feet buffers for non-retail cannabis businesses. Moser's amendment was seconded by Carr.

Vote: 6 – 1 (Kalmick – No)

Straw Vote #4 re: Local residency requirement and/or preference

Moser made a motion, second Carr for using the one business per 20,000 population ratio, which results in permitting ten businesses, with two of those permits designated for local resident owners.

Vote: 5 – 2 (Peterson and Posey – No)

Straw Vote #5 re: Location/Property Requirement

Kalmick made a motion, second Bolton, to require 4 local permits (from other cities) or a State license, and setting a refundable fee (amount to be determined later) to raise the bar for the pre-application process.

Vote: 5 – 2 (Peterson, Posey – No)

Straw Vote #6 re: Pre-application requirement to have at least 4 local permits or State licenses, one of which must be retail for retailers for retail applicants

Kalmick made a motion, second Delgleize to require a 12-month property lease, or ownership, at the time of application

Vote: 7 – 0

A motion was made by Kalmick, second Bolton to direct staff to prepare and return to the City Council regulatory and zoning ordinances regarding commercial business activities for City Council adoption and the City's Commercial Cannabis Regulations to be adopted by City Council resolution.

The motion carried by the following vote:

AYES: Bolton, Delgleize, Carr, Moser, and Kalmick  
NOES: Peterson, and Posey

**City Manager Zelinka announced that City Clerk Estanislau completed the online posting for Consent Calendar Item #17 - Confidential Report and Executive Summary (Attachments #3 and #4) regarding the Council waived attorney/client privilege.**

**At approximately 11:00 pm, a motion was made by Kalmick, second Posey to continue the meeting after the hour of 11:00 pm. The motion was approved by acclamation.**

**22. 22-572 Approved placement of three Charter Amendment Ballot Measures for Voter Approval at the November 8, 2022 General Municipal Election, and adopted Resolution Nos. 2022-39, 2022-40, 2022-41 and 2011-42.**

Assistant to City Manager Catherine Jun announced that Project Consultant Dr. Sonenshein was available via Zoom, and presented a PowerPoint communication titled *Consider Submission of Charter Amendment Measures for Voter Approval in November* with slides entitled: *Timeline, Next Steps, Charter Amendment — Measure 1 (4), Charter Amendment — Measure 2 (3), Charter Amendment — Measure 3 (2), Charter Amendment — Measure 4 (2), Next Steps, and Recommended Actions.*

Councilmember Carr expressed appreciation for a job well done by staff.

A motion was made by Carr, second Posey to consider, ***as amended, proposed Charter amendments 1 (Alternate A and inclusion of Vice Mayor title change), 2, and 4*** ballot measures, ballot language and exhibits for placement on the November 8, 2022 General Municipal Election ballot for voter approval.

For clarification, City Attorney Gates noted that State law typically directs the City Attorney to provide an impartial analysis, and recommended that clear direction be provided. He suggested that rather than having staff undertake this task, his office could assign an outside attorney experienced in this effort as impartial analysis includes how approval could impact or change laws.

Councilmember Moser described how the situation of replacing an existing park port-a-potty with a permanent restroom would require approval of the voters per Measure C, and asked that the proper language be used to eliminate that possibility.

Assistant Jun stated she had prepared language to cover that issue and read the text from her PowerPoint communication shown under Charter Amendment — Measure 1 (Alternate A).

Councilmember Kalmick noted that staff moved Items #3, #4 and #5 to Measure 2, and asked that the item for changing Mayor Pro Tem to Vice Mayor be moved back to Measure 1. Staff agreed that change would be moved from Measure 2 to Measure 1.

Mayor Pro Tem Posey stated he would not provide support for proposed Charter Amendment Measure 3, especially after hearing the comments of Public Speaker Shari Freidenrich. He believes this holds true for the City Clerk as well. Further, he noted that the voters 12 years ago approved reviewing the Charter every ten years.

Councilmember Kalmick questioned some of the comments shared by Public Speaker Shari Freidenrich, thanked the Charter Review Committee for their excellent job, and stated his support for the three proposed Charter amendments that remove ambiguity.

The motion made by Carr, second Posey (as amended) carried by the following vote:

AYES: Bolton, Posey, Delgleize, Carr, Moser, and Kalmick  
NOES: Peterson

In response to Councilmember Kalmick's question about written arguments and rebuttals, Assistant Jun noted that Council has first priority to determine who prepares ballot arguments.

Councilmember Peterson volunteered to write direct arguments against Charter Amendment Measures 1, 2 and 4. Councilmembers Kalmick and Posey volunteered to write direct arguments in favor of Charter Amendment Measures 1 and 2, and Councilmembers Bolton and Kalmick volunteered to write direct arguments in favor of Charter Amendment Measure 3.

Assistant Jun read the Elections Code that dictates who prepares the impartial analysis: "Whenever a city measure qualifies for a place on the ballot, the governing body may direct the city elections official (our City Clerk) to transmit a copy of the measure to the City Attorney, unless the organization or salaries of the Office of the City Attorney are affected. The City Attorney shall prepare an impartial analysis of the measure, showing the effect of the measure." Assistant Jun noted that the City Clerk could prepare the impartial analysis if the measure affects the City Attorney's Office.

Councilmember Carr recommended that the impartial analysis for Measures 1 and 2 be provided by the City Attorney, and that the City Clerk provide the impartial analysis for Measure 4. Assistant Jun noted that Dr. Sonenshein is qualified to begin the draft that would be presented to staff and the City Clerk to ensure a transparent process.

A motion was made by Posey, second Delgleize to adopt Resolution No. 2022-39, "A Resolution of the City Council of the City of Huntington Beach, California, Requesting the Board of Supervisors of the County of Orange to Consolidate a General Municipal Election to be Held on November 8, 2022, with the Statewide General Election to be Held on the Date Pursuant to § 10403 of the Elections Code"; and adopt Resolution No. 2022-40, "A Resolution of the City Council of the City of Huntington Beach, California, Calling for the Holding of a General Municipal Election to be Held on Tuesday, November 8, 2022 (1) for the Election of Certain Officers as Required by the Provisions of the Laws of the State of California Relating to Charter Cities and (2) for the Submission to the Voters Questions Relating to City Charter Amendments"; and adopt Resolution No. 2022-41, "A Resolution of the City Council of the City of Huntington Beach, California, Setting Priorities for Filing Written Arguments Regarding City Measures and Impartial Analyses"; and adopt Resolution No. 2022-42, "A Resolution of the City Council of the City of Huntington Beach, California, Providing for the Filing of Rebuttal Arguments for City Measures



Submitted at Municipal Elections" ***as amended to reflect approved language, removal of proposed Measure 3, and assignment of authors for direct arguments and impartial analysis.***

The motion as amended carried by the following vote:

AYES: Peterson, Bolton, Posey, Delgleize, Carr, Moser, and Kalmick  
NOES: None

Councilmember Moser noted her opinion that the language used for Measure 4 is seeking to provide transparency and clarity, and she stated this item is not about an individual, but is about effective governance.

#### **COUNCILMEMBER COMMENTS (Not Agendized)**

Councilmember Carr thanked staff for getting the confidential report and supporting documents related to Consent Calendar Item #17 publicly posted so the residents can become aware of the impetus for the Charter review and subsequent amendments, and understand the goal has always been about policy and procedure for good governance.

Mayor Pro Tem Posey stated this was a difficult discussion, not about personalities but about the office, and added the Councilmembers respect City Attorney Gates for his proven abilities. He stated the Charter review effort was to clear up ambiguity and conflict between Charter Sections 304 and 309, and noted that a majority of the elected Councilmembers are the ones in charge and who direct policies. Mayor Pro Tem Posey added that the checks and balances happen at the ballot box.

Mayor Pro Tem Posey reported that the Fourth of July Parade spectacularly exceeded his expectations, and he appreciated the enthusiasm, positivity and community spirit that was on display as he watched from his front patio. He thanked staff, volunteers, Council liaisons and the volunteer Fourth of July Executive Board for the successful celebration. He also encouraged the community to move beyond the angst and support the upcoming summer events.

City Manager Zelinka noted that Councilmember Carr, with Councilmember consent, had requested that the proposed budget be revisited, and he stated a "Cliff Note" version of that issue would come back after consultation with the Finance Department.

Mayor Delgleize stated the budget is not an easy document to understand, and she believes another quick review will be good.

Mayor Pro Tem Posey suggested that Chief Financial Officer (CFO) Dahle Bulosan's review include the Pension Obligation bond, which gets re-categorized, and how it adversely affects what goes into which budget column. He also stated that the single most important thing that City Council does is to approve spending for all departments, and the process involves robust discussions, which unfortunately hardly any public attended.

Mayor Delgleize encouraged anyone who is not clear about any of the discussions this evening to request a meeting with her.

Councilmember Moser noted that CFO Bulosan did update the budget worksheet on the City's website, and added some Frequently Asked Questions (FAQs) for clarification, and stated she looks forward to a

little additional time on this topic. Councilmember Moser also commended the Charter Revision Committee and staff for all of the effort required for this process.

Councilmember Moser reported attending Former Mayor Peter Green's funeral to acknowledge what an incredible person he was, and her appreciation for the great community response to honor a good man.

Councilmember Moser stated that every American must call out extremism every time it is encountered, and be responsible for not creating extremism. She encouraged people to see each other as humans, treat each other better, and find human dignity. She stated her objective in serving on City Council is only to do good for the City, and encouraged the candidates for the upcoming election to treat each other with respect.

**ADJOURNMENT – 11:44 PM** to the next regularly scheduled meeting of the Huntington Beach City Council/Public Financing Authority is Tuesday, July 19, 2022, at 4:00 PM 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>

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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:**

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City Clerk-Secretary

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Mayor-Chair