

Minutes

City Council/Public Financing Authority City of Huntington Beach

Tuesday, September 21, 2021
5:00 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 5:00 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/

5:00 PM — COUNCIL CHAMBERS

CALLED TO ORDER — 5:00 PM

ROLL CALL

Pursuant to Resolution No. 2001-54, Councilmember Peterson requested and received permission to be absent from the Closed Session portion of the meeting.

Present: Bolton, Delgleize, Carr, Posey, Moser, and Kalmick
Absent: Peterson

ANNOUNCEMENT OF SUPPLEMENTAL COMMUNICATIONS (Received After Agenda Distribution)
— None

PUBLIC COMMENTS PERTAINING TO CLOSED SESSION ITEMS — None

CLOSED SESSION ANNOUNCEMENT(S)

1. 21-685 Mayor Carr Announced: Pursuant to Government Code § 54957.6, the City Council takes this opportunity to publicly introduce and identify designated labor negotiators: Oliver Chi, City Manager and Travis Hopkins, Assistant City Manager, who will be participating in today's Closed Session discussions regarding labor negotiations with: Huntington Beach Firefighters' Association (HBFA), Fire Management Association (FMA), Police Management Association (PMA), Marine Safety Management Association (MSMA), Management Employees' Organization (MEO) and Huntington Beach Municipal Teamster (HBMT)

RECESSED TO CLOSED SESSION — 5:02 PM

A motion was made by Posey, second Delgleize to recess to Closed Session for Item 2. With no objections, the motion carried.

CLOSED SESSION

2. **21-684 CONFERENCE WITH LABOR NEGOTIATORS (Gov. Code section 54957.6.) Agency designated representatives: Oliver Chi, City Manager and Travis Hopkins, Assistant City Manager. Employee Organizations: Huntington Beach Firefighters' Association (HBFA), Fire Management Association (FMA), Police Management Association (PMA), Marine Safety Management Association (MSMA), Management Employees' Organization (MEO) and Huntington Beach Municipal Teamsters (HBMT)**

6:00 PM — COUNCIL CHAMBERS

RECONVENED CITY COUNCIL/PUBLIC FINANCING AUTHORITY MEETING — 6:16 PM

ROLL CALL

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

PLEDGE OF ALLEGIANCE — Led by Councilmember Moser

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.

3. **21-554 Lachelle Carrozza of the Seaside Community Church and member of the Greater Huntington Beach Interfaith Council**

CLOSED SESSION REPORT BY CITY ATTORNEY — None

AWARDS AND PRESENTATIONS

4. **21-640 Mayor Carr proclaimed September as National Suicide Prevention Month and presented a proclamation to Be Well HB**

Marshall Moncrief, CEO of Be Well OC, was unable to attend this meeting to accept the proclamation. Mayor Carr announced that September is the time to raise awareness for suicide prevention, treatment and recovery options. The 2021 effort titled "Creating Hope Through Action" encourages everyone to be aware of the signs, find the words, and reach out to someone they may be concerned about with messages of hope and healing.

5. **21-624 Mayor Carr honored Friends of the Library for their 50th Anniversary and appreciation for the long-standing support the organization has given throughout the years**

Mayor Carr reviewed the history of Friends of the Library during the last 50 years and shared they raise funds mainly through used book sales and the gift shop at Central Library. Dina Chavez, President,

described some of the activities the Friends of the Library volunteers use to raise millions of dollars for library resources. She also thanked Community Services Manager Jessica Framson, Director of Community and Library Services Chris Slama, the Friends Executive Board, and the many amazing volunteers for their support.

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:

City Manager’s Report

- #6 (21-688) PowerPoint presentation entitled *Capital Improvement Program (CIP) Update* submitted by Sean Crumby, Director of Public Works
- #7 (21-699) PowerPoint presentation entitled Orange County Housing Finance Trust submitted by Oliver Chi, City Manager.

Consent Calendar

- #15 (21-679) Two (2) email communications regarding adoption of Ordinance No. 4222 amending Chapter 8.40 of the Huntington Beach Municipal Code (HBMC) titled Noise Control.

Administrative Items

- #18 (21-677) PowerPoint presentation entitled *Huntington Beach Supporting Efforts to Host Action Sporting Events for the LA 2029 Olympics* submitted by Sean Crumby, Director of Public Works.

Corrected Resolution No. 2021-55.

Email communication regarding Resolution No. 2021-55 supporting efforts to host surfing, skateboarding, BMX events for the LA 2028 Olympics.

- #19 (21-692) PowerPoint presentation entitled *Short Term Rentals in Huntington Beach* submitted by Ursula Luna-Reynosa, Director of Community Development.

Sixteen (16) email communications regarding consideration of drafting an amendment to the Short Term Rental Ordinance and an extension of the de-listing deadline.

Councilmember Items

- #20 (21-700) Email communication regarding establishing a “Design-Build-Finance-Operate-Maintain” (DBFOM) subcommittee.
- #21 (21-701) Email communication regarding conducting Neighborhood-Focused Town Halls.
- #22 (21-703) Email communication regarding development of an Arterial Beautification Pilot Project.

PUBLIC COMMENTS (2-Minute Time Limit, amended due to volume of speakers) — 28 In-Person and 7 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>.

Shirley Lewis, Director of the Miss Huntington Beach Scholarship Competition, was called to speak and encouraged everyone to attend this year's pageant on Saturday, October 16, 3:00 PM at the Central Library Theater, and announced tickets are \$25. (00:28:08)

Carole Ann Wall, a resident of Huntington Beach since 1962 and supporter of the Miss Huntington Beach Scholarship Competition for 52 years, was called to speak and encouraged Huntington Beach women, from the ages of 18 to 24, to participate in the Scholarship Competition. (00:30:45)

Martha Morrow, 30-year Huntington Beach resident and business owner, was called to speak and shared examples of actions by Mayor Carr and Councilmembers Posey and Moser to support her opinion that they no longer represent the residents of Huntington Beach but rather are supporting special interest groups. (00:32:43)

Pano Frousiguis, City Council Candidate in 2022, was called to speak and stated his support for the Council Recall because in his opinion all of the Councilmembers (except Peterson) are representing special interests rather than the people of Huntington Beach. (00:35:04)

Nicole Dutton was called to speak and stated examples to support her opinion that the United States is operating under a caste system with establishment and political elites trying to control the working class, and stated her support of the Council Recall. (00:37:19)

Cari Swan was called to speak and stated her opinion that City Council majority actions demonstrate their support for special interests rather than the voters, and it appears the Council majority is costing the residents money and causing harm to the quality of life, therefore she supports the Council Recall. (00:39:40)

Kelly Miller, President and CEO of Visit HB, was called to speak and stated his support for Administrative Item #18 regarding Resolution 2021-55 to commit to the 2028 Olympics in Los Angeles by hosting surfing, BMX, and skateboarding events. (00:41:39)

Luanne Nichols, a fourth generation Huntington Beach property owner, was called to speak and shared personal experiences related to massive homes being crammed into small lots and the impact that has on neighborhood parking, and shared her dismay that Sacramento politicians approved SB 9 and SB 10 which, among other things, create a streamlined zoning process for local governments to support new multi-unit housing of up to ten units per parcel. (00:43:54)

Russell Neal, a resident of Huntington Beach, was called to speak and stated that SB 10 allows city officials to modify zoning laws to permit construction of 10-unit apartments in single-family neighborhoods. Mr. Neal further stated that because residents do not know if the Huntington Beach City Council majority will push back on this, he fully supports the Council Recall as the best way for residents to save Surf City and the quality of life. (00:46:12)

Dave Sullivan, former Councilmember and Mayor, was called to speak and shared his dismay that the time provided for public comment is routinely reduced to 2 minutes, and stated his concerns about Councilmember Items #20 regarding establishing a "design-build-finance-operate-maintain" subcommittee which may impede transparency. (00:48:12)

Michael Hoskinson, former Planning Commissioner, was called to speak and shared his opinion that six of the seated Councilmembers have lied, it is time to hold all politicians accountable, and stated his support for the Council Recall. (00:51:00)

Rob Francisco, 26-year Huntington Beach homeowner, was called to speak and stated that recent Council decisions in support of government subsidized high-density housing have encouraged him to support the Council Recall as the best way to reestablish City leadership that represents the people. (00:52:28)

Pat Love, a resident of Huntington Beach and member of the Short-Term Rental (STR) Alliance, was called to speak and stated his support of Administrative Item #19 (B) to amend the existing STR ordinance and to delay delisting short-term rentals. (00:54:40)

Brian Cardinal, a resident of Huntington Beach, was called to speak and shared details related to residential streets, which are surrounded by apartments that have restricted parking at the intersection of Edwards Street at Warner Avenue. Mr. Cardinal requested that restricted street parking also be implemented on Freeborn Street. Mayor Carr asked that he complete a blue card for staff follow-up. (00:57:15)

Justine Makoff, President & Co-Founder, Free Rein Foundation, and Mary Behrens, Huntington Central Park Equestrian Center, were called to speak and invited community members to participate in upcoming activities such as the Eco Tour, 5K Walk, and the Hug & Groom opportunity that is offered on the first Sunday of every month. (00:59:36)

Erick Armelin, a long-time resident of Huntington Beach, was called to speak and stated his support for the serving Councilmembers, their diverse perspectives, and he encouraged residents to focus on the issues facing the City. (01:01:42)

Jonathon, a resident of Huntington Beach, was called to speak and stated that his high school daughter's desire to attend school and participate in sports is being denied because she is not allowed to choose whether or not to wear a mask, and noted that it appears City Councilmembers are allowed to make that choice for themselves. (01:04:07)

Eric Schlange, owner of a short-term rental in Sunset Beach, was called to speak and stated his family's support for Administrative Item #19 (B) and asked Council to hold off on asking rental platforms to de-list until the City Council considers an amended ordinance. (01:06:28)

Paul Mueller, owner of a short-term rental in Sunset Beach, was called to speak and stated his support for Administrative Item #19 (B), and asked Council to hold off on asking rental platforms to de-list until the City Council considers an amended ordinance. (01:06:57)

Mirta Seitz, a resident for 34 years who offers short-term rental of a room in her home, was called to speak and stated her support for extending the deadline for permits because she is unable to schedule her inspection before the current deadline. (01:08:04)

Richard Koury, owner of two short-term rentals, was called to speak and thanked Councilmembers for their service. Mr. Koury stated his support for Administrative Item #19 (B) regarding holding off on asking rental platforms to de-list. (01:09:31)

Larry Malone, resident of Sunset Beach, was called to speak and stated his support for Administrative Item #19 (B) and asked Council to hold off on asking short-term rental platforms to delist until the City Council considers an amended ordinance. (01:11:48)

Jignesh Padhiar was called to speak and stated that he voted for Mr. Ortiz, and the Council's appointment of Ms. Bolton does not represent him or many other residents of Huntington Beach, and the silenced are going to take their voices back. (01:13:58)

Ann Palmer, a 30-year resident of Huntington Beach, was called to speak and stated she is opposed to Public Hearing Item #16 regarding Zoning Text Amendment No. 19-004 (Affordable Housing) and Councilmember Item #20 to establish a "Design-Build-Finance-Operate-Maintain" Subcommittee. Ms. Palmer also shared her opinion that many of the Councilmembers made campaign statements that they now are totally ignoring and they are not listening to the residents. (01:16:19)

Tom Sanetti, a 30-year Huntington Beach resident, business owner, and Short-Term Rental Alliance member, was called to speak and stated his support for Administrative Item #19 (B) regarding holding off on asking rental platforms to de-list until the City Council considers an amended ordinance. (01:18:37)

Kathryn Levassiur, a long-time resident and Short-Term Rental Alliance member, was called to speak and stated her support for Administrative Item #19 (B), regarding holding off on asking rental platforms to de-list until the City Council considers an amended ordinance. (01:20:56)

Tamara Malone was called to speak and referencing Administrative Item #19 regarding short-term rentals, asked why government should be involved, or try to control, what an individual does with their residential property. (01:23:04)

Brian Vea, a resident of Huntington Beach, was called to speak and shared his opinions on Council inconsistencies regarding mask wearing, encouraged residents to look up councilmember voting records and support the Council Recall at savesurfcity.org. (01:25:19)

Call-in speaker Amory Hanson, a member of the Historic Resources Board and Candidate for City Council in 2022, was invited to speak and stated his support for approving the September 7, 2021, City Council meeting minutes after correcting the spelling of his last name from Hansen, to Hanson. (01:27:20)

Call-in speaker Phil Larschan, a resident of Huntington Beach and member of the Short-Term Rental Alliance, was invited to speak and stated his support for Administrative Item #19 (B), regarding holding off on asking rental platforms to de-list until the City Council considers an amended ordinance. (01:28:43)

Call-in speaker Jonah Breslau, representing 32,000 member United Here Local 11 Hospitality Union, was invited to speak and stated support for the existing short-term rental ordinance and asked that Council enforce it. (01:30:59)

Call-in speaker Jaime Gomez, a resident of Costa Mesa employed in the Hospitality industry was invited to speak and noted the beneficial impact that short-term rental options have for a community when the regulations are enforced. (01:32:15)

Call-in speaker Martha Tanenbaum, employed in the Hospitality industry, was invited to speak and shared her support for prohibiting non-hosted short-term rentals that compete with hotels, and only allowing hosted short-term rentals. (01:36:35)

Call-in speaker Bob Delmer, a resident of Huntington Beach since 1963, was invited to speak and stated his support for Administrative Item #19 (B), regarding holding off on asking rental platforms to de-list until the City Council considers an amended ordinance. (01:37:36)

Call-in speaker Veronica Chavez, Orange County resident and member of the Orange County Central Committee representing Assembly District 69, was invited to speak and thanked the City Council for passing an ordinance that prohibits non-hosted short-term rentals to protect residential housing and neighborhoods, and prevents competition with nearby hotels. (01:38:40)

COUNCIL COMMITTEE — APPOINTMENTS — LIAISON REPORTS, AB 1234 REPORTING, AND OPENNESS IN NEGOTIATIONS DISCLOSURES

Councilmember Posey reported attending an Orange County Power Authority (OCPA) meeting that has the goal of selling power in April 2022, and announced Tiffany Law was hired as CFO. Councilmember Posey announced his appointment of Charles Ray to the Charter Review Committee, and Tony Strickland to the Finance Commission.

Mayor Pro Tem Delgleize reported attending meetings of the Association of California Cities — Orange County (ACC-OC); ACC-OC Lunch and Learn; and Orange County Transportation Authority (OCTA).

Councilmember Moser reported attending meetings of the Environmental Board which currently has four open positions; Downtown Business Improvement District (DTBID); School District; Homeless Task Force and thanked Lieutenant Dave Deresznski for his service, and welcomed Lieutenant Brian Smith as well as Deputy Director Jason Austin; and the Human Relations Task Force.

Councilmember Peterson announced his appointment of Casey McKeon to the Charter Review Committee.

Mayor Carr announced her appointment of Leonie Mulvihill to the Charter Review Committee, and reported attending meetings of the Youth Board; Inter-governmental Relations Committee (IRC); and National Water Resources Institute.

CITY MANAGER'S REPORT

6. 21-688 Capital Improvement Program Updates

City Manager Chi introduced Public Works Director Sean Crumby who presented a PowerPoint communication titled: *Capital Improvement Program Update* with slides entitled: *20/21 Accomplishments, CIP Accomplishments (2), Upcoming Projects (3), and Thank You, Questions?*

Mayor Pro Tem Delgleize thanked Director Crumby for the presentation and shared that for her the synchronization of traffic signals on Warner, eastbound to the 405 Freeway, actually work and she was able to travel with green lights at every intersection.

Councilmember Posey expressed his appreciation for the effort on traffic light synchronization on Beach Boulevard cross streets, and knowing that the streets in his neighborhood are scheduled for paving and slurry sealing.

Councilmember Posey, Director Crumby and City Manager Chi discussed the Charter requirement that Capital Improvement Program projects equal 15% of the budget. Director Crumby stated that a 5-year rolling average meets the requirement, which means some years may be a bit under, and other years a bit higher. Councilmember Posey stated for the record that the leadership of this City Council, working with City Manager Chi and Director Crumby, has made these kinds of investments possible.

Councilmember Moser and Director Crumby discussed how Huntington Beach is able to raise the score on road conditions while the rest of the State keeps declining. Director Crumby stated that the zone approach to street maintenance is very effective.

Mayor Carr thanked Assistant City Manager Travis Hopkins (former Public Works Director) for implementing the zone approach and ensuring the funds were directed to capital improvements every year. Director Crumby stated this is the second-to-last year of a 12-year program, and the program is being re-evaluated with the hope that zone size can be increased, which would result in increased frequency of service.

7. 21-699 Orange County Housing Finance Trust Update

City Manager Chi introduced Grant Henniger from Orange County Housing Finance Trust (OCHFT) who presented a PowerPoint communication titled *Orange County Housing Finance Trust* with slides entitled: *OCHFT Overview, Accomplishments (2), www.ochft.org, 2021 Funding Sources, Looking to the Future, and Orange County Housing Finance Trust.*

Mayor Pro Tem Delgleize stated her appreciation for the fact that OCHFT has been able to secure resources for Administration without assessing member fees, and offered to assist with presentations to other cities to encourage participation in the program.

Mayor Carr and Mr. Henniger agreed that cities could join knowing there is no membership fee, which is expected to be a selling point. Mr. Henniger stated that increased membership is expected to make it more likely that OCHFT will become a line item for State budget resources.

CITY CLERK'S REPORT

8. 21-686 City Clerk Estanislau Announced National Voter Registration Day — Tuesday, September 28, 2021

City Clerk Robin Estanislau announced that Tuesday, September 28, 2021, is National Voter Registration Day, highlighted that voter pre-registration materials are being distributed to local high schools, and on-line voter registration for Orange County residents is available at www.ocvote.com.

CONSENT CALENDAR

9. 21-667 Approved and Adopted Minutes

A motion was made by Posey, second Delgleize to approve and adopt the City Council/Public Financing Authority regular meeting minutes dated September 7, 2021, (***with minor spelling errors corrected***), and on file in the office of the City Clerk.

The motion carried by the following vote:

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

10. 21-663 Approved Sole Source Procurement Request with Hadronex Inc., dba SmartCover Systems, for Sanitary Sewer System Manhole SmartCovers

A motion was made by Posey, second Delgleize to approve Sole Source Procurement Request with Hadronex Inc., dba Smartcover System, for the purchase of SmartCovers.

The motion carried by the following vote:

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

11. 21-681 Approved and authorized execution of four Professional Services Contracts for On-Call Plan Check Services with CSG Consultants, West Coast Code Consultants, True North Compliance, and The Code Group, Inc. dba VCA Code

A motion was made by Posey, second Delgleize to approve and authorize the Mayor and City Clerk to execute \$800,000 "Professional Services Contract Between the City of Huntington Beach and CSG Consultants, Inc. for On-Call Building Division Plan Review Services;" and, approve and authorize the Mayor and City Clerk to execute \$800,000 "Professional Services Contract Between the City of Huntington Beach and West Cost Code Consultants, Inc. for On-Call Building Division Plan Review Services;" and, approve and authorize the Mayor and City Clerk to execute \$800,000 "Professional Services Contract Between the City of Huntington Beach and True North Compliance Services, Inc. for On-Call Building Division Plan Review Services;" and, approve and authorize the Mayor and City Clerk to execute \$800,000 "Professional Services Contract Between the City of Huntington Beach and The Code Group, Inc. dba VCA Code for On-Call Building Division Plan Review Services."

The motion carried by the following vote:

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

12. 21-638 Approved, accepted and authorized execution of a Grant Agreement for the Office of Traffic Safety (OTS) Selective Traffic Enforcement Program (STEP) Pedestrian and Bicycle Safety grant; and approved appropriation and expenditure of funds by the Chief of Police

A motion was made by Posey, second Delgleize to approve and accept the "Selective Traffic Enforcement Program " and "Pedestrian and Bicycle Safety" grant agreements between Office of Traffic Safety (OTS) and the City of Huntington Beach for \$788,000.00 and \$42,795.00; and, authorize the Chief of Police to execute the grant agreement with OTS; and, approve appropriations and

estimated revenue source in the amount of \$788,000.00 and \$42,795.00; and, establish a separate business unit for this funding and authorize the Chief of Police to expend up to a total of \$788,000.00 and \$42,795.00 plus accrued interest on the "Selective Traffic Enforcement Program" (STEP) grant and "Pedestrian and Bicycle Safety" grant.

The motion carried by the following vote:

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

13. 21-657 Approved and authorized execution of a Professional Services Contract to provide Professional Engineering and Construction Phase Services for the Heil Avenue Stormwater Pump Station Project, CC-1293, with AECOM Technical Services, Inc. in the amount of \$200,000

A motion was made by Posey, second Delgleize to approve and authorize the Mayor and City Clerk to execute a "Professional Services Contract Between the City of Huntington Beach and AECOM Technical Services, Inc., for Construction Phase Services for Heil Avenue Stormwater Pump Station, CC-1293."

The motion carried by the following vote:

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

14. 21-693 Approved and authorized execution of the License Agreement by and between the City of Huntington Beach and Bolsa Chica Conservancy relating to network connectivity between City property and the Bolsa Chica Wetlands Interpretative Center

A motion was made by Posey, second Delgleize to approve and authorize the Mayor and City Clerk to execute "License Agreement By and Between the City of Huntington Beach and Bolsa Chica Conservancy."

The motion carried by the following vote:

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

15. 21-679 Adopted Ordinance No. 4222 to amend Chapter 8.40 of the Huntington Beach Municipal Code (HBMC) titled Noise Control relating to the control of unnecessary, excessive, and annoying sounds and protecting noise-sensitive land uses, ensuring land use/noise compatibility, reducing noise from mobile sources, and mitigating noise from construction, maintenance, and other sources Approved for Introduction 9/7/2021 - Vote: 7-0

A motion was made by Posey, second Delgleize to adopt Ordinance No. 4222, "An Ordinance of the City of Huntington Beach Amending Chapter 8.40 of the Huntington Beach Municipal Code Relating to Noise Control."

The motion carried by the following vote:

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

NOES: None

PUBLIC HEARING

16. 21-615 Approved Zoning Text Amendment (ZTA) No. 19-004 by approving for introduction Ordinance No. 4235 amending Section 230.26 (Affordable Housing) of the Zoning and Subdivision Ordinance and adopted Resolution No. 2021-50 updating the affordable housing in-lieu fee schedule and methodology

City Manager Oliver Chi introduced Director of Community Development Ursula Luna-Reynosa and Senior Administrative Analyst Nicolle Aube who jointly presented a PowerPoint communication titled *Zoning Text Amendment No. 19-004* with slides entitled: *Purpose and Background, Request, Inclusionary Requirements, Onsite Affordable Housing (4), Alternatives to Onsite Affordable Housing (4), In-Lieu Fee Payment Alternative, Use of In-Lieu Fees, Clarifications & Revisions, Analysis, Public Comments, Planning Commission and Staff Recommendation.*

Councilmember Posey clarified with Analyst Aube that "lower" income used in this presentation encompasses both "very low" and "low" as used in Regional Housing Needs Assessment (RHNA) materials.

Mayor Carr and Director Luna-Reynosa discussed the impact in fees by changing from number of units to project square footage. There was further discussion on not more specifically defining "over concentration of low-income housing in any specific area" within the ordinance to allow for flexibility and discretion.

Councilmember Kalmick confirmed with staff that they do not foresee the proposed language creating any conflicts with any specific plans.

Mayor Carr opened the Public Hearing.

City Clerk Robin Estanislau announced there were no public speakers, and pursuant to the Brown "Open Meetings" Act, announced supplemental communications received by her office following distribution of the Council Agenda packet:

Public Hearing

#16 (21-615) Inter Department Memo regarding Affordable Housing Ordinance and In-Lieu Fee Update (ZTA No. 19-004) submitted by Ursula Luna-Reynosa, Director of Community Development, identifying a revision to Ordinance No. 4235.

PowerPoint presentation entitled *Zoning Text Amendment No. 19-004* submitted by Ursula Luna-Reynosa, Director of Community Development.

Mayor Carr closed the Public Hearing.

Councilmember Peterson stated his opposition to this item as he sees it as contributing to increasing building costs similar to Americans with Disabilities Act (ADA), Building Energy Efficiency Standards Title 24, International Building Code or California Building Code laws. He further stated he would rather see a program that could reward a developer for complying, rather than applying fees for non-compliance.

Councilmember Posey stated his opinion that lack of inventory is what really creates skyrocketing housing, the choppy waters of State law (including RHNA) have to be navigated, and impacts to streets and parks must be moderated and mitigated. Councilmember Posey noted a benefit is the flexibility of in-lieu fees that can be maximized through leverage for affordable housing trust funds and grants.

A motion was made by Kalmick, second Posey to find that Zoning Text Amendment (ZTA) No. 19-004 is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15061(b)(3) (General Rule) of the CEQA Guidelines because there is no potential for the project to have a significant effect on the environment (Attachment No. 1); and, approve ZTA No. 19-004 and after City Clerk reads by title, approve for introduction Ordinance No. 4235 "An Ordinance of the City Council of the City of Huntington Beach Amending Section 230.26 of the Huntington Beach Zoning and Subdivision Ordinance Titled Affordable Housing" (Attachment No. 2) **as amended by Supplemental Communication (revised Ordinance No. 4237)**; and, adopt Resolution No. 2021-50, "A Resolution of the City Council of the City of Huntington Beach Adopting an Affordable Housing In-Lieu Fee Pursuant to Ordinance No. 4235, and Repealing Resolution Nos. 2007-71, 2008-43, and All Supplemental Resolutions Thereto." (Attachment No. 4).

The motion as amended carried by the following vote:

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

17. 21-674 Approved Fiscal Year 2020-2021 Consolidated Annual Performance & Evaluation Report (CAPER)

City Manager Oliver Chi introduced Community Development Deputy Director Steve Holtz and Housing Manager Charles Kovac who presented a PowerPoint communication titled *Consolidated Annual Performance & Evaluation Report (CAPER)* with slides entitled: *Background (2), Funding Categories, Oak View Family Literacy, Oak View Children's Bureau, Homeless Outreach, Standup for Kids & Robyne's Nest, Senior Care Services, Code Enforcement, Public Facilities, Tenant-Based Rental Assistance (TBRA), Recommended Action, and Thank You.*

Mayor Pro Tem Delgleize confirmed with Director Holtz that all of the projects approved by Council last year were addressed in this report.

Councilmember Posey and Manager Kovac discussed the category to "preserve existing and create new and public facilities" which shows zero completion. Director Holtz explained this category provides Council an objective if funds become available, and this report covers the first year of a five-year period.

Mayor Carr opened the Public Hearing.

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:

Public Hearing

#17 (21-674) Inter Department Memo regarding correction to the *Fiscal Year 2020-2021 Consolidated Annual Performance & Evaluation Report (CAPER)* submitted by Ursula Luna-Reynosa, Director of Community Development.

PowerPoint presentation entitled *Consolidated Annual Performance & Evaluation Report (CAPER) FY 2020-2021* submitted by Ursula Luna-Reynosa, Director of Community Development.

Mayor Carr closed the Public Hearing.

A motion was made by Posey, second Delgleize to conduct the Public Hearing to hear comments and approve the FY 2020-2021 Consolidated Annual Performance and Evaluation Report (CAPER) for Community Development Block Grant (CDBG), CARES Act CDBG Coronavirus (CDBG-CV), and HOME Investment Partnerships Act (HOME) Federal funds; and, authorize the City Manager to transmit this report to the United States Department of Housing and Urban Development (HUD) by September 28, 2021, **as amended by Supplemental Communication (Final Draft CAPER Report)**.

The motion as amended carried by the following vote:

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

ADMINISTRATIVE ITEMS

18. 21-677 Adopted Resolution No. 2021-55 supporting efforts to host surfing, skateboarding, BMX events for the LA 2028 Olympics

City Manager Chi introduced Public Works Director Sean Crumby who presented a PowerPoint communication titled *Huntington Beach Supporting Efforts to Host Action Sporting Events for the LA 2028 Olympics* with slides entitled: *Did you Know...*, *Surf City USA*, *Action Sporting Events*, *Where do we go from here*, and *Questions and Comments*.

Councilmember Peterson reviewed the actions the City has already taken such as discussions with the International Olympic Committee (IOC) in Tokyo, as well as hosting representatives here in Huntington Beach to demonstrate our sustainability and confirm the infrastructure already exists. Director Crumby confirmed that Resolution 2021-55 ensures that the efforts of Visit HB and the City will be combined moving forward.

Councilmember Posey suggested several marketing strategies, including that in 2028, forty-four years will have passed since the 1984 Los Angeles Olympics. He also reminded everyone that Huntington Beach "Surfing Royalty" traveled to Sacramento to witness the Senate vote on the resolution brought forward by then Orange County Senator Janet Nguyen to declare September 20 as "California Surfing Day".

Mayor Pro Tem Delgleize stated that Orange County and Los Angeles County transit authorities are working to enhance area public transportation and confirmed with Director Crumby that collaboration with Orange County Transportation Authority (OCTA) will be an important part of the process.

Mayor Carr stated her support for the effort to build infrastructure such as a new world-class skate park that will remain for many years after the 2028 Olympics.

Councilmember Moser expressed her excitement at the prospect of having Olympic events in Huntington Beach and thanked staff and Visit HB for their efforts at putting Huntington Beach front and center, and drawing the world's attention for all of the right reasons.

A motion was made by Delgleize, second Carr to adopt Resolution No. 2021-55, "A Resolution of the City Council of the City of Huntington Beach Supporting the City's Efforts in Securing Future Sporting Events for the LA 2028 Olympics," **as amended by Supplemental Communication (revised Resolution No. 2021-55).**

The motion as amended carried by the following vote:

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

19. 21-692 Directed Staff to extend de-listing through end of year and return with a limited ordinance amendment to allow un-hosted permits specific to Sunset Beach one year from adoption of Short Term Rental fee resolution (March 1, 2022)

City Manager Chi introduced Community Director Ursula Luna-Reynosa who presented a PowerPoint communication titled *Short Term Rentals in Huntington Beach* with slides entitled: *Timeline of Short-Term Rental Efforts*, *STR Ad Hoc Committee Discussion*, *Staff Seeking City Council Direction*, and *Questions?*

Councilmember Peterson and Director Luna-Reynosa discussed the option for owners to use third-party inspectors for the short-term rental permit process, and it appears lack of third-party inspector availability is dragging out the time for some. Councilmember Peterson stated he supports holding to the existing deadline, however he would recommend not de-listing anyone who has submitted their application by the deadline and is in the process of getting their permit. He feels it is best to proceed with building a foundation plan that can be adjusted in the future if necessary.

Mayor Pro Tem Delgleize and Director Luna-Reynosa reviewed the inspection procedure, which ensures there are no life safety issues on the private property. Director Luna-Reynosa described the Code enforcement process, including notice of violation and citation. Mayor Pro Tem Delgleize stated her support for Option B.

Councilmember Posey and Director Luna-Reynosa discussed SB 60, a State housing mandate, which may or may not yet be signed, that increases the fine for a third health and safety violation to \$5,000. Councilmember Posey asked hypothetically IF the fine amount was raised by the State, would Council have to approve that locally as well. Director Luna-Reynosa confirmed if a defined fine were changed, it would require Council approval, and stated that a high fine is probably one of the best deterrents for bad behavior.

Councilmember Posey and Director Luna-Reynosa discussed that the number of short-term rentals is determined from analyzing active advertisements across all listing platforms, and there probably is a seasonal impact on those numbers and the numbers will always fluctuate.

Councilmember Kalmick and Director Luna-Reynosa discussed the two different date options, one for Sunset Beach un-hosted short-term rental (STR) owners to be grandfathered in, and a delisting date. Director Luna-Reynosa explained the delisting date is not part of the Short-Term Rental Ordinance, and therefore a change of that date would not require an Ordinance amendment; however, extending the time to allow un-hosted STR owners to get permits would require an Ordinance amendment.

Councilmember Kalmick stated that at this point he doesn't see the need to immediately proceed with creating a zone structure within the Coastal Overlay District, and would support extending the delisting date to November 1, 2021.

Councilmember Moser stated support for Councilmember Kalmick's comments, and discussed the number of actual permitted units, vs the projected number used during the planning process. Director Luna-Reynosa explained that most people appear to be providing illegal non-hosted rentals; therefore, the low number of permitted hosted units is not surprising. Councilmember Moser and Director Luna-Reynosa discussed that there was very little City outreach to Sunset Beach homeowners to clarify that properties are not automatically "grandfathered" into the permit process.

Councilmember Posey made reference to fines identified in SB 60.

Mayor Carr described some of the issues discussed at the Ad Hoc Committee level, and stated her support for Council determining policy that is best for Huntington Beach rather than waiting to see what Sacramento decides. Mayor Carr stated her support for extending the delisting deadline for another three (3) months to allow time to define an ordinance that makes sense, is enforceable, and that is fair by allowing in Huntington Beach what is available in Sunset Beach.

Councilmember Bolton stated she is still learning about all of the moving parts for this issue, but supports the effort to ensure anyone who has submitted an application is not delisted, and agreed with Mayor Carr that more time is required.

Mayor Carr confirmed with Director Luna-Reynosa that the time has lapsed for Sunset Beach residents to get an un-hosted short-term rental permit. Mayor Carr said it appears Council is prepared to extend the de-listing date, but unclear as to whether or not Council wants to expand the plan from Sunset Beach into the Coastal Zone.

Councilmember Kalmick stated he is not in favor of expanding the program at this time into the Coastal Zone, and suggested keeping the Ad Hoc Committee to continue discussions.

Director Luna-Reynosa recapped what she was hearing from Council is to extend the de-listing deadline to December 31, 2021, which means effective January 1, 2022, a completed permit will be required and enforcement will begin. The City will ensure that people are well aware of the process and final date, and staff will not depend upon any third parties to get the message out. In addition, staff will bring back a limited ordinance amendment to allow un-hosted STRs in Sunset Beach one year from adoption of the STR resolution, or March 1, 2022, and off-line discussions can continue.

Councilmember Posey provided support for Director Luna-Reynosa's recap as a stated motion, amended by adding that Council discuss expansion into the Coastal Zone at a future meeting.

A motion was made by Posey, second Delgleize to ~~A) Direct staff to enforce the ordinance as adopted and cause the various platforms to de-list unpermitted short term rentals by October 1, 2021; or B) Direct staff to bring forward an amended ordinance that creates a zone structure within the Coastal Overlay District that will limit the number of short term rentals that can be operated within each zone, and hold off on causing the various rental platforms to de-list until the City Council considers an amended ordinance.~~ **direct staff to extend the de-listing deadline to December 31, 2021; as of January 1, 2022 forward, only STRs with valid permits may be listed — City to ensure property owner education; return with limited ordinance amendment to allow un-hosted permits specific to Sunset Beach one year from adoption of STR fee resolution (March 1, 2022); and, consider Coastal Zone expansion at a later date.**

The motion as amended carried by the following vote:

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

NOES: None

COUNCILMEMBER ITEMS

20. 21-700 Item Submitted by Councilmember Posey Approved — Establish a "Design-Build-Finance-Operate-Maintain" (DBFOM) Subcommittee

Councilmember Posey introduced this item by describing "design-build-finance-operate-maintain" as a private/public partnership where private contractors build in exchange for a long-term lease, and at lease expiration the City owns the building. He described a legacy process, which will require some creativity for the moving parts that need to be considered, and serious analysis with engagement of the Finance Commission for an informed and educated Council recommendation.

Councilmember Peterson stated support for including the Finance Commission; however, he would like to see all Councilmembers included throughout the process using study sessions to ensure complete transparency.

Councilmember Posey stated his intent is to provide transparency through a three-member ad hoc committee to dedicate 20 or maybe 60 hours or more for a deeper dive, because developing this plan will require much more than just several study sessions.

Councilmember Peterson replied that typically, ad hoc committees do not have public meetings; however, he could be inclined to support the effort if that is required.

Councilmember Kalmick stated his support for an ad hoc committee that digs into the details, includes the Finance Commission in some of their meetings, and reports to Council and the community through Study Sessions. He added that any Councilmember with more interest should feel free to attend any of the ad hoc committee meetings.

Councilmember Kalmick and City Manager Chi discussed that this concept is at the very beginning stages, but given the scale of the potential projects, there is an opportunity to ensure that building plans include maintenance to ensure improvement over what has been done previously.

Mayor Pro Tem Delgleize and Councilmember Posey discussed the enormity of the concept, and amount of time required to dig into details and determine options, and stated that it will take more time than a couple of study sessions each month.

A motion was made by Posey, second Delgleize to authorize the establishment of a 3-member DBFOM City Council Ad-Hoc Subcommittee ***as amended to engage the Finance Commission to provide a financial analysis (date to be determined); and, overview DBFOM Subcommittee/Finance Commission recommendations at future City Council Study Sessions.***

The motion as amended carried by the following vote:

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

21. 21-701 Item Submitted by Councilmember Kalmick Approved — Directed City Manager to develop a Neighborhood-Focused Town Hall Program

Councilmember Kalmick introduced this item, which he described as an effort to get staff to provide neighborhood-focused town halls either quarterly or semi-annually. He added that the Southeast and Sunset Beach committees are great examples of what he envisions for various City neighborhoods.

Councilmember Moser stated her support for this item, as she believes it is important for every neighborhood to have direct communication from staff.

Councilmember Posey stated his support for this item based on the success of his "Meet the Mayor" meetings he offered in various locations throughout the City during his tenure as Mayor.

A motion was made by Kalmick, second Posey to recommend that the City Council direct the City Manager to develop a neighborhood-focused town hall program for all geographic parts of Huntington Beach to be deployed later this year.

The motion carried by the following vote:

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

22. 21-703 Item Submitted by Councilmember Moser Approved — Directed staff to Develop an Arterial Beautification Pilot Project

Councilmember Moser described some of the City's arterial roads as just block walls and asphalt, and she would like to see more effort put into esthetics. She described her discussions on this topic with Public Works Director Sean Crumby who indicated that a pallet of options would be helpful for adding tree wells, greening up block walls, add and improve medians, as well as add or update entry monuments. Councilmember Moser stated there is funding for arterial beautification in the American Rescue Plan Act (ARPA), and she believes those funds would be wisely spent on a pilot project that could set standards that could be used citywide.

Councilmember Peterson confirmed with Councilmember Moser that on-going maintenance costs would be part of the plan.

Councilmember Posey stated his support and suggested it might inspire neighborhoods to do some of their own beautification, and suggested a beautification pilot project could set the standard and provide opportunity to be implemented with street repaving plans.

Councilmember Kalmick stated his support for this item.

Mayor Pro Tem Delgleize and Director Crumby discussed the importance of including maintenance costs. Mayor Pro Tem Delgleize stated her support for the program, especially for including the City's entryways, and believes that Caltrans would cooperate when consulted.

A motion was made by Moser, second Delgleize to recommend that the City Council vote to direct staff to develop an arterial beautification pilot program project in Huntington Beach.

The motion carried by the following vote:

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

23. 21-704 Item Submitted by Councilmember Moser Approved — Directed staff to assess current Navigation Center services for improvements that can be deployed, and which will connect to our Project Zero Initiative

Councilmember Moser introduced this item by providing a history of actions the City has taken to reach the point where there is a Navigation Center and Be Well OC services. Councilmember Moser added she believes there are improvements that can be made to ensure that Navigation Center efforts actually move people to supportive permanent housing, and become connected to all available services. She stated that important components include the ability to track services and define what success looks like.

Mayor Carr and Councilmember Moser discussed the reporting that Mercy House provides would be included in a digital dashboard. Councilmember Moser explained that Mercy House would oversee and track use of expanded services at the Navigation Center, many of which may be available through the County, business and faith-based communities.

A motion was made by Moser, second Kalmick to recommend the City Council direct staff to engage an assessment of the current operations of the Navigation Center, and that staff return to the City Council with an update of improvements that can be made which link to our Project Zero efforts.

The motion carried by the following vote:

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

COUNCILMEMBER COMMENTS (Not Agendized)

Councilmember Moser reported participating in the Surf City Marathon Kick-off; attending the McKenna Claire Foundation Party with a Purpose; Blessing of the Waves; Kiwanis Club Fundraiser; Bluff Top Park Groundbreaking; Citizen's Academy meetings; Oakview Comunidad Volunteer Thank You event; and Patriot Day Ceremony.

Mayor Pro Tem Delgleize thanked those who sent her birthday wishes on September 11, and reported attending the welcome for the Be Well OC van and Bluff Top Park Groundbreaking.

Mayor Carr reported speaking to the Sunset Women's Club and at the Annual Blessing of the Waves; attending the Bluff Top Park Groundbreaking; thanked District Attorney Todd Spitzer and Supervisor Katrina Foley for attending the Be Well OC launch; Surf City Marathon Kick-off; Patriot Day Ceremony, and thanked American Legion Post 133 for their participation.

Mayor Carr stated her embarrassment at hearing "recall, recall" at the 9/11 Event and condemned those who did not have the decency to show more respect. She encouraged people to attend the US Open of Surfing, October 1 – 3 Air Show, and concerts following the Air Show.

ADJOURNMENT — 11:05 PM to the next regularly scheduled meeting of the Huntington Beach City Council/Public Financing Authority on Tuesday, October 5, 2021, 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>

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