

Minutes

City Council/Public Financing Authority City of Huntington Beach

Tuesday, September 3, 2019
4:00 PM - Council Chambers
6:00 PM - Council Chambers
Civic Center, 2000 Main Street
Huntington Beach, California 92648

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/

4:00 PM - COUNCIL CHAMBERS

CALLED TO ORDER — 4:00 PM

ROLL CALL

Present: Brenden, Carr, Semeta, Peterson, Posey, Delgleize, and Hardy
Absent: None

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:

Study Session

Item No. 1 (19-632) *Short-Term Rental Case Study Analysis* — City of Huntington Beach received from Ursula Luna-Reynosa, Director of Community Development.

Item No. 1 (19-632) PowerPoint communication entitled *Short-Term Rental Study Session* received from Ursula Luna-Reynosa, Director of Community Development

PUBLIC COMMENTS PERTAINING TO STUDY SESSION / CLOSED SESSION ITEMS

(3 Minute Time Limit) — 12 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/>.

Kathryn Levassiur, a resident of Huntington Beach and Founding Member of the Huntington Beach Short-Term Rental Alliance (HBSTRA), was called to speak and stated that the Alliance urges Council Members to support Study Session Item No. 1 (19-632) regarding a tax and regulation process for short-term rentals, in Huntington Beach and Sunset Beach. (00:01:34)

Dan Jamieson, a resident of Huntington Beach, was called to speak and stated support for Study Session Item No. 1 (19-632) regarding a tax and regulation process for short-term rentals. (00:04:13)

Pat Byers, Downtown Huntington Beach resident, was called to speak and stated her support for Study Session Item No. 1 (19-632) regarding a tax and regulation process for short-term rentals. (00:04:54)

Mary Franck was called to speak and stated support for Study Session Item No. 1 (19-632) regarding a tax and regulation process for short-term rentals. (00:05:59)

Bob Franck, a resident of Huntington Beach, was called to speak and stated support for Study Session Item No. 1 (19-632) regarding a tax and regulation process for short-term rentals. (00:07:03)

Peter Gevorkian, a resident of Huntington Beach since 1972, was called to speak and stated support for Study Session Item No. 1 (19-632) regarding a tax and regulation process for short-term rentals. (00:08:21)

Marc Mumford, a resident of Huntington Beach, was called to speak and stated support for Study Session Item No. 1 (19-632) regarding a tax and regulation process for short-term rentals. (00:11:09)

Rob Dubar, speaking on behalf of his mother, Rhonda Dubar, a long-time resident of Huntington Beach, was called to speak and stated support for Study Session Item No. 1 (19-632) regarding a tax and regulation process for short-term rentals. (00:12:45)

Phil Larschan, an 8-year resident of Huntington Beach, was called to speak and stated support for Study Session Item No. 1 (19-632) regarding a tax and regulation process for short-term rentals. (00:13:17)

Al Levassiur, husband of Kathryn Levassiur, and supporter of HBSTRA, was called to speak and stated support for Study Session Item No. 1 (19-632) regarding a tax and regulation process for short-term rentals. (00:13:54)

Kelly Miller, President and CEO, Visit Huntington Beach, was called to speak and shared concerns regarding existing hoteliers, property owner rights, enforcing health and safety laws, preserving neighborhood integrity and the Surf City brand for all visitors, and stated support for the City Council regardless of the decision they make on Study Session Item No. 1 (19-632) regarding a tax and regulation process for short-term rentals. (00:14:54)

Dana Nguyen, a Huntington Beach resident and small business owner, was called to speak and stated support for Study Session Item No. 1 (19-632) regarding a tax and regulation process for short-term rentals. (00:17:42)

STUDY SESSION

1. 19-632 Presentation on Short-Term Rentals in Huntington Beach, and case studies in other jurisdictions

Interim City Manager David Kiff introduced Community Development Manager Ursula Luna-Reynosa who presented a PowerPoint communication with Jennifer Daugherty of Lis Wise Consulting, Inc. titled: *Short-Term Rental Study Session* with slides entitled: *Agenda, The Sharing Economy, What is a Short-Term Rental, Huntington Beach Context (5), Short-Term Rentals in Huntington Beach (9), Case Studies (2), Carlsbad, CA, Carpinteria, CA, Newport Beach, CA, Pismo Beach, CA, Case Studies, Revenue Projections, STR/Hotel Costs, and Discussion.*

Councilmember Delgleize and Director Luna-Reynosa discussed that the scope of work at this time did not include looking at the processes for both implementing and then enforcing regulations. Those topics will be addressed at the Council's direction.

Councilmember Posey and staff discussed that there is no way at this time to determine the number of anticipated new Short-Term Rental (STR) businesses (above the current 820 illegal operations) that might develop if STRs are legalized, nor the average number of night stays per year per STR. Councilmember Posey and Kelly Miller, President and CEO of Visit Huntington Beach, discussed that currently the total economic impact (total spending per day) is currently at \$580 per party on average, and there has not been any study that differentiates hotels vs. STRs.

Mayor Pro Tem Semeta clarified with Mr. Miller that the \$580 per day includes room cost. Councilmember Semeta and Consultant Daugherty discussed how grandfathering could be implemented by allowing existing STRs to be permitted with a sunset clause tied to the operator, even if they are not within the area(s) zoned for STRs. Councilmember Semeta and Director Luna-Reynosa discussed potential income of over \$800,000, and the need for more information on code enforcement options and costs.

Councilmember Hardy and Consultant Daugherty discussed the definition of special events such as a graduation party, or the Air Show, and various exterior signage standards. Councilmember Hardy stated she is leaning towards hosted vs. non-hosted rentals, and confirmed with staff that having a STR would be a covenant violation for an affordable housing unit. Councilmember Hardy emphasized that the California Coastal Commission (CCC) likes short-term rentals, and there will be no going back if Short-Term Rental businesses are approved. Councilmember Hardy expressed her concern about the possibility that non-hosted STRs could create a housing shortage, which could result in increased sales price and rent costs.

Councilmember Carr stated appreciation for the report and review of the different cities and circumstances, and stated her support for developing a plan for Huntington Beach to protect residents and visitors. Councilmember Carr expressed interest in controlling the number of units allowed as Carpinteria does. Councilmember Carr shared her concerns related to an operator who may purchase multiple units like an apartment complex and turn most of the units into STRs, as well as grandfathering current units. Councilmember Carr suggested that Council spend more time on this issue and develop procedures based on existing best practices from other coastal communities.

Councilmember Brenden asked that staff provide the details behind the revenue projections shown in the report, as well as cost recovery details for the other cities studied. He also asked if required resident days could be verified, and whether enforcement details could be obtained from the four cities in the study to determine if there really is a higher level of calls related to parties at STRs. He asked staff for the definition of a Boarding house, requested further discussion and ideas on grandfathering current illegal STRs and property rights, and suggested another study session to dig deeper into the details.

Mayor Peterson confirmed with Director Luna-Reynosa that the City pays host compliance costs, and requested specific details. He stated his opinion that no business operating illegally has rights to be considered, and therefore should not be grandfathered. Mayor Peterson also expressed the need to regulate to prevent units from turning into motel businesses that could negatively affect residential neighborhoods and create public safety issues such as inadequate parking. Mayor Peterson requested more details related to code enforcement options and costs.

Mayor Pro Tem Semeta asked for more details on hosted vs non-hosted standards, and asked if a homeowner can hire a property manager and comply with hosted standards.

Councilmember Brenden asked staff if Slide 13 (entitled *Short-Term Rentals in Huntington Beach*) in actuality reflects hosted vs non-hosted (partial vs entire home listings) units, and if so, future reports should break down revenues and costs by those two categories.

Councilmember Delgleize asked staff to determine if cost of compliance could be passed on to the STR operators, and asked for confirmation that Newport Beach's new Code Enforcement officer actually increased income well over the costs related to the position. Director Luna-Reynosa confirmed that every city studied stated that STR policies increased revenues but they did not necessarily quantify specific amounts or percentages, adding staff will try to get more specifics.

Director Luna-Reynosa stated that current City of Huntington Beach code enforcement data was queried for the last 5 years during which time over 600 complaints were received. Two hundred eighty-nine (289) of those complaints were verified property violations, including multiple violations for the same property. The query also shows that more complaints are made in the summer, and STRs have not typically been problematic.

Mayor Peterson stated his suggestion that enforcement needs to include several levels of fines, and re-stated Councilmember Hardy's reminder that when working with the California Coastal Commission there will be no option to go back.

RECESSED TO CLOSED SESSION — 5:32 PM

A motion by Brenden, second by Posey to recess to Closed Session for Items 3 – 6. With no objections, the motion passed.

CLOSED SESSION ANNOUNCEMENT(S)

2. 19-924 **Mayor Peterson announced: Pursuant to Government Code § 54957.6, the City Council shall recess into Closed Session to meet with its designated labor negotiator: David Kiff, Interim City Manager; also in attendance: David Segura, Interim Fire Chief; Chuck Adams, Interim Chief Financial Officer; Michael Baumgartner, Marine Safety Division Chief and Michele Warren, Director of Human Resources regarding the following: Marine Safety Management Association (MSMA) and Surf City Lifeguard Employees' Association (SCLEA).**

CLOSED SESSION

3. 19-921 **Pursuant to Government Code § 54957.6, the City Council recessed into Closed Session to meet with its designated labor negotiator: David Kiff, Interim City Manager; also in attendance: David Segura, Interim Fire Chief; Chuck Adams, Interim Chief Financial Officer; Michael Baumgartner, Marine Safety Division Chief and Michele Warren, Director of Human Resources regarding the following: Surf City Lifeguard Employees' Association (SCLEA).**

4. **19-922 Pursuant to Government Code § 54956.9(d)(2), the City Council recessed into Closed Session to confer with the City Attorney regarding potential litigation. Number of cases, four (4).**
5. **19-923 Pursuant to Government Code § 54957.6, the City Council recessed into Closed Session to meet with its designated labor negotiator: David Kiff, Interim City Manager; also in attendance: David Segura, Interim Fire Chief; Chuck Adams, Interim Chief Financial Officer; Michael Baumgartner, Marine Safety Division Chief and Michele Warren, Director of Human Resources regarding the following: Marine Safety Management Association (MSMA).**
6. **19-933 Pursuant to Government Code § 54956.9(d)(1), the City Council recessed into Closed Session to confer with the City Attorney regarding the following lawsuit: Kennedy Commission, et al. v. City of Huntington Beach (Beach-Edinger Corridor); OCSC Case No 30-2015-00801675.**

6:00 PM - COUNCIL CHAMBERS

RECONVENED CITY COUNCIL/PUBLIC FINANCING AUTHORITY MEETING — 6:00 PM

ROLL CALL

Present: Brenden, Carr, Semeta, Peterson, Posey, Delgleize, and Hardy
Absent: None

PLEDGE OF ALLEGIANCE — Led by Councilmember Brenden

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.

7. **19-850 Rabbi Stephen Einstein (Emeritus) of the Congregation B'nai Tzedek and member of the Greater Huntington Beach Interfaith Council**

CLOSED SESSION REPORT BY CITY ATTORNEY — None

AWARDS AND PRESENTATIONS

8. **19-779 Mayor Peterson called on students who participated in the Anjo, Japan Sister City Exchange Program who provided an overview of their experiences overseas**

Chaperone Lisa Gellerman introduced Gino Angelici, Edison High School, Syrhaan Albuquerque, Fountain Valley High School, Frankie Shulte, Huntington Beach High School and Tommy Trommald, Huntington Beach High School, participants in the 2019 Japan Sister City Exchange program who shared highlights of their trip to Anjo, Japan.

9. 19-915 Mayor Peterson called on members of the girls U14 United Water Polo team who brought home the bronze medal at Junior Olympics taking third place out of 78 teams

Sean Nollan, Youth Girls Head Coach, provided a brief overview of the rigorous program and congratulated the girls U14 team members who worked very hard to bring home the bronze medal.

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

Item No. 16 (19-926), Communication submitted by Acting Assistant City Manager, Travis Hopkins, providing background information and update on the development and implementation of the citywide Enterprise Land Management (ELM) project.

Council Member Items

Item No. 24 (19-927), Two (2) emails received regarding asset forfeiture.

Item No. 25 (19-932), Letter regarding compliance with the California Regional Housing Needs Assessment (RHNA) received from Jenny Braithwaite, Member of Homeless United Huntington Beach.

Item No. 25 (19-932), Ten (10) emails received regarding SB 2 funding.

PUBLIC COMMENTS (3 Minute Time Limit) — 13 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>.

Katherine Dowling, a 46-year resident of Huntington Beach, was called to speak and stated her support for Public Hearing Item No. 21 (19-910) regarding Denial of Tentative Tract Map and Conditional Use Permit for Ellis Avenue Condos. (01:46:34)

Galen T. Pickett, Homeless United Huntington Beach member, was called to speak and stated his support for Councilmember Items, Item No. 25 (19-932) regarding SB 2 (Building Homes and Job Acts) Funds. (01:49:27)

Gigi Jackson was called to speak and stated support for Councilmember Item No. 25 (19-932) regarding SB 2 (Building Homes and Job Acts) Funds. (01:51:07)

Jenny Braithwaite, Homeless United Huntington Beach member, was called to speak and stated support for Councilmember Item No. 25 (19-932) regarding SB 2 (Building Homes and Job Acts) Funds. (01:52:15)

Shammy Dingus, resident of Huntington Beach, was called to speak and stated support for Councilmember Item No. 25 (19-932) regarding SB 2 (Building Homes and Job Acts) Funds. (01:54:16)

John Bostick, resident of Huntington Beach, was called to speak and stated support for Councilmember Item No. 25 (19-932) regarding SB 2 (Building Homes and Job Acts) Funds. (01:56:21)

Shirley Dettloff, former Mayor and a 55-year resident of Huntington Beach, was called to speak and stated support for Councilmember Item No. 25 (19-932) regarding SB 2 (Building Homes and Job Acts) Funds. (01:57:25)

Tiffany Tabares, mother of Dillon Tabares, was called to speak and shared her anguish related to the police shooting of her son, Dillon. (01:59:20)

Kathryn Levassieur, a resident of Huntington Beach, was called to speak and stated her support for Study Session Item No. 1 (19-632) regarding continued efforts to manage Short-Term Rentals in Huntington Beach. (02:02:46)

Kimberly Adams, Orange County Regional Organizing Director, California Yes In My Back Yard (YIMBY), was called to speak and stated support for Councilmember Item No. 25 (19-932) regarding SB 2 (Building Homes and Job Acts) Funds. (02:03:56)

Ben was called to speak and stated his support for Public Hearing Item No. 21 (19-910) regarding Denial of Tentative Tract Map and Conditional Use Permit for Ellis Avenue Condos. (02:05:05)

Steve Shepherd was called to speak and stated his support for Public Hearing Item No. 21 (19-910) regarding Denial of Tentative Tract Map and Conditional Use Permit for Ellis Avenue Condos. (02:06:09)

Claudia Perez-Figueroa, Senior Field Representative for Assemblywoman Cottie Petrie-Norris, was called to speak and invited everyone to the Wetlands and Wildlife Care Center on Saturday, September 28, for a California Legislative Update event sponsored by Assemblywoman Petrie-Norris. (02:09:01)

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

Councilmember Carr reported having a conversation with the Huntington Beach Firefighters' Association (HBFA).

Councilmember Delgleize reported meeting with the Police Management Association (PMA).

Councilmember Posey reported attending the Southern California Association of Government (SCAG) Public Hearing on Regional Housing Needs Assessment (RHNA).

Councilmember Brenden reported attending a Jet Noise Commission meeting with Councilmember Delgleize.

Mayor Pro Tem Semeta reported also attending the Southern California Association of Government (SCAG) Public Hearing on Regional Housing Needs Assessment (RHNA).

10. 19-727 Appointed a Voting Delegate and Alternate to the League of California Cities Annual Conference and Business Meeting

A motion was made by Brenden, second Hardy to appoint Mayor Peterson to serve as the voting delegate, and City Council Members Carr and Posey as alternates, to represent the City of Huntington Beach at the 2019 League of California Cities Annual Conference & Expo and Annual Business Meeting (General Assembly), scheduled for October 16-18, 2019.

The motion carried by the following vote:

AYES: Brenden, Carr, Semeta, Peterson, Posey, Delgleize, and Hardy
NOES: None

CITY MANAGER'S REPORT

Interim City Manager David Kiff provided a brief slide presentation entitled *Ascon Landfill Site Update (3)* and highlighted changes from the last report.

CONSENT CALENDAR

Councilmember Carr pulled Consent Calendar Item No. 18 regarding a new Assistant Director of Library Services, and recused herself for Consent Calendar Item No. 20 regarding Zoning Map Amendments.

Mayor Peterson pulled Consent Calendar Item No. 16 regarding Professional Services agreements.

11. 19-894 Approved and Adopted Minutes

A motion was made by Posey, second Semeta to approve and adopt the City Council/Public Financing Authority regular meeting minutes dated August 19, 2019.

The motion carried by the following vote:

AYES: Brenden, Carr, Semeta, Peterson, Posey, Delgleize, and Hardy
NOES: None

12. 19-821 Approved the August 2019 City of Huntington Beach Strategic Plan Update

A motion was made by Posey, second Semeta to approve the August 2019 Strategic Objectives Update as contained within Attachment 1.

The motion carried by the following vote:

AYES: Brenden, Carr, Semeta, Peterson, Posey, Delgleize, and Hardy
NOES: None

13. 19-895 Approved appointment of Elaine Parker to the Library Board of Trustees as recommended by Council Liaisons Carr and Hardy

A motion was made by Posey, second Semeta to approve the appointment of Elaine Parker to the Library Board of Trustees as recommended by Council Liaisons Carr and Hardy.

The motion carried by the following vote:

AYES: Brenden, Carr, Semeta, Peterson, Posey, Delgleize, and Hardy
NOES: None

14. 19-887 Adopted Resolution Nos. 2019-59 (Carr Park Renovation), 2019-60 (Drew Park Renovation) and 2019-61 (Schroeder Park Renovation) approving the application for Statewide Park Development and Community Revitalization Program Grant Funds to the State of California Department of Parks and Recreation for Carr Park, Drew Park and Schroeder Park

A motion was made by Posey, second Semeta to adopt Resolution 2019-59, "A Resolution of the City Council of the City of Huntington Beach Approving the Application for Statewide Park Development and Community Revitalization Program Funds (Carr Park Renovation)" for improvements at Carr Park; and, adopt Resolution 2019-60, "A Resolution of the City Council of the City of Huntington Beach Approving the Application for Statewide Park Development and Community Revitalization Program Funds (Drew Park Renovation)" for renovations at Drew Park; and, adopt Resolution 2019-61, "A Resolution of the City Council of the City of Huntington Beach Approving the Application for Statewide Park Development and Community Revitalization Program Funds (Schroeder Park Renovation)" for renovations at Schroeder Park.

The motion carried by the following vote:

AYES: Brenden, Carr, Semeta, Peterson, Posey, Delgleize, and Hardy
NOES: None

15. 19-746 Approved and authorized execution of a Memorandum of Understanding (MOU) between the City of Huntington Beach and Huntington Beach Fire Outreach Foundation (HBFOF)

A motion was made by Posey, second Semeta to approve and authorize the Interim City Manager to execute the five-year "Memorandum of Understanding" between the City of Huntington Beach and the Huntington Beach Fire Outreach Foundation.

The motion carried by the following vote:

AYES: Brenden, Carr, Semeta, Peterson, Posey, Delgleize, and Hardy
NOES: None

16. 19-926 Approved a Professional Services Contract with IK Consulting for \$180,000 for Project Management and Implementation Services; and, approved Amendment No. 2 to the Professional Services Agreement with Go-Live Technology for as-needed Information Technology Project Management Service for \$135,000 to complete implementation of the citywide Enterprise Land Management (ELM) System

Mayor Peterson pulled this item to discuss his concerns related to the ELM System with Acting Assistant City Manager Travis Hopkins, including actual costs for maintenance and situations that have resulted in unexpected delays.

Mayor Pro Tem Semeta and Acting Assistant City Manager Hopkins discussed additional details related to maintenance fees.

A motion was made by Peterson, second Delgleize to approve and authorize the Mayor and City Clerk to execute "Professional Services Contract Between the City of Huntington Beach and IK Consulting for

Project Management and Implementation Services" and, approve and authorize an increase in the Information Services Professional Services listing authority by \$180,000; and, approve and authorize the Mayor and City Clerk to execute "Amendment No. 2 to Professional Services Agreement between the City of Huntington Beach and Go-Live Technology, Inc. for As-Needed Informational Technology Project Management Service" and, approve and authorize an increase in the Information Services Professional Services listing authority by \$135,000.

The motion carried by the following vote:

AYES: Brenden, Carr, Semeta, Peterson, Posey, Delgleize, and Hardy

NOES: None

17. 19-882 Approved and authorized execution of a License Agreement between the City and Subhash and Sushila Patel DBA One Fine Blend to operate a food concessionaire stand located at the Central Library

A motion was made by Posey, second Semeta to approve and authorize the Mayor and City Clerk to execute a three (3) year "Non-Exclusive License Agreement between the City of Huntington Beach and Subhash and Sushila Patel, Individuals, Doing Business as One Fine Blend."

The motion carried by the following vote:

AYES: Brenden, Carr, Semeta, Peterson, Posey, Delgleize, and Hardy

NOES: None

18. 19-797 TABLED request to create a new Assistant Director of Library Services position by approving for introduction Ordinance No. 4186, adopting Resolution No. 2019-52 modifying the Non-Associated Salary and Benefits Resolution by adding the classification and establishing the compensation of Assistant Director of Library Services; and authorize the City Manager to execute the employment agreement for the Assistant Director of Library Services following completion of the recruitment process

Councilmember Carr pulled this item to express her concerns about approving any new "Assistant" position prior to Council approval of a citywide Succession Plan.

Councilmember Hardy expressed her need to see the total costs related to a citywide Succession Plan, rather than approving positions one at a time.

Councilmember Brenden stated his support for the comments made by Councilmembers Carr and Hardy, and expressed a desire to see a more accurate accounting of increased expenses.

Councilmember Posey stated his support for the comments made by Councilmember Carr, and shared his opinion that the focus should be on developing a citywide Succession Plan before considering new department staff positions.

Councilmember Delgleize stated her agreement to proceed with developing a citywide Succession Plan.

A motion was made by Carr, second Brenden to **TABLE** request to approve for introduction Ordinance No. 4186, "An Ordinance of the City of Huntington Beach Amending the Huntington Beach Municipal Code by Amending Section 2.76.010 Thereof Related to Exclusions From Competitive Service" by adding the Assistant Director of Library Services; and, adopt Resolution No. 2019-52, "A Resolution of the City Council of the City of Huntington Beach Modifying Salary and Benefits for Non-Represented Employees By Adding the Assistant Director of Library Services Classification and Establishing the Compensation;" and, Delegate Authority to the City Manager/Interim City Manager to execute Employment Agreement in a form approved by the City Attorney for the Assistant Director of Library Services following the recruitment process; and, De-fund and remove the Principal Librarian position from the Table of Organization and fund and add the Assistant Director of Library Services.

The motion as amended carried by the following vote:

AYES: Brenden, Carr, Semeta, Peterson, Posey, Delgleize, and Hardy
NOES: None

19. 19-916 Adopted Resolution No. 2019-63 amending the City's Classification Plan by adding the Job Classification of Parks Development Facilities Project Coordinator and Establishing the Compensation

A motion was made by Posey, second Semeta to adopt Resolution No. 2019-63, "A Resolution of the City Council of the City of Huntington Beach Amending the City's Classification Plan by Adding the Classification of Parks Development Facilities Project Coordinator" and establishing the compensation.

The motion carried by the following vote:

AYES: Brenden, Carr, Semeta, Peterson, Posey, Delgleize, and Hardy
NOES: None

**20. 19-911 Approved Zoning Map Amendment No. 2018-001 by adopting Ordinance 4184, and Zoning Text Amendment No. 2018-002 by adopting Ordinance 4183 (Gothard Property & Research and Technology Zoning)
Approved for introduction 8/19/2019, Vote: 5-0-2 (Delgleize-Absent; Carr-Recuse)**

A motion was made by Posey, second Semeta to approve Zoning Map Amendment No. 18-001 with findings for approval and adopt Ordinance No. 4184, "An Ordinance of the City of Huntington Beach amending the Huntington Beach Zoning and Subdivision Ordinance by changing the zoning designation from IG (Industrial General), IL (Industrial Limited), or CG (Commercial General) to RT (Research and Technology) on real property located in two existing industrial areas herein referred to as the Gothard Street Corridor and Northwest Industrial Area (Zoning Map Amendment No. 18-001);" and, approve Zoning Text Amendment No. 18-002 with findings for approval and adopt Ordinance No. 4183, "An Ordinance of the City of Huntington Beach amending Chapters 204 Use Classifications, 212 Industrial Districts, and 231 Off-Street Parking and Loading of the Huntington Beach Zoning and Subdivision Ordinance (Zoning Text Amendment No. 18-002)." (Staff Recommended Action for public agency owned property)."

The motion carried by the following vote:

AYES: Brenden, Semeta, Peterson, Posey, Delgleize, and Hardy

NOES: None
RECUSED: Carr

PUBLIC HEARING

21. 19-910 Public Hearing continued Open from August 19, 2019; Upheld the Planning Commission's Denial of Tentative Tract Map No. 18157 and Conditional Use Permit No. 17-042 (Ellis Avenue Condos)

Mayor Peterson announced this Public Hearing is a continuation from August 19, 2019, and Associate Planner Nicolle Aube presented a PowerPoint communication entitled *Ellis Avenue Condos Appeal* with slides entitled: *Project Overview*, *Background(2)*, *Project Description*, *Site Plan, Design & Elevations(3)*, *PC Action*, *Appeal(3)* and *City Council Action*.

Councilmember Hardy discussed with Associate Planner Aube that the Beach Edinger Corridor Specific Plan (BECSP) did not specify a certain amount of commercial space, that parking requirements are the same for apartments and condominiums, but there are higher standards for building condominiums such as separate meter systems, and open space elements.

Councilmember Carr discussed fire access with Fire Protection Analyst Steve Eros, who explained that the revised proposal to include a median to prevent left-hand turns from the project does not provide the 28 feet necessary for fire equipment access.

Councilmember Posey inquired, and Associate Planner Aube could not confirm whether a sign currently exists to direct a right turn only on the property, nor the daily number of cars for the current business.

Councilmember Delgleize confirmed with Fire Protection Analyst Eros that the Fire Department would ask that the median be removed if Council approves the project.

Councilmember Hardy and Fire Protection Analyst Eros discussed Fire Code requirements for this project.

Public Speakers — 12 Speakers

Pursuant to the Brown "Open Meetings" Act, City Clerk Robin Estanislau announced receipt of thirty (30) standard mail and email communications regarding the appeal of the Planning Commission's denial of Tentative Tract Map No. 18157 and Conditional Use Permit No. 17-042 (Ellis Ave. Condos).

Janet Alicesun, a Huntington Beach resident, was called to speak and shared personal experiences related to mixed use projects on Delaware Street which in her opinion have resulted in health and safety issues such as commercial delivery vehicles double parking and creating noise issues at all times of the day and night, and increased traffic congestion, to support her opposition to the Ellis Avenue Condos project. (02:54:53)

Tim Geddes, a 35-year resident of Huntington Beach, was called to speak and stated his opinions regarding other ways to eliminate blight, beautify the City and address housing stock needs without compromising public safety and quality of life in supporting his opposition to the Ellis Avenue Condos project. (02:58:11)

Steve Farnsworth, a 36-year resident of Huntington Beach, was called to speak and shared his health and safety concerns such as only one ingress/egress access, the major increase to traffic volume from the property, non-optimal fire department access, and diminished skyline for immediate neighbors, in support of his opposition to the Ellis Avenue Condos project. (03:01:00)

Jose Santana, a 22-year resident of Huntington Beach, and owner of units on Patterson Street directly behind this project, was called to speak and shared his concerns about the project interfering with the ocean breeze for existing neighbors, his opinion the project will most likely add to the already congested street traffic and neighborhood parking conditions, and it will not solve low-income housing issues, in supporting his opposition to the Ellis Avenue Condos project. (03:03:57)

Denise Nevin, a 40+-year resident of Huntington Beach, was called to speak and stated her opinion that adding a minimum of 99 more cars to this neighborhood is insane as it already can take up to three signal changes on Ellis Avenue to cross Beach Boulevard, and expressed her support for the Planning Commission decision to deny the Ellis Avenue Condos project. (03:06:25)

Elizabeth Hansburg, Founder, People for Housing OC, was called to speak, shared her thoughts on the California housing shortage, and stated that even if the project does not provide for home ownership, it should be approved because it will fill the need for rental units. On behalf of the California Renters Legal Advocacy Education Fund (CaRLA), Ms. Hansburg read a portion of California Government Code 65589.5 of the Housing Accountability Act which prohibits localities from denying housing development projects that comply with objective land use standards at the time the application is deemed complete. Ms. Hansburg further stated she would assert proof of compliance because the Planning Department staff found the project to be in compliance and recommended approval to the Planning Commission. (03:09:43)

Marilyn Nagy, who has lived in Huntington Beach/Fountain Valley since 1964, was called to speak and shared the difficulty residents of her neighborhood already have leaving and entering their complex through the only access on Ellis Avenue in the vicinity of the project, and her concern for the safety of people who may need an ambulance or fire truck when traffic is backed up from Beach Boulevard, in her support for the Planning Commission decision to deny the Ellis Avenue Condos project. (03:12:55)

Stephen Knight, a 30-year Huntington Beach resident and business owner, was called to speak and submitted a residents request for a neighborhood parking permit zone on Patterson Street adjacent to the Ellis Avenue Condos project. Mr. Knight described the current difficulty of accessing Patterson Street when traffic on Ellis Avenue is backed up from Beach Boulevard all the way to Newland Street at certain times of the day, and in his opinion Ellis Avenue needs changes just to accommodate the existing traffic conditions, in support of his opposition to the Ellis Avenue Condos project. (03:15:38)

Walter D. Schroeder, a 49-year resident of Huntington Beach who lives 2 1/2 blocks from the proposed building site, was called to speak and shared dangerous safety experiences of neighbors related to existing traffic on Ellis Avenue and Beach Boulevard, as well as offered several suggestions from his observations for signs needed to prevent a serious accident, in support of his opposition to the Ellis Avenue Condos project. (03:18:54)

Rebecca Muli, Community Organizer for Abundant Housing LA, was called to speak and stated her support for the Ellis Avenue Condos project. Ms. Muli described the affordable housing crisis in Southern California, and stated her opinion that this project will fulfill a need and be a win for working

class people who need housing, and she encouraged the City to address the existing safety issues related to the current traffic patterns on Ellis Avenue. (03:22:05)

Tahir Salim, property owner, was called to speak and clarified that the units are proposed to be condominiums for sale but the plan would allow for rentals should a recession occur. Mr. Salim stated that a traffic study was completed which shows 150 to 200 trips per day for the current business at the proposed project location and the proposed project does not anticipate adding substantially to those numbers. Mr. Salim described an existing problem with homeless people at that site which he believes would be greatly improved with the Condo project, and reminded everyone that the project consists of 48 units in 2, 3 and 4 levels vs the 6 level unit across the street. Mr. Salim expressed his opinion that changes had been made from the original plan to mitigate any concerns that the Fire Department had, and stated the project will provide 2 1/2 parking spaces for each unit, in support for approval of the Ellis Avenue Condo project. (03:24:13)

Peris Maina, a Long Beach resident who commutes to Huntington Beach for employment, was called to speak and stated her support for the Ellis Avenue Condos project that she believes will provide minimal affordable, as well as medium-priced, high-quality housing sorely needed in Orange County. She also asked the City to address the existing traffic issues as presented by many speakers. (03:27:42)

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

Councilmember Hardy and Associate Planner Aube discussed construction hours (7AM-8PM, M-SA) and enforcement, that delivery truck noises during the 10PM – 7AM quiet hours would be a matter for the Police Department; however, delivery trucks would be expected to use the turnaround area created for the Fire Department, which would eliminate their “backing up” noises. Councilmember Hardy confirmed with staff that the Council could add conditions for delivery trucks such as no left turns on Ellis.

Councilmember Hardy and staff discussed the density of the Elan project is 100 units/acre and this project is 50 units/acre. Councilmember Hardy stated she knows first-hand the traffic issues that already exist at Beach Boulevard and Ellis Avenue, and is concerned about safety issues related to emergency vehicle access.

Councilmember Carr stated her opinion based on personal experience that Ellis Avenue is always backed up, and a left turn out of this project would be impossible. Councilmember Carr confirmed with staff the project includes three moderate and two low-income units if the units are sold, and if the project becomes rental units, the requirement would be five low-income units. At this time, the unit price point is not determined.

Mayor Pro Tem Semeta expressed her greatest concerns are public safety issues and existing traffic congestion, and she believes this project would just increase the likelihood of additional accidents.

Councilmember Brenden stated his concerns are related to road safety, fire access, and compatibility issues related to proportion, scale, and character of a joint-use project.

Councilmember Delgleize expressed agreement with the concerns already addressed by fellow Council members, including fire safety, noisy delivery trucks, and project incompatibility with surrounding lots.

Mayor Peterson explained how he drove the project area several times and witnessed safety issues shared by residents especially related to project ingress/egress, even when traffic is not backed-up on Ellis Avenue, and stated his support to uphold the Planning Commission's denial of the project.

A motion was made by Posey, second Semeta to uphold the Planning Commission's Action and Deny Tentative Tract Map No. 18157 and Conditional Use Permit No. 17-042 (Attachment No. 1); ~~OR find the proposed project exempt from the California Environmental Quality Act pursuant to section 15182 of the CEQA Guidelines and Government Code 65457 and approve Tentative Tract Map No. 18157 and Conditional Use Permit No. 17-042 with findings and conditions of approval (Attachment No. 2).~~

The motion carried by the following vote:

AYES: Brenden, Carr, Semeta, Peterson, Posey, Delgleize, and Hardy
NOES: None

ADMINISTRATIVE PUBLIC HEARING

22. 19-875 Conducted a Public Meeting to allow discussion regarding the adoption of Resolution No. 2019-54 Declaring the City's intention to levy an annual assessment for Fiscal Year 2019-2020 within the Huntington Beach Downtown Business Improvement District

Interim City Manager David Kiff introduced this item, and received no Council interest to view another presentation.

Mayor Pro Tem Semeta opened the Administrative Public Hearing to allow members of the public to provide comments.

Pursuant to the Brown "Open Meetings" Act, City Clerk Robin Estanislau announced receipt of two (2) supplemental communications received by Michael Byrne of GrupoGallagos and Luna United, formally protesting the proposed fee increase.

Mayor Pro Tem Semeta confirmed with City Clerk Estanislau there were no public speakers, and closed the Administrative Public Hearing.

Councilmember Posey confirmed with Deputy Director Kellee Fritzel the \$5,500/mo. being spent from Reserve Funds and the increased assessments are due to the hotels in Pacific City pulling out of the Business Improvement District, and the increased percentage was determined by the fact that for the past 17 years there has been no increase. Councilmember Posey confirmed with City Clerk Estanislau that the next meeting on this issue will also provide an opportunity for protests, and Councilmember Posey thanked staff for the comprehensive financial documentation.

Councilmember Carr confirmed with staff that offices are not allowed on first floors, therefore 2nd floor and above offices have tiered rates based on square footage.

A motion was made by Posey, second Peterson to open the public meeting to allow members of the public to provide comments.

The motion carried by the following vote:

AYES: Brenden, Carr, Semeta, Peterson, Posey, Delgleize, and Hardy
NOES: None

ADMINISTRATIVE ITEMS

23. 19-928 Adopted Resolution No. 2019-62 approving and implementing the Memorandum of Understanding between the Huntington Beach Police Management Association (HBPMA) and the City for January 1, 2018, through June 30, 2020

Interim City Manager David Kiff introduced this item, which had been previously reviewed by the City Council.

A motion was made by Peterson, second Posey to adopt Resolution No. 2019-62, "A Resolution of the City Council of the City of Huntington Beach Approving and Implementing the Memorandum of Understanding between the Huntington Beach Police Management Association (HBPMA) and the City for January 1, 2018, through June 30, 2020."

The motion carried by the following vote:

AYES: Brenden, Carr, Semeta, Peterson, Posey, Delgleize, and Hardy
NOES: None

COUNCILMEMBER ITEMS

24. 19-927 Submitted by Councilmember Posey — Directed staff to review the City's policies and procedures related to Asset Forfeiture and report back to City Council

Councilmember Posey explained his intent is to have staff create written policy that refers to the U. S. Constitution, specifically the 5th, 8th and maybe 14th Amendments, and referred to recent court rulings that prompted him to ensure that Huntington Beach is proactive on this issue. He also asked that the City mirror policy referred to and enacted by Newport Beach.

Councilmember Hardy and Police Chief Handy discussed how the current Police Department policy complies with Federal, State and local regulations, but may not directly address the U. S. Constitution Amendments mentioned by Councilmember Posey. Councilmember Hardy asked why Councilmember Posey used this method to address his concerns.

Councilmember Posey explained that his previous personal inquiry to the Police Chief and City Manager did not provide a satisfactory answer, and he thinks the issue needs Council attention.

Councilmember Brenden confirmed with Police Chief Handy that the Huntington Beach and Newport Beach policies are very similar, and Councilmember Brenden stated he would like to see more information on this important topic.

Police Chief Handy explained that he is happy to provide anything that Council requests regarding this matter, but shared his concerns over whether the item should be managed by Police Department or Council Policy, especially when significant changes can occur because of new court rulings. If adopted

as a Council Policy, then every change in the future will have to come before the Council, rather than just the Police Department.

Councilmember Carr expressed a need to have a report to verify consistency with surrounding cities.

Councilmember Delgleize stated her interest in receiving a presentation by the Police Department, and confirmed with Chief Handy that the Department currently subscribes to a system that issues appropriate policy updates following new court rulings.

Councilmember Posey stated his effort is not related to legal specificity, but rather to overarching policy.

Councilmember Hardy stated her support for learning and having discussions that include the public, but suggested striking the final sentence of the proposal: "If updates are required, City Manager should bring back a resolution that affirms the revised policy."

A motion was made by Posey to direct the City Manager, Police Chief, and City Attorney to review the City's policies and procedures related to Asset Forfeiture and report back to City Council within 90 days on any needed changes to the existing policy; specifically relating to the aforementioned changes that were implemented to the Newport Beach policy. If updates to the policy are required, the City Manager should bring back a Resolution that affirms the revised policy.

A substitute motion was made by Peterson, second Semeta to request that the Police Chief present information to the City Council at a future Study Session on the City's current policies and procedures related to Asset Forfeiture, and any other relevant information.

The substitute motion carried by the following vote:

AYES: Brenden, Carr, Semeta, Peterson, Delgleize, and Hardy
NOES: Posey

25. 19-932 Submitted by Councilmember Posey — SB 2 (Building Homes and Job Act) Funds

Councilmember Posey provided a brief background to support this request for a report on how the City of Huntington Beach can qualify for SB 2 funds.

Councilmember Delgleize stated her support for looking into all options for additional funding.

Councilmember Hardy stated that funds other than SB 2 are available, and requested that staff's report include all funding sources for a Navigation Center.

Councilmember Carr stated her support for an update on potential funding sources for addressing homeless issues.

Mayor Pro Tem Semeta stated not understanding a need for this information at this time since there is not a specific homelessness plan in place.

Councilmember Posey stated that the Council has already declared a homelessness emergency, and agreed to adopt a policy establishing a Navigation Center. He further suggested that since acquiring funding is usually a lengthy process, he supports moving ahead on the process to qualify and apply for

the tax funds to be returned to Huntington Beach rather than allow Sacramento to direct the Huntington Beach funds to other municipalities.

Councilmember Brenden confirmed with Deputy Director of Economic Development Kellee Fritzal that Year 1 SB2 funds can be used for homelessness planning, and stated his support for this item.

A motion was made by Posey, second Delgleize to direct the City Manager, Community Development Director, along with the City Attorney to report back to the City Council with a plan on how the City can ensure that the City is able to use the SB 2 funds that would be allocated to HB for homelessness prevention activities, including providing funding for a Navigation Center locally or regionally.

The motion carried by the following vote:

AYES: Brenden, Carr, Posey, Delgleize, and Hardy

NOES: Semeta, and Peterson

COUNCILMEMBER COMMENTS (Not Agendized)

Councilmember Posey reported attending an OCTax membership luncheon, a business visit to Mission Critical Composites, the Waterfront Beach Resort Grand Re-Opening, and announced the Surf City Classics event for Wednesday, September 4, to recognize and honor the City's first responders and Fire and Police Chiefs.

Councilmember Hardy reported attending the Labour of Love Music Fest, ribbon cutting for the re-opening of Westmont Elementary School, and SWAT Team Training at Marina High School.

Councilmember Delgleize reported attending the business visit to Mission Critical Composites, and announced that Orange County Transit Authority (OCTA) recently kicked-off the Goldenwest College Free Pass program which allows Goldenwest College students to ride OCTA buses at no cost. Councilmember Delgleize, as a Boys and Girls Club of Huntington Valley Board member, also announced that an anonymous donor has agreed to match donations to the end of the year, up to \$2M.

Councilmember Brenden reported attending the One Spirit, Many Souls luau event at Old World Village, the Waterfront Beach Resort Grand Re-Opening, and Labour of Love Music Fest. Councilmember Brenden announced the Senior Community Festival at Pier Plaza on Saturday, September 7, 9 am - 1 pm, sponsored by the Huntington Beach Council on Aging, and the 12th Annual Blessing of the Waves on Sunday, September 8, Pier Plaza at 8:30 am. Councilmember Brenden stated he is keeping the Norma Gibbs family in his prayers.

Councilmember Carr reported attending the business visit to Mission Critical Composites, the Waterfront Beach Resort Grand Re-Opening, and meeting with the Public Art Director.

Mayor Peterson reported attending the OCTax Membership Luncheon where he sat on the Orange County Mayor's Panel, and Asian Business Association — Orange County — BIZCON Business Convention/New Heights in Business and participated in their Mayoral Fast Pitch event, Bella Terra Business Roundtable, Eagle Scout Court of Honor for Hy Hunter Nguyen, Nicholas Phuoc-Long Ho, Hien Minh Le, and Peter Anthony Pham, the Waterfront Beach Resort Grand Re-Opening, and American Legion Post 133 and Huntington Beach Lions event to recognize the local high school participants in the Girls State and Boys State events,

Mayor Pro Tem Semeta reported participating in the recent Public Art interviews, and attending the Waterfront Beach Resort Grand Re-Opening. Mayor Pro Tem Semeta presented a brief history of service to honor Norma Brandel Gibbs which included being the First Female Mayor of Huntington Beach. One of Mrs. Gibbs proudest moments was the dedication of the Norma Brandel Gibbs Park dedicated to Monarch butterflies. A Memorial Service will be held on Saturday, September 21, 2 pm, at the Senior Center in Central Park.

At 9:00 PM the Council recessed to Closed Session to continue discussion on Items 5 and 6.

ADJOURNMENT at 10:07 P,M in memory of Norma Brandel Gibbs, to the next regularly scheduled meeting of the Huntington Beach City Council/Public Financing Authority on Monday, September 16, 2019, 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