

Minutes

City Council/Public Financing Authority City of Huntington Beach

Monday, September 16, 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 (*arrived at 4:02 p.m.*)
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

#1. (19-631) PowerPoint communication submitted by Acting Director of Public Works, Tom Herbel, entitled *Traffic Congestion Management*.

#2. (19-938) PowerPoint communication submitted by Police Chief, Robert Handy, entitled *Asset Forfeiture*.

PUBLIC COMMENTS PERTAINING TO STUDY SESSION / CLOSED SESSION ITEMS

(3 Minute Time Limit)

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/>.

Dan Kalmick was called to speak and asked Council if there is time in the Inter-Governmental Relations Committee (IRC) meeting to look at SB127 which allocates funds from the California Department of Transportation (CalTrans) for bike and pedestrian corridors in urban areas that have State highways; and Mr. Kalmick asked questions and shared concerns regarding the Technology Ad Hoc Committee.
(00:00:59)

STUDY SESSION

1. 19-631 Public Works staff presented an overview of traffic conditions in the City along with current and future plans for managing traffic congestion and the technological changes affecting traffic operations, traffic flow and congestion management

Interim City Manager David Kiff introduced Transportation Manager, Bob Stachelski who presented a PowerPoint presentation entitled *Traffic Congestion Management* with slides titled *Major Traffic Engineering Functions*, *What is the Mission of Traffic Engineering?*, *Provide Street System Operations*, *What is "balance" on our Street System?*, *What Currently Guides Efforts*, *What do we Hear Most From the Community?*, *One Study Can't Effectively Address all Topics*, *Congested Corridors*, *Isolated Intersection Congestion*, *HB Area - 8:30am 8/26/19*, *Santa Ana Area - 8:30am 8/26/19*, *5pm Thursday 8/15/19*, *5pm Thursday 8/15/19*, *Striking the Right Balance(2)*, *What are we Doing?*, *Congested Corridors*, *Isolated Intersection Congestion*, *Current Areas in Development(2)*, *Smart Systems/Intelligent Traffic Signal(2)* and *Thank you!*

Mayor Peterson and Manager Stachelski discussed adaptive signal controls, monitoring certain intersections on Beach Boulevard and Pacific Coast Highway (PCH), and defined some of the major and minor routes across the City.

Councilmember Delgleize offered to help make contact with CalTrans through Orange County Transit Authority (OCTA) if needed. Councilmember Delgleize and Manager Stachelski discussed the Traffic Management Center and monitoring system. Manager Stachelski confirmed the MyHB app as the best way for the public to get current traffic conditions, or concerns into the system for follow-up.

Councilmember Brenden and Manager Stachelski discussed the Traffic Impact Fee fund of approximately \$2-3M, and Councilmember Brenden asked staff to follow-up with information regarding use of flashing yellow left turn signals, which he believes might cost about \$14K per intersection to install.

Councilmember Hardy stated her desire to see a pedestrian crossing from beach parking to Pacific City, and commented about how traveling east on Garfield or Yorktown at Beach Blvd. can be impeded because of traffic signals on streets close to those major intersections. Councilmember Hardy encouraged the residents to use the MyHB app to keep staff aware of traffic situations that need attention.

Councilmember Carr expressed her desire to see signal coordination on the streets impacted due to the 405 Freeway construction. Councilmember Carr and Manager Stachelski discussed adaptive signal controls, using Measure M grant funds (which are limited to certain surface streets) and other financial sources.

Councilmember Brenden asked for another Study Session that focuses on fund sources, past use of traffic impact funds, a more thorough discussion of adaptive signal controls and yellow flashing left hand turn signals.

2. 19-938 Overview of Police Department Asset Forfeiture Process

Interim City Manager Dave Kiff introduced Police Chief Robert Handy who presented a PowerPoint communication entitled: *Asset Forfeiture* with slides titled *What is Asset Forfeiture?*, *Why do we use*

Asset Forfeiture?, What laws/guidelines Govern Asset Forfeiture?, Huntington Beach Police Department, Prior to January 1, 2017, Senate Bill 443 (SB443), Huntington Beach Police Department, Seized Assets, Permissible Uses of Forfeited Funds, Impermissible Uses of Forfeited Funds, Regional Narcotics Suppression Program (RNSP), Huntington Beach Police Department(8), City of Huntington Beach Expenditures, City of Huntington Beach(2) and Recent Cases Involving Asset Forfeiture(2).

Councilmember Delgleize and Chief Handy discussed the process and overview for forfeited fund and how they relate to the Police Department budget, how funds help with overtime costs for investigations, and the pros and cons of the DARE Program.

Councilmember Posey stated that the presentation covered nearly all of his concerns, and asked that Policy 606 include a statement explaining that forfeiture seizures comport with the 5th Amendment, and proceeded to read the portion of the 5th Amendment he was referring to. Chief Handy replied that there is a preamble to the Policy regarding adherence to the Constitution and State law, and he agrees it would be appropriate to add a highlight to the 5th Amendment prior to this Policy.

Mayor Pro Tem Semeta and Chief Handy discussed details related to where in the process a court gets involved, and how the District Attorney's (DA) office initiates forfeiture through a Civil Court proceeding (as differentiated from a Criminal Court proceeding), if a case is contested. Chief Handy stated that seldom are the City's cases contested.

A motion by Posey, second by Hardy to recess into Closed Session for discussion on Item Nos. 4-9. With no objections, the motion passed.

RECESSED TO CLOSED SESSION — 5:03 PM

CLOSED SESSION ANNOUNCEMENT(S)

3. 19-946 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 and Peter Brown, Chief Negotiator; also in attendance: Robert Handy, Police Chief; Chuck Adams, Interim Chief Financial Officer; and Michele Warren, Director of Human Resources regarding the following: Huntington Beach Police Officers' Association (POA)

CLOSED SESSION

4. 19-941 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: Turman (Kathy M.) v. City of Huntington Beach; OCSC Case No.: 30-2018-01008686
5. 19-942 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)
6. 19-943 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 and Peter Brown, Chief Negotiator; also in attendance: Robert Handy, Police Chief; Chuck Adams, Interim Chief Financial Officer; and Michele Warren,

Director of Human Resources regarding the following: Huntington Beach Police Officers' Association (POA)

7. 19-952 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: Benzen Properties, LLC, et al. v. City of Huntington Beach, et al.; OCSC Case No.: 30-2019-01070544
8. 19-953 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: Huntington Beach Police Officers' Association and Nikitin (Yasha) v. City of Huntington Beach, et al.; OCSC Case No.: 30-2019-01093906
9. 19-960 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: Calif. Dept. of Housing and Community Development v. City (HCD); OCSC Case No.: 30-2019-01046493

6:00 PM - COUNCIL CHAMBERS

RECONVENED CITY COUNCIL/PUBLIC FINANCING AUTHORITY MEETING — 6:11 PM

ROLL CALL

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

PLEDGE OF ALLEGIANCE — Led by Interim City Manager David Kiff

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.

10. 19-851 Rev. James Pike of Lutheran Church of the Resurrection and member of the Greater Huntington Beach Interfaith Council

CLOSED SESSION REPORT BY CITY ATTORNEY — City Attorney Gates announced that at the conclusion of tonight's meeting, Council will recess into Closed Session to discuss Item Nos. 4, 5, 7, 8 and 9.

AWARDS AND PRESENTATIONS

11. 19-918 Mayor Peterson called on Victoria Alberty who presented the "Adoptable Pet of the Month"

Ms. Alberty, representing Waggin' Trails Rescue Foundation, introduced Jolly, a 5 to 7 month male Bichon mix, who is shy and plays well with other dogs. More details can be found at [www.https://ozzieandfriendsrescue.org](https://ozzieandfriendsrescue.org).

- 12. 19-917 Mayor Peterson called on members of the American Legion Post 133 who will celebrate its 100th Anniversary on Saturday, September 21 at 9:00 AM with a free community celebration at Rodgers Seniors Center**

American Legion members announced details for the 100th Anniversary celebration, and encouraged everyone to attend.

- 13. 19-919 Mayor Peterson called on Information Services Director Behzad Zamanian who presented the Mayor's Award to Info Technology Analyst II, Brian Weinberg**

Information Services Director Behzad Zamanian, introduced Brian Weinberg, and described Brian's progression of duties since employment in October of 2003 as an Information Services Technician II, to his current position of Info Technology Analyst II. Director Zamanian described Brian as a self-motivated problem solver who is truly an asset to the City. Brian thanked Mayor Peterson and Director Zamanian for the award, and stated appreciation for his team mates who help him to be successful.

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

#14. (19-954) PowerPoint communication submitted by Interim City Manager, Dave Kiff entitled *Public Art Master Plan Update*.

Consent Calendar

#15. (19-811) Two (2) letters received regarding the reappointment of Jerry Person as City Historian, and Kathie Schey as City Archivist.

#16. (19-945) City of Huntington Beach RHNA Methodology Comment Letter to Mr. Kome Ajise, Executive Director of Southern California Association of Governments, received from Interim City Manager, Dave Kiff.

Administrative Items

#23. (19-958) Staff report and attachments submitted by Acting Assistant City Manager Travis Hopkins regarding The Great Pacific Air Show scheduled for October 4-6, 2019.

#23. (19-958) Letter received from Kevin Elliot, Airshow Director, The Great Pacific Airshow.

Prior to Public Comments, Interim City Manager David Kiff spoke and publically apologized for the removal of the memorial bench for Gloria Patton Ladsous from Triangle Park.

PUBLIC COMMENTS (3 Minute Time Limit) — 28 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>.

Claudia Perez Figueroa, Senior Field Representative for Assemblywoman Cottie Petrie-Norris, was called to speak and announced that Assemblywoman Petrie-Norris secured \$1.7M in State funding for

the Huntington Beach Bluff Top Path Rehabilitation project, and read a statement from Assemblywoman Petrie-Norris. (01:23:30)

Vanessa Martinez, speaking on behalf of Stephanie Ladsous, was called to speak and requested a full investigation, not just an apology, regarding the removal of the memorial bench from Triangle Park. (01:25:14)

Stephanie Ladsous, a 30-year resident of Huntington Beach, was called to speak and stated appreciation for Interim City Manager Kiff's apology regarding the unexplained removal of her mother's memorial bench from Triangle Park, and provided her perspective of the incident. (01:28:10)

Ken Lesnieski, a resident of Huntington Beach, was called to speak and shared the negative impacts created in his neighborhood by Sober Living Homes. (01:31:48)

Sean Croson, Park Huntington Community Club, was called to speak and shared a PowerPoint communication to describe several neighborhood safety issues such as street and sidewalk repairs needed, and requested the crosswalks for Hawes Elementary be reinstated. (01:33:53)

Natalie Graff, Park Huntington Community Club Secretary, was called to speak and thanked the Council for responsive City staff members, and respectfully requested that the issues described by Mr. Croson be addressed as soon as possible. (01:36:35)

Barbara Haynes was called to speak and described her neighborhood experiences in support of Councilmember Item No. 26, regarding Sober Living Homes. (01:37:15)

Robin Rustan, a resident of Huntington Beach since 1950 and disabled veteran, was called to speak and shared his personal experiences from living next door to two Sober Living Homes and stated his support for Councilmember Item No. 26. (01:38:50)

Ryan Rustan, a resident of Huntington Beach since 1980, was called to speak and shared personal experiences related to the influx of Sober Living Homes in his neighborhood which, in his opinion, are jeopardizing resident health and wellbeing. (01:42:12)

Chris Cervellone, 40+-year resident of Huntington Beach who volunteers at many community events related to fishing, was called to speak and shared his concerns regarding sending out to bid the lease for Let's Go Fishing Shop on the Pier, and asked why the current lease is not being extended. (01:44:10)

Dave Sullivan, a 51-year resident of Huntington Beach, former Mayor and City Council Member, was called to speak and stated his support for reappointing Jerry Person as City Historian, and shared his opinions on Council actions, Sober Living Homes, and expressed his appreciation for those who serve as police and fire officers. (01:47:27)

Robert Robey, Huntington Beach Fishing Club, Past President, was called to speak and stated his support for the current operators of the Let's Go Fishing Shop on the Pier, and asked that all of the extra community support they provide throughout the year be considered when renewing the lease. (01:51:13)

Maureen was called to speak and shared her concerns related to homelessness near Brookhurst Street and Adams Avenue, and asked Council Members to keep neighborhoods safe. (01:52:56)

Brandt Stebbins was called to speak and shared his opinions regarding the removal of the memorial bench from Triangle Park, and asked that the bench be returned to its original location, and the homelessness issue be addressed. (01:54:47)

Raynor Tsuneyoshi, Huntington Beach Fishing Club Member and Former State Director of Boating and Waterways, was called to speak and stated his support for the current operators of the Let's Go Fishing Shop on the Pier, and asked that the current lease be extended. (01:57:18)

Susan Taylor, a long-time resident of Huntington Beach and Sunset Beach, was called to speak and stated her support for Councilmember Item No. 26 regarding Sober Living Homes. (02:00:04)

Agnes M. Simcox, a resident of Huntington Beach since 1965, was called to speak and shared personal experiences related to neighborhood homelessness issues, and asked to have personal civil charges reversed. Mayor Peterson asked Ms. Simcox to complete a blue card for staff follow-up. (02:03:20)

Kathy Carrick was called to speak and thanked Mayor Peterson and Councilmember Brenden for their attention to Sober Living Home issues. She also shared her opinions regarding transients in Huntington Beach and asked what the plan is to address homelessness issues. (02:06:13)

Amory Hanson was called to speak and expressed his support for Consent Calendar Item No. 15 B) for the appointment of Kathie Schey as City Archivist. (02:09:01)

Bob Genzel, Huntington Beach Fishing Club member, was called to speak and shared his personal observations related to the people who fish from the Pier, and stated his support for continued operation of the Let's Go Fishing Shop on the Pier. (02:10:44)

Ann Parker was called to speak and shared her opinions related to Sober Living Homes and homelessness issues in Orange County. (02:13:57)

Kathryn Levassiur, Huntington Beach resident and Founding Member of the Huntington Beach Short-Term Rental Alliance, was called to speak and stated her case for potential sustainable revenue from Short-Term Rentals, and encouraged the City to implement processes to regulate and tax a service which many residents are already providing. (02:17:47)

Matt Beucler was called to speak and thanked Mayor Peterson and Councilmember Brenden for their attention to Sober Living Home issues, stated his support for Councilmember Item No. 26, and asked for readily available information and guidance on how residents can address their concerns and help solve the problem. (02:20:55)

Teresa Carlisle, Huntington Beach Art Center, was called to speak and announced the Edge of Light event scheduled from September 21 through October 26, with an Opening Reception on Saturday, September 28, and invited everyone to visit this exhibition. (02:24:17)

Al Levassiur was called to speak and stated his case for potential sustainable revenue from Short-Term Rentals, and encouraged the City to implement processes to regulate and tax a service which many residents are already providing. He also expressed his support for the Let's Go Fishing Shop on the Pier. (02:25:48)

Deb Ozdinski, a homeowner on 19th Street since 1985, was called to speak and shared negative personal experiences related to having a Sober Living Home next door, and stated support for Councilmember Item No. 26. (02:27:14)

Greg Ozdinski, a Huntington Beach homeowner for 34 years, was called to speak and shared negative experiences related to having a Sober Living Home next door, and stated support for Councilmember Item No. 26. (02:30:29)

Kevin Elliott, The Great Pacific Air Show Director, was called to speak and announced highlights and updates for the October 4-6, 2019, event and stated his appreciation for Council's consideration in Administrative Item No. 23 regarding fee waiver, parking offset contribution, and in-kind trash collection services. (02:33:42)

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

Councilmember Carr reported attending the Metropolitan Water District of Orange County (MWDOC) 2019 Water Policy Forum and Dinner, and meeting with the Huntington Beach Police Officers' Association (HBPOA).

Mayor Pro Tem Semeta provided an update on Southern California Association of Government's (SCAG) regional housing needs methodologies, and reported that the SCAG Regional Council voted to reject the \$1.3M regional allocation issued by California Department of Housing and Community Development (HCD).

Councilmember Brenden reported meeting with four (4) members of the Police Management Association (PMA) Board of Directors.

Councilmember Posey reported meeting with the Huntington Beach Police Officers' Association (HBPOA), attending the SCAG HCD Committee meeting which rejected the \$1.3M regional allocation, and suggested a new number that incorporates current State law and methodology; and as Chair of the Orange County Parks Commission, participated in a field trip to the Modjeska Historical Homestead/Ranch in Silverado Canyon where on Saturday, September 28, there will be an Open House for the public.

Councilmember Delgleize reported attending the Metropolitan Water District of Orange County (MWDOC) 2019 Water Policy Forum and Dinner, and a Homelessness Panel offered by the City of Los Angeles.

CITY MANAGER'S REPORT

- 14. 19-954 Interim City Manager Dave Kiff provided an update on the Ascon clean-up effort, and introduced Marie Knight, Community Services Director, for a progress report on the Public Arts Master Plan, among other subjects.**

Marie Knight, Community Services Director, presented a PowerPoint communication entitled *Public Art Master Plan Update* with slides entitled *Next Steps*, and *Huntington Beach Public Art Master Plan*.

CONSENT CALENDAR

Mayor Pro Tem Semeta pulled Consent Calendar Item No. 15 (19-811).

Councilmember Carr pulled Consent Calendar Item Nos. 17 (19-950) and 19 (19-905).

15. 19-811 Approved the reappointment of Jerry Person as City Historian, and the appointment of Kathie Schey as City Archivist, each to serve a four-year term commencing September 22, 2019, and ending on September 22, 2023

Mayor Pro Tem Semeta pulled this item to thank Kathie Schey for serving as a volunteer City Archivist for years, and used this opportunity to acknowledge her services in a more formal manner. She also thanked Jerry Person for his interest in continuing to serve as City Historian.

Councilmember Delgleize stated her support for this Item and her appreciation for the services of both Jerry Person and Kathie Schey.

A motion was made by Semeta, second Brenden to reappoint Jerry Person as City Historian for a four-year term commencing September 22, 2019, to September 22, 2023; and, appoint Kathie Schey as City Archivist for a four-year term commencing September 22, 2019, to September 22, 2023.

The motion carried by the following vote:

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

16. 19-945 Received and Filed the monthly status update on the 6th cycle Regional Housing Needs Assessment (RHNA) process

A motion was made by Semeta, second Carr to receive and file the monthly Regional Housing Needs Assessment (RHNA) process status update.

The motion carried by the following vote:

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

17. 19-950 Adopted Resolution No. 2019-58 approving application(s) for specified Grant Funds and appropriated \$1.7 million from the State Department of Parks and Recreation for the Rehabilitation of the Blufftop Path

Councilmember Carr pulled this item to acknowledge the hard work of City staff, and Assemblywoman Cottie Petrie-Norris, to secure the \$1.7M grant for the rehabilitation of the Blufftop Path.

Councilmember Delgleize stated her support of Councilmember Carr's comments in recognizing the persistence of City staff, and support of Assemblywoman Cottie Petrie-Norris to secure this grant.

A motion was made by Carr, second Brenden to adopt Resolution No. 2019-58, "Resolution of the City Council of the City of Huntington Beach Approving Application(s) for Specified Grant Funds;" and,

appropriate \$1.7 million upon receipt of Specified Grant Funds from the Department of Parks and Recreation.

The motion carried by the following vote:

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

18. 19-862 Approved and authorized execution of an Agreement with Lorraine Mendez & Associates for US Department of Housing and Urban Development (HUD) Program Consulting Services for a total contract amount not to exceed \$120,000 through October 2022; and, authorized increase in Professional Services authority in the City Manager's Department

A motion was made by Semeta, second Carr to approve and authorize the Mayor and City Clerk to execute "Professional Services Contract Between the City of Huntington Beach and Lorraine Mendez & Associates for US Department of Housing and Urban Development (HUD) Consulting Services" in the amount of \$120,000 through October 2022; and, approve an increase in Professional Services authority in the City Manager's Department by the commensurate amount.

The motion carried by the following vote:

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

19. 19-905 Approved, accepted and authorized execution of a Grant agreement for the Office of Traffic Safety (OTS) Selective Traffic Enforcement Program (STEP) Grant; and, approved appropriation and expenditure of funds by the Chief of Police

Councilmember Carr pulled this item to share her concern that Huntington Beach ranks first when looking at 50 comparable cities for the number of juvenile bicycle accidents, and second in overall bicycle accidents, and asked Police Chief Handy to describe some steps being taken to address these two issues and explain how these funds will be used.

Chief Handy expressed appreciation for the grant funds, and described how the funds will be used to address the DUI and bicycle accident issues within the City through enforcement and education.

Councilmember Hardy and Chief Handy discussed proactive education opportunities within the schools using these grant funds.

Councilmember Delgleize stated support for more education opportunities and suggested Orange County Transit Authority (OCTA) may also be able to assist with bicycle education. Chief Handy confirmed that there is existing collaboration with OCTA.

A motion was made by Carr, second Delgleize to approve and accept the OTS STEP Grant agreement #PT20061 between OTS and the City of Huntington Beach for \$785,000; and, authorize the Chief of Police to execute the grant agreement with OTS; and, approve appropriations and estimated revenue source in the amount of \$785,000; and, establish a separate business unit for this funding and authorize

the Chief of Police to expend up to a total of \$785,000 plus accrued interest on the Selective Traffic Enforcement Program (STEP) grant.

The motion carried by the following vote:

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

20. 19-929 Approved and authorized execution of a three-year Professional Services Contract with Keyser Marston Associates, Inc. for as-needed Economic Analysis Services; and, increased Office of Business Development Professional Services Listing

A motion was made by Semeta, second Carr to approve and authorize the Mayor and City Clerk to execute a "Professional Services Contract Between the City of Huntington Beach and Keyser Marston Associates, Inc. for Economic Analysis Services" in an amount not to exceed \$270,000 over a three-year period; and, increase the Office of Business Development Professional Services Listing by \$90,000.

The motion carried by the following vote:

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

21. 19-955 Approved Fiscal Year 2018/19 Year-End Budget Adjustment and Inter-Fund Transfers

A motion was made by Semeta, second Carr to approve the appropriation and transfer up to \$1.0 million into the Section 115 Trust from one-time FY 2018/19 year-end savings and revenues to reduce the City's unfunded pension liabilities as reflected in Attachment 1; and, approve appropriation and transfer of \$2.0 million to the Fiscal Year 2018/19 Revised Budget in the Infrastructure Fund (314) and an additional \$250,000 for park improvements as contained in Attachment 1; and, approve authorization to execute any necessary action to comply with Resolution 2019-55 (City Manager Employment Agreement) including the inter-fund transfer of \$1.58 million from FY 2018/19 General Fund budgetary; transfer request is reflected in Attachment 1; and, authorize appropriation and inter-fund transfers in non-General Fund accounts for expenditures totaling \$104,317 as contained in Attachment 1.

The motion carried by the following vote:

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

PUBLIC HEARING

22. 19-940 Public Hearing held; adopted Resolution 2019-69 approving an Annual Assessment within the Huntington Beach Downtown Business Improvement District (DTBID) for Fiscal Year 2019-2020; and authorized appropriation of funds

Interim City Manager Dave Kiff offered a staff presentation on this item if Council desired.

Mayor Peterson asked for any Council questions or discussions, and there being none he opened the Public Hearing.

Public Hearing Speakers — None

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 for this item:

Written communication from Deputy Director of Economic Development Kellee Fritzal identifying a correction to the proposed expenses for 2019/2020, and a PowerPoint communication entitled *2019/2020 Downtown BID Renewal*.

Mayor Peterson closed the Public Hearing.

City Clerk Robin Estanislau announced that if the protests total less than 50% of the total assessment amount, the City Council can approve the proposed Business Improvement District. If more than 50% of the total assessment is protested, the City Council cannot form the Business Improvement District or consider it further for one year.

The percentage of assessments protested for the Downtown BID is .71%, or \$820 of the \$115,126 projected assessment amount.

Protests were received from two (2) of the two hundred and sixty-one (261) businesses in the Business Improvement District boundaries.

A motion was made by Delgleize, second Semeta to conduct the Public Hearing; and, if protests of 50% are not received, adopt Resolution No. 2019-69, "A Resolution of the City Council of Huntington Beach Approving an Annual Assessment Within the Huntington Beach Downtown Business Improvement District for Fiscal Year 2019-2020" and, appropriate an additional \$29,000 for a total of \$120,000 into Fund 710 for FY 2019-20.

The motion carried by the following vote:

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

NOES: None

ADMINISTRATIVE ITEMS

23. 19-958 Approved request for fee waiver, parking offset contribution, and in-kind trash collection services for Code Four, Operator of the Great Pacific Air Show scheduled to take place on October 4-6, 2019, in the City of Huntington Beach

Interim City Manager Dave Kiff introduced this item and provided background details regarding The Great Pacific Air Show request for associated fees and waivers, on the basis that the overall increased revenues to the City from event attendees for hotel stays and sales tax more than compensates for the reduced fees and waivers.

Councilmember Hardy and Marie Knight, Director of Community Services, discussed this year's projected expenditures which are about the same as last year.

Councilmember Posey described his misunderstanding of the \$100,000 cap when it is anticipated that this year's expenditures are expected to match last years. He made a motion to approve recommended action C), *Consider alternative options: removing the cap of \$100,000*. Councilmember Delgleize seconded the motion.

Discussion ensued.

Councilmember Carr stated her support for Plan A, or C, and suggested that with this level of support the City should be getting naming rights and acknowledged as a sponsor or partner for this event.

Councilmember Brenden expressed his appreciation for the tremendous efforts of Code Four for a successful event, and stated support for Councilmember Carr's suggestion for the City to be acknowledged as a sponsor or partner.

Councilmember Hardy asked why Councilmember Posey wants to give away more of the City's money by removing the cap.

Mayor Pro Tem Semeta and Kevin Elliott, Great Pacific Airshow Director, discussed plans to remain in Huntington Beach, and a bit of the history of the event including naming. Mr. Elliott explained that regional supporters hesitate to participate if the event is strictly tied to a specific city, and added that "Huntington Beach, CA" is prominently listed as part of the event name. He further shared some of the hard costs that Code Four pays related to keeping this event safe for everyone, and added that KABC Channel 7 will be producing a made-for-TV special which will provide a lot of additional City publicity.

Mayor Pro Tem Semeta expressed her support for this event, and expects that eventually it will be so successful that the City will not have to provide any financial assistance.

Councilmember Delgleize expressed her expectation that this event will secure major sponsors that will eliminate the need for continued fee waiver and parking offset from the City.

Councilmember Brenden expressed his support for this event, and understands Mr. Elliott's explanation for not using Huntington Beach more prominently in the event name.

Councilmember Hardy and Councilmember Posey discussed the difference in parking offset revenues amount between supporting documentation (\$110,000) and what appeared in the Agenda (\$100,000). It was determined that was a typographical error.

A substitute motion was made by Peterson, second Semeta to authorize the City Manager to approve a Specific Event Permit for the 2019 Great Pacific Airshow that includes a fee waiver of \$11,250, parking offset revenues of up to ~~\$100,000~~ **\$110,000** contingent on actual parking revenues, and that utilizes aspects of the City's in-kind contributions via its waste franchise agreements (estimated at up to \$10,000).

The substitute motion carried by the following vote:

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

COUNCILMEMBER ITEMS**24. 19-947 Item submitted by Councilmember Posey approved as amended — Test Claim regarding Prison/Jail realignment and local Public Safety costs**

Councilmember Posey provided background on this issue, including the fact that approximately 2.5% of arrestees might be considered AB 109 releasees, and called on Police Chief Handy to highlight criminal arrest histories, regulations and procedures and the effort required by his staff to document and analyze data.

Councilmember Posey confirmed with City Attorney Michael Gates that IF the City were to file a lawsuit against the State over the negative financial impact of AB 109, it must first file a Test Claim.

Councilmember Posey and Chief Handy discussed general parameters for a test time frame of 10/1/19 to 6/1/20 for data collection to decide if the City should move forward. Chief Handy agreed to issue a memo to Council by mid-November with specifics.

Councilmember Carr expressed concern regarding the additional police officer time required for this type of analysis. Chief Handy explained the current Uvisa process, and stated his hope that the AB 109 data collection would not involve officers, but rather use back office staff time in Records and Crime Analysis. Chief Handy further stated that he will address the time issue more specifically in his mid-November memo to Council.

Mayor Pro Tem Semeta stated support for Councilmember Carr's concern about this project requiring too much staff time, and in her opinion this topic should be a closed session item because it is about possible legal action. Chief Handy reiterated his opinion this effort will not require additional officer time, and expectation that it will become evident sooner rather than later whether the effort will pay off.

Councilmember Posey provided some additional facts related to AB 109 through which the state remanded 45,000 prisoners back to the custody of counties and cities, and stated he is interested in recuperating as much as possible for the additional costs to the City, and explained that data analysis is required to verify the additional costs.

A motion was made by Posey, second Peterson to ~~Direct the City Manager and Police Chief to perform a sample-based analysis of a criminal arrest histories going back to 2012 to understand the financial impact on the City. A representative sample is one technique that can be used for obtaining insights and observations about a targeted population group. For example, this analysis should look at the correlation between those with criminal records that have come into contact with our Police Department (e.g. arrests) who are homeless and who would have been in prison had it not been for the realignment. I believe that the City has a duty to understand the financial impacts of AB 109 and to bring forth a Test Claim stating the impacts to the community.~~ **Direct the Police Chief to at his discretion, work with staff and consultants to establish parameters necessary to perform a sample-based analysis to understand the financial impact on the City, and provide a memo with findings to Council by mid-November.**

The motion carried by the following vote:

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

25. 19-948 Item submitted by Councilmember Posey approved as amended - California Public Employee Retirement System (Cal-PERS) and Environmental, Social, or Governance (ESG) plans

Councilmember Posey described his efforts to date on this issue, including confirming support from other area cities, to determine if it appears there has been fiscal mismanagement by Cal-PERS regarding their Environmental, Social, or Governance (ESG) investing policies.

Mayor Peterson described a recent report to the Sanitation District on their investment process and explained that changing from a seven-year to a five-year "smoothing" process alone requires increased contributions, and recommended that the Finance Commission be charged with not only looking at the funds Cal-PERS is investing in but also the process(es) used.

Councilmember Posey stated his support for the Finance Commission to look at all factors related to return on investment.

Councilmember Carr expressed her concerns that suing Cal-PERS would be a losing proposition, and described examples of failed investments and risk to support why she finds it difficult to support the item when uncertain about the City's return on investment.

Councilmember Posey stated his opinion that the Finance Commission needs to determine what is causing the increased employee contributions, and Huntington Beach needs to be a leader in this effort. He also feels there are multiple reasons for increased contributions, one of which may be the investment policies that are directed by Cal-PERS Board of Directors, suggesting that the Finance Commission study the situation.

Councilmember Hardy suggested that the issue be addressed in steps for now, and stated support to forward the item to the Finance Commission only at this time, and not to the City Attorney's Office.

Councilmember Carr stated she believes there are more effective ways to lobby Cal-PERS, such as through the meeting currently scheduled with Mayor Pro Tem Semeta, Councilmember Delgleize and Cal-PERS.

Councilmember Posey explained that he personally has had meetings in Sacramento with Cal-PERS staff, and an information exchange Town Hall meeting in Council Chambers, in addition to an acknowledgement from the President of Cal-PERS that there is an issue with their ESG policy, but it takes the Cal-PERS Board of Directors to make a change. Councilmember Posey added that he would agree to strike the last sentence of the Recommended Action.

Mayor Peterson and Manager Kiff discussed how entities participate in good faith when relying on a third party to manage investments.

Councilmember Hardy offered a second to the motion, and stated her opinion that a Finance Commission study of the issue would certainly enhance lobbying effort.

A motion was made by Posey, second Hardy to direct the Finance Commission to study the impact of Cal-PERS' ESG policy on Huntington Beach's unfunded pension liability, then to report back to the Council with an estimate of what amount of the City's unfunded liability is due to or was increased by

Cal-PERS' ESG policies. ~~Concurrent with that report, direct the City Attorney to report back on a legal strategy to address any losses to HB's Cal-PERS plan due to Cal-PERS' ESG policies.~~

The motion carried by the following vote:

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

26. 19-949 Item submitted by Mayor Peterson and Councilmember Brenden approved - Sober Living Homes

Councilmember Brenden introduced this item by providing a brief overview of past Council actions on this topic over the last couple of years, and the past decision to take a “wait and see” attitude. He further explained that very recent court decisions supporting ordinances related to Sober Living Homes in a neighboring city makes this a time to proceed. He proceeded to provide details related to current legislation and definitions, and listed some of the issues that could be addressed through ordinances.

Mayor Peterson stated that he and Councilmember Brenden believe it is now time to act so that living conditions for City residents, as well as Sober Living Home residents, will be improved through legally acceptable rules and policies.

Councilmember Posey and City Attorney Michael Gates discussed that addressing this issue takes a long time due to all of the laws that govern the rights of individuals seeking treatment and recovery. Also, previous regulation efforts by area cities have been disallowed by the court system. By looking at the past efforts and understanding what the court(s) do not allow, Costa Mesa took a different approach several years ago and has been successful in their court challenges, therefore, it seems a prudent time for Huntington Beach to follow Costa Mesa's lead.

Councilmember Posey and City Attorney Gates discussed that the City has been successful in closing down the illegal Sober Living Homes, but there are still many other situations that need to be managed. Councilmember Posey expressed his support for enforceable, defensible, and sensible legislation to regulate or curb proliferation.

Mayor Pro Tem Semeta expressed her support for moving this item forward and believes in the end both neighborhood residents and recovering residents will benefit.

In stating her support for this item, Councilmember Carr thanked Councilmember Brenden and Mayor Peterson for bringing this item forward, as well as Costa Mesa councilmembers for successfully maneuvering ahead, and noted that there is State legislation in process regarding licensure requirements and other issues related to regulating Sober Living Homes.

Councilmember Brenden thanked City Attorney Michael Gates and Chief Assistant City Attorney Mike Vigliotta for their staff's efforts on this issue.

Councilmember Delgleize echoed the comments of appreciation for City Attorney Gates and his staff, Costa Mesa's Council leadership, and the District Attorney's Office efforts which, in her opinion, have culminated in this tipping point.

Councilmember Hardy stated her agreement with Councilmember Posey's comment that in the end this issue will be properly regulated when the insurance industry is regulated, and thanked Laguna Beach, Newport Beach and Costa Mesa for helping to lead the way to successful regulations.

A motion was made by Brenden, second Peterson to direct the City Attorney to return to City Council by October 21, 2019, with one or more draft Ordinance(s) that strike an appropriate balance between the interests of the City and its residents to preserve residential neighborhood character and the need to provide reasonable accommodation for the disabled to reside in normalized residential environments that promote effective recovery.

The motion carried by the following vote:

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

COUNCILMEMBER COMMENTS (Not Agendized)

Councilmember Posey discussed providing an update on the Navigation Center, SB2 Funding, and the Air Show at the Chamber of Commerce AM Connect Breakfast; participated in Surf City Classics - First Responder Cruise to honor the men and women who put their lives on the line for our safety; and congratulated Antonia Graham, Assistant to the City Manager, as one of three women selected nationally for receiving a scholarship to the International City/County Managers Nashville Conference.

Councilmember Hardy thanked the American Legion, Post 133, for the moving 9/11 ceremony; congratulated Michael Harding for his Eagle Scout Court of Honor; and thanked Mr. Dave Kiff for serving as Interim City Manager as a great example of serving beyond expectations.

Mayor Pro Tem Semeta thanked Mr. Dave Kiff for serving as Interim City Manager and expressed appreciation for the opportunity to work with him; reported attending the Waves of Valor - Huntington Beach Veteran Surf Camp; Orange County Board of Supervisors meeting to recognize City Attorney Michael Gates; speaking with students from Chuo University, Tokyo, who are participating in the Sister City Association program; attending the Patriot Day Ceremonies; congratulated Jesse Hart, Police Officer of the Year, Stephen Teasdale, Firefighter of the Year, Leslie Schwene, Lifeguard of the Year, and Antonia Graham, Assistant to the City Manager.

Councilmember Carr reported attending the HB Council on Aging 31st Annual Senior Saturday Community Festival; Waves of Valor - Huntington Beach Veteran Surf Camp; 12th Annual Blessing of the Waves; Orange County Board of Supervisors meeting to recognize City Attorney Michael Gates; Patriot Day Ceremony; Surf City Saturday; He'e Nalu Aloha Pier Festival; announced that September is Suicide Prevention Month and provided a web resource: suicideispreventable.org; reminded everyone of the Saturday, September 21, Surf City Sundown 10K Run; and expressed appreciation to Mr. Dave Kiff, Interim City Manager, for his time of service.

Councilmember Brenden expressed appreciation to Mr. Dave Kiff, Interim City Manager, for not shying away from the issues; suggested reading an article in the New York Times, September 4, 2019, (updated on 9/6/19) regarding scooter madness in San Diego to understand what Huntington Beach is missing out on because Council voted for a prohibition on electric scooters; announced the American Legion, Post 133, Centennial Celebration on Saturday, September 21, at Rodgers Seniors' Center; 35th Annual Coastal/Inner-Coastal Clean-up Day on Saturday, September 21, and details can be found at

www.coastkeeper.org; Celebration of Life for Norma Gibbs, Saturday, September 21, 2 PM at the Senior Center in Central Park; Chefs for Scholarships fundraising event at Goldenwest College, 4 - 7 PM, Sunday, September 29; and The Pacific Air Show, October 4-6. He wished Councilmember Posey and his wife, Antoinette Brenden, a Happy Birthday for Tuesday, September 17.

Councilmember Delgleize reported attending the Santa Ana River Watershed Ambassador Program for Local Policymakers; and expressed gratitude for the opportunity to serve with Mr. Dave Kiff, Interim City Manager.

Mayor Peterson thanked Chris Merkle for the Waves of Valor - Huntington Beach Veteran Surf Camp; reported attending the 12th Annual Blessing of the Waves; Orange County Board of Supervisors meeting to recognize City Attorney Michael Gates; announced that Whole Foods Market is coming to Adams Avenue and Brookhurst Street; and thanked Mr. Dave Kiff, Interim City Manager, for his outstanding service to the City.

At 9:33 PM, City Council recessed into Closed Session to discuss Item Nos. 4, 5, 7, 8 and 9.

ADJOURNMENT — At 10:58 PM to the next regularly scheduled meeting of the Huntington Beach City Council/Public Financing Authority on Monday, October 7, 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