

## Minutes

### City Council/Public Financing Authority Regular Meeting, And Special Meetings of the Housing Authority, Parking Authority and Successor Agency City of Huntington Beach

Monday, December 21, 2020  
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/](http://www.surfcity-hb.org/government/agendas/)

#### 4:00 PM - COUNCIL CHAMBERS

**CALLED TO ORDER — 4:00 PM**

#### ROLL CALL

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

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

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

##### **Study Session**

#1 (20-2104) PowerPoint communication regarding Short-Term Rentals submitted by Ursula Luna-Reynosa, Director of Community Development.

##### **Closed Session**

#4 (20-2105) 2 Email communications received regarding the filing of an amicus brief in support of the Orange County Sheriff's Appeal of the State Court Order ordering the early release of prisoners from Gino Bruno and Mark Bixby.

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

(3 Minute Time Limit) — 5 Call-In Speakers

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

Nicholas Harney, manager of two short-term rentals in Sunset Beach, was invited to speak and shared personal experiences related to some of his successful policies. (00:02:56)

Steve Nguyen, a resident of Huntington Beach for over 40 years, a landlord for about 15 years, and member of the Short-Term Rental Alliance, was invited to speak and shared his observations of the short-term rental industry in Huntington Beach, most of which are very positive, and asked for moderate regulations and policies. (00:04:36)

Kathryn Levassiur, resident of Huntington Beach and Founder, Short-Term Rental Alliance, was invited to speak, congratulated the newly elected Councilmembers, and provided a brief background on the Short-Term Rental Alliance. Ms. Levassiur asked that the current ordinance be modified so the same policies are approved for both Huntington Beach and Sunset Beach, or a new ordinance be drafted. (00:08:14)

Mike Hermanns, a lifetime resident of Huntington Beach, was invited to speak and shared his opinion that through this ordinance the local hotel industry is trying to control short-term rentals. (00:10:55)

Caller #739, a Huntington Beach homeowner, was invited to speak and stated support for Mr. Hermann's comments and noted that short-term rentals serve a different client base than hotels do, and for the most part short-term rentals improve their neighborhood. (00:14:45)

## **STUDY SESSION**

### **1. 20-2104 Short Term Rental Study Session Held**

City Manager Oliver Chi introduced Community Development Director Ursula Luna-Reynosa, Deputy Director of Community Development Jennifer Villaseñor, and Associate Planner Tess Nguyen who presented a PowerPoint communication entitled: *Short-Term Rentals* with slides titled: *Background, STR Regulations, Types of STRs, Permitted Locations, STR Permit, Criteria for STRs, STR Key Provisions, STR Requirements, Postings, Hosting Platforms, Enforcement, Fiscal Impact (3), and Recommendation.*

Councilmember Delgleize, Associate Planner Nguyen and City Manager Chi discussed that all of the regulations presented would be enforced and that Council previously directed staff to prepare a restrictive proposal that would only allow for hosted Short-Term Rentals (STRs) in Huntington Beach with an overlay for Sunset Beach for hosted or non-hosted STRs. Director Luna-Reynosa explained that permits would only be issued for hosted STRs in Huntington Beach, and when a complaint is received, Code Enforcement will check the permit for the specific location and follow-up accordingly.

Councilmember Kalmick confirmed with Director Luna-Reynosa that properties with approved Additional Dwelling Units (ADUs) are not eligible for STR permits; only one STR permit will be allowed per property, regardless of the number of bedrooms; approximate cost is \$300 for the 500-foot notification; an amendment would be required to allow a permitted STR for someone owning two adjacent houses to live in one and short-term rent the other; that Home Owner Association (HOA) Covenants, Conditions & Restrictions (CCRs) must state that STRs are prohibited to prevent an owner from securing an STR permit; and, suggested the term "shall" be substituted for "may" in code section 5.120.070 C relating to three violations resulting in a revocation hearing. Councilmember Kalmick also discussed stipulating the percentage of ownership in a property in response to a potential investor/owner purchasing multiple STR properties; third party advertising platforms, minimum response time for illegal behavior and activity reporting; recommended a Council Ad Hoc committee

that would provide quarterly reports to Council; and, expressed concerns regarding the plan and process to only allow three permits for multi-unit properties.

Councilmember Posey expressed his opinion that this proposed STR ordinance is just a basic starting point, limited to home-hosted rentals, and he expects more detailed discussions in the future to address issues that may arise, including potential expansion options. He thanked both Director Luna-Reynosa and City Attorney Gates for putting together this "brief" nine-page ordinance.

Councilmember Moser stated her opinion it makes sense to put a cap on the number of STRs now, rather than have to potentially remove some later.

Mayor Carr and Director Luna-Reynosa discussed that before fees can be determined, advisors need to see the actual adopted ordinance and follow the processes to document the amount of time various staff members will spend on those processes. Mayor Carr stated that there are around 900 illegal STRs in Huntington Beach, and this effort is a way to bring control, and she sees this as a "quality of life" rather than "money generating" issue. Mayor Carr confirmed with Director Luna-Reynosa that the property owner must be the host for hosted STRs.

#### **RECESSED TO CLOSED SESSION – 4:56 PM**

A motion was made by Posey, second Ortiz to recess to Closed Session for Items 2 – 4. With no objections, the motion carried.

#### **CLOSED SESSION**

- 2. 20-2097 CONFERENCE WITH LEGAL COUNSEL — EXISTING LITIGATION. (Paragraph (1) of subdivision (d) of Section 54956.9). Name of case: Moore (Neal), et al. v. City of Huntington Beach, et al.; OCSC Case No. 30-2019-01071686.**
- 3. 20-2103 CONFERENCE WITH LEGAL COUNSEL — EXISTING LITIGATION. (Paragraph (1) of subdivision (d) of Section 54956.9). Name of case: Jeffrey (Terrence) v. City of Huntington Beach, et al.; OCSC Case No.: 30-2020-01165156.**
- 4. 20-2105 CONFERENCE WITH LEGAL COUNSEL — LITIGATION (Gov. Code section 54956.9(d)(4).): Confer with the City Attorney regarding a request by Orange County Sheriff Don Barnes to provide amicus support to the Sheriff's Appeal of State Court Order ordering early release of prisoners.**

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

**RECONVENED CITY COUNCIL/PUBLIC FINANCING AUTHORITY MEETING, AND CALLED TO ORDER SPECIAL MEETINGS OF THE HOUSING AUTHORITY, PARKING AUTHORITY AND SUCCESSOR AGENCY TO THE FORMER REDEVELOPMENT AGENCY OF HUNTINGTON BEACH — 6:00 PM**

#### **ROLL CALL**

Present: Peterson, Kalmick, Ortiz, Carr, Posey, Moser, and Delgleize

Absent: None

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

## **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.

### **5. 20-1917 Scott Wilson of St. Mary's by the Sea and member of the Greater Huntington Beach Interfaith Community**

**City Clerk Estanislau announced that City Attorney Gates requested to be absent from the remainder of the meeting, and that Chief Deputy City Attorney Mike Vigliotta was present.**

**CLOSED SESSION REPORT BY CITY ATTORNEY** — Chief Deputy City Attorney Mike Vigliotta announced that by a vote of 5-2 (Kalmick, Moser – Abstain), the City Council authorized the City Attorney to file amicus support of Orange County Sheriff Don Barnes' Appeal of State Court Order ordering early release of prisoners.

## **AWARDS AND PRESENTATIONS**

### **6. 20-2051 Mayor Carr presented commendations to Miss Huntington Beach 2021 Mara James and her court**

Mayor Carr introduced Ms. Mara James, Miss Huntington Beach 2021, via Zoom. Ms. James was a princess for several years, selected to be Miss Huntington Beach last year, and because of COVID-19 her term was extended another year for a total of four years of service. Mayor Carr explained this competition recognizes accomplished young women in the community and provides a stage to bring awareness to important social issues. Gianna DiLaberto and Natalie Peart are the princesses who have also agreed to serve another year because of COVID-19. Mayor Carr thanked them for their excellent service to the community.

Ms. James stated that technology provides opportunities for continued interaction, expressed her excitement for serving another year, and thanked the Sand Dollars of Huntington Beach for providing this scholarship competition. On behalf of Gianna and Natalie she stated they are all especially excited to know there will be another 4th of July Parade in 2021.

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

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

### **City Manager's Report**

#8 (20-2100) PowerPoint communication regarding Ascon Landfill Site Update submitted by Travis Hopkins, Assistant City Manager

- #9 (20-2101) PowerPoint communication submitted by City Manager Oliver Chi, and email communication received from Cynthia Herrick Steele, regarding the Update of the City COVID-19-19 Response Plan.

**Consent Calendar**

- #13 (20-1983) Email communication received from Amory Hanson regarding cancellation of the City Council/Public Financing Authority regular meeting of January 4, 2021.

- #19 (20-2095) 15 Email communications regarding the consideration of joining the Orange County Power Authority (OCPA), a Community Choice Energy (CCE) Joint Powers Authority (JPA) received from:

Dee Fox	Mark Moreno	Roger Sabanegh
Steven C. Shepherd	Belinda Jon	Michael Hoskinson
Craig Frampton	Mary Jane Bartee (2)	Larry McNeely
Lisa Ager	Kathy Carrick	Nicholas Mestanas
Steve Farnsworth	Sally Neiser	

- #20 (20-2090) PowerPoint Presentation submitted by Ursula Luna-Reynosa, Director of Community Development, and 3 Email communications, regarding the Temporary Closure of the Second and Third Blocks of Main Street received from:

Amory Hanson	Stephanie Wilson	Susanna Smith, CEO of Makin Waves Salon Corp.
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**Ordinances for Introduction**

- #21 (20-2054) 22 Email communications received regarding Short-Term Rentals from:

Louise Burke	Julie Kimmel	Binh Vo
Susan Tillou	Winter Orchid	Anthony Nemelka
Toral Patel (2)	Kim Kramer	Kathryn Levassiur (3)
Michael Manansala	Michael O.	John Choi, Airbnb
Bob Delmer	Mirta Seitz	Jean Young, Long Beach Hosting Club
Steve Nguyen	Mike Hermanns	Clark and Jennifer Christensen
Chanti Mahalaha		

**PUBLIC COMMENTS** (3 Minute Time Limit) — 22 Call-In Speakers

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

Caller #401, Albert Levassiur, a homeowner and husband of Kathryn, Founder of Huntington Beach Short-Term Rental Alliance, was invited to speak and requested that the Council modify the proposed ordinance to allow for non-hosted short-term rentals when considering Ordinances for Introduction Item 21 (20-2054) - introduction of Ordinance No. 4224 (Short-Term Rentals). (01:09:32)

Caller #488, Susie, owner of Makin Waves Hair Salon on Main Street, was called to speak and urged the Council to table Administrative Item #20 (20-2090) regarding extending the temporary closure of the Second and Third Blocks of Main Street to vehicular traffic, and stated her support for re-opening Main Street immediately. (01:10:35)

Caller #460, Casey McKeon, was invited to speak and stated his opposition to three (3) Agenda items: Consent Calendar Item #19 (20-2095) – adopt of Ordinance No. 4227 (Community Choice Energy (CCE) Joint Powers Authority (JPA); Administrative Item #20 (20-2090) regarding extending the temporary closure of the Second and Third Blocks of Main Street to vehicular traffic; and Ordinances for Introduction Item #21 (20-2054) - introduction of Ordinance No. 4224 (Short-Term Rentals). (01:11:59)

Amory Hanson, a Candidate for City Council in 2022 and a member of the Huntington Beach Historic Resources Board, was invited to speak and recommended postponing a decision on Administrative Item #20 (20-2090) regarding extending the temporary closure of the Second and Third Blocks of Main Street to vehicular traffic. (01:14:55)

Kathryn Levassiur, a resident of Huntington Beach and Founder of Huntington Beach Short-Term Rental Alliance, was called to speak and urged Council to delay a vote on Ordinances for Introduction Item #21 (20-2054) to approve for introduction Ordinance No. 4224 regarding Short-Term Rentals, and asked staff to return with an ordinance that is the same for all homeowners in Huntington Beach and Sunset Beach. (01:15:46)

Eric Silkenson, a 48-year resident of Huntington Beach, was invited to speak and thanked Council for supporting Orange County Sheriff Don Barnes regarding early release of prisoners. Mr. Silkenson also expressed his concerns regarding Ordinances for Introduction Item #21 (20-2054) to approve for introduction Ordinance No. 4224 regarding Short-Term Rentals, and he encouraged everyone to work together to focus on the positives that Huntington Beach has to offer residents and visitors. (01:18:00)

Danielle Wilson, representing Unite Here Local 11, the 30,000-member Hotel Workers' Union, was invited to speak and stated support for Ordinances for Introduction Item #21 (20-2054) to approve for introduction Ordinance No. 4224 regarding Short-Term Rentals. (01:21:24)

Nicholas Harney, a resident of Huntington Beach for 11 years and property manager for five years, was invited to speak and stated his success with short-term rentals by following clear guidelines and principles, suggested common-sense guidelines are needed to permit short-term rentals, and expressed his concern for the potential of neighbors who may have a grudge calling up Code Enforcement with false complaints. (01:24:20)

Mike H., owner of short-term rental property in Newport Beach, was invited to speak and stated his opposition to Ordinances for Introduction Item #21 (20-2054) to approve for introduction Ordinance No. 4224 regarding Short-Term Rentals because in his opinion, it is unnecessarily restrictive. (01:26:47)

Jose Trinidad Castaneda, Climate Action Campaign, was invited to speak and shared his support for Consent Calendar Item #19 (20-2095) – adoption of Ordinance No. 4227 (Community Choice Energy (CCE) Joint Powers Authority (JPA), and addressed misinformation that is circulating regarding this item. (01:29:06)

Alyssa Colodny was invited to speak and asked for more City enforcement of COVID-19 regulations. (01:31:55)

Nizan, a resident of Huntington Beach, was invited to speak and stated her opposition to Councilmember Item #23 (20-2109) regarding supporting the Orange County Sheriff's Department in the pending appeal of Campbell et. All v. Barnes. (01:33:18)

Steve Nguyen, a 42-year resident of Huntington Beach, was invited to speak and requested that both hosted and non-hosted short-term rentals be included in Ordinances for Introduction Item #21 (20-2054) - introduction of Ordinance No. 4224 (Short-Term Rentals). (01:35:00)

Michael Low, a Sunset Beach short-term rental owner, was invited to speak and shared the processes he uses to provide neighbor-friendly short-term rental experiences. (01:38:31)

Caller #600, Michelle Peterson a resident of Huntington Beach, was invited to speak and shared her opposition to Consent Calendar Item #19. (20-2095) - adoption of Ordinance No. 4227 (Community Choice Energy (CCE) Joint Powers Authority (JPA). (01:40:00)

Mark Diamond of Huntington Beach shared his opinions regarding mask wearing. (01:40:50)

Phil Larshan, provider of un-hosted short-term rentals, was invited to speak and shared the processes he uses to provide neighbor-friendly short-term rental experiences. (01:41:43)

An unnamed male spoke on behalf of Shereen Elhusseini to state support for Ordinances for Introduction #21 (20-2054) - introduction of Ordinance No. 4224 (Short-Term Rentals). (01:44:17)

Stephanie Wilson, a partner in Fred's Mexican Cafe and Sandy's Beach Shack, was invited to speak and stated her opinion that Administrative Item #20 (20-2090) considering an extension of the temporary closure of the Second and Third Blocks of Main Street is premature, and suggested reviewing the situation every month after the current February deadline. (01:44:54)

Steve Finlay, owner of a Sunset Beach short-term rental, was invited to speak and shared his concerns about the opportunity for short-term rental neighbors to make false claims to Code Enforcement, asked how complaints are verified, and what safeguards will be used to prevent owners being fined for false claims. (01:48:16)

Cynthia Harris Steele was invited to speak and shared her suggestion of an art design that could be used to market Huntington Beach as a safe and desirable destination to alter negative opinions harvested from recent national news stories about Huntington Beach. (01:49:59)

Yasmine Abo-Shadi, a resident of Huntington Beach and Airbnb property manager for various cities, was invited to speak and stated her support for Ordinances for Introduction #21 (20-2045) - introduction of Ordinance No. 4224 (Short-Term Rentals.) (01:53:06)

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

Councilmember Posey reported attending the inaugural Board meeting of the Orange County Power Authority (OCPA) which appointed a general council, approved the ES Consulting and capital loan agreements, appointed a Chair and Vice Chair, and swore in new members. Currently the cities of Fullerton, Buena Park, Lake Forest and Huntington Beach have joined with Irvine.

Councilmember Delgleize reported attending an Orange County Transportation Authority (OCTA) Board meeting, and indicated that she will be attending a Be Well OC meeting on Wednesday, adding that their new facility will open in January 2021.

Councilmember Kalmick announced his appointment of Cory Johnson to the Citizen's Infrastructure Advisory Board, Parna Ghosh to the Citizen Participation Advisory Board, John Partington to the Community Services Commission, Rob Sternberg to the Finance Commission, and Sean Heymann to the Investment Advisory Board.

Mayor Pro Tem Ortiz announced his appointment of Nancy Buchoz to the Community Services Commission, Casey McKeon to the Finance Commission, Betty Flynn to the Human Relations Task Force, James Michalski to the Public Works Commission, and Gracey Van Der Mark to the Planning Commission.

Councilmember Moser reported attending the 2020 Business Woman of the Year Business Luncheon, taking a tour of the Navigation Center, and attending the Annual Tree Decorating event at City Hall. She also announced her appointment of Laura Costelloe to the Community Services Commission, Oscar Rodriguez to the Planning Commission, Dennis Kelly to the Investment Advisory Board, and David Gins to the Public Works Commission.

Mayor Carr reported attending a virtual Youth Board meeting, and reported receiving a positive email from the CEO of Fountain Valley Regional Hospital explaining that enough COVID-19 vaccines have been received to vaccinate every Tier I through Tier 3 hospital employee who chooses to be vaccinated.

#### **7. 20-2087 Approved Mayor Carr's 2021 Council Liaison List**

A motion was made by Posey, second Delgleize to, as recommended by the City Council, Public Financing Authority, Housing Authority, Parking Authority, and Successor Agency: Approve the 2021 Council Liaison List that includes appointments to citizen boards, commissions, committees, and task forces as presented by Mayor Carr. (The City Clerk certifies that FPPC Form 806 "Agency Report of Public Official Appointments" which is used to report additional compensation that officials receive when appointing themselves to positions on committees, boards or commissions of a public agency, special district and joint powers agency or authority was posted to the City's website according to law prior to this vote.)

The motion carried by the following vote:

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

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

#### **8. 20-2100 Ascon Landfill Site Update**



City Manager Chi introduced Assistant City Manager Travis Hopkins who presented a PowerPoint presentation entitled *Ascon Landfill Site Update*, with slides titled *Ascon Landfill Site Update (2)*, *How to Stay Informed*, and *Questions or Concerns?*

**9. 20-2101 Update of the City COVID-19-19 Response Plan and Actions for Review and Discussion**

City Manager Oliver Chi and Fire Chief Scott Haberle presented a PowerPoint communication entitled *COVID-19-19 Update* with slides titled, *COVID-19-19 Situational Overview*, *COVID-19-19 - US Totals*, *Comparative Analysis*, *Nationwide COVID-19-19 Metrics 7-day Average Lines*, *US COVID-19-19 Cases by Day*, *COVID-19-19 California Totals*, *Currently Hospitalized with COVID-19-19*, *Change in Currently Hospitalized Today vs. Previous Week*, *COVID-19-19 Orange County Trends*, *COVID-19-19 Orange County Hospital Capacity*, *COVID-19-19 Huntington Beach Numbers*, *COVID-19-19 Virus Progression*, *Orange County ICU Status*, *Daily Case Rate per 100k*, *Running Out of Hospital Capacity*, *Orange County Hospital System Status*, *Response to Hospital System Status*, *HBFD Response to Hospital System Status*, *COVID-19-19 Predictions for Orange County*, *COVID-19-19 Vaccination Progress*, and *Questions*

Councilmember Posey and Fire Chief Haberle discussed the lower rate of deaths for skilled nursing facility patients, compared to earlier in the year, due to having implemented new procedures to limit exposure opportunities.

Councilmember Moser thanked Fire Chief Harberle for increasing the number of emergency response resources, and discussed with Chief Haberle the typical flu season's impact on the situation, the current death rate of approximately 1.6%, and actions people should take to help remove the burden from the health care workers, and also to help businesses re-open.

Councilmember Kalmick, Chief Haberle and City Manager Chi discussed the public education campaign that will be required when vaccines actually become available for the general public, and explained that procedures and guidelines are being developed and dispersed by the County Health Department.

Councilmember Delgleize and Chief Haberle discussed the coordination of efforts throughout Orange County and suggested that HBready.com is the best place for people to find current information.

Mayor Pro Tem Ortiz and Chief Haberle discussed ways to educate people on personal choices that can boost their immune system.

Councilmember Moser and City Manager Chi discussed COVID-19 safety procedures at the Navigation Center provided by the County Health Department.

Mayor Carr thanked Chief Haberle and Fire Department staff for being proactive and able to pivot at a moment's notice as circumstances change.

**CONSENT CALENDAR**

Councilmember Peterson pulled Item #19 and Councilmember Kalmick pulled Item #15 for further discussion.

**10. 20-2074 Approved and Adopted Minutes**

A motion was made by Posey, second Delgleize to approve and adopt the City Council/Public Financing Authority regular meeting minutes dated December 7, 2020, as written and on file in the office of the City Clerk; and, approve and adopt the City Council/Public Financing Authority special meeting minutes dated December 10, 2020, as written and on file in the office of the City Clerk.

The motion carried by the following vote:

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

**11. 20-1957 Received and filed the Maddy Act Local Appointments List - 2021 (terms on City boards, commissions, and committees that expire in 2021) informing the public of openings and vacancies based on 2021 expiration of current members' terms**

A motion was made by Posey, second Delgleize to receive and file the Maddy Act Local Appointments List - 2021 showing vacancies that will occur on City boards, commissions, and committees in the year 2021, and direct the City Clerk to post the list at official posting locations (Civic Center, Huntington Central Library, and Main Street Library). Copies of the Maddy Act Local Appointments List - 2021 will also be posted at all branch libraries and on the City's website.

The motion carried by the following vote:

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

**12. 20-2020 Adopted Resolution No. 2020-65 approving submittal of a grant funding application for a traffic signal and signal coordination improvement project on Bolsa Avenue to the Orange County Transportation Authority (OCTA) under the competitive Measure M2 Regional Traffic Signal Synchronization Program (RTSSP)**

A motion was made by Posey, second Delgleize to adopt Resolution No. 2020-65, "A Resolution of the City Council of the City of Huntington Beach Approving the Submittal of an Improvement Project to the Orange County Transportation Authority for Funding Under the Competitive Measure M2 Regional Traffic Signal Synchronization Program."

The motion carried by the following vote:

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

**13. 20-1983 Adopted Resolution No. 2020-84 authorizing cancellation of the City Council/Public Financing Authority regular meeting of January 4, 2021; and, directed the City Clerk to provide notice of such cancellation**

A motion was made by Posey, second Delgleize to adopt Resolution No. 2020-84, "A Resolution of the City Council of the City of Huntington Beach Declaring the Cancellation of the City Council and Public Financing Authority Regular Meeting of January 4, 2021; and Directing the City Clerk to Provide Notice of Such Cancellation."

The motion carried by the following vote:

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

**14. 20-2078 Adopted Resolution No. 2020-85 to accept and approve the Development Impact Fee (DIF) Report for Fiscal Year 2019-20, and to make findings as required by Government Code Sections 66006 and 66001**

A motion was made by Posey, second Delgleize to accept and approve the Development Impact Fee Report for Fiscal Year Ending June 30, 2020, and Adopt Resolution No. 2020-85, "A Resolution of the City Council of the City of Huntington Beach to Accept and Approve the Development Impact Fee Report for Fiscal Year Ending June 30, 2020, and to Make Findings as Required by Government Code Sections 66006(b) and 66001(d)."

The motion carried by the following vote:

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

**15. 20-2102 Adopted Resolution No. 2020-88 delegating authority to a hearing officer to determine all questions raised on appeals filed by any person aggrieved by any decision of the Finance Director regarding revocation or suspension of a business license**

Councilmember Kalmick pulled this item to further discuss the business license appeal process with City Manager Chi and Chief Assistant City Attorney Vigliotta who confirmed that a third-party arbitrator's ruling would be final.

Councilmember Posey, Chief Finance Officer Bulosan and City Manager Chi discussed the current process and how it will be changed if Council approves this item. Councilmember Posey expressed his opposition to allowing a third party to adjudicate a final decision, when that adjudication should remain with City Council, especially for a process that is seldom needed.

Councilmember Delgleize and City Manager Chi discussed the purpose of this item is to bring this process in line with other Code Enforcement processes.

Councilmember Peterson confirmed with City Manager Chi and Chief Assistant City Attorney Vigliotta that the arbitrator's decision would be final, an appeal to City Council would no longer be a part of the process, and stated his support for this item.

A motion was made by Kalmick, second Delgleize to adopt Resolution No. 2020-88, "A Resolution of the City Council of the City of Huntington Beach Delegating Authority to a Hearing Officer to Determine Appeals of the Finance Director Regarding Revocation or Suspension of a Business License."

The motion carried by the following vote:

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

**16. 20-2099 Adopted Resolution No. 2020-89 modifying the pay schedule for part-time, non-permanent and non-classified employees to comport with the State minimum wage increase effective January 1, 2021**

A motion was made by Posey, second Delgleize to adopt Resolution No. 2020-89, "A Resolution of the City Council of the City of Huntington Beach Approving the Pay Schedule for Part-Time Non-Permanent and Non-Classified Employees Effective January 1, 2021," including Exhibit A, updated Pay Schedule.

The motion carried by the following vote:

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

**17. 20-2106 Adopted Resolution No. 2020-90 appointing the Design Review Board to also serve as the Huntington Beach Building Appeals Board to hear and decide appeals of orders, decisions, and determinations made by the Building Official relative to the application and interpretation of Title 17 of the Huntington Beach Municipal Code**

A motion was made by Posey, second Delgleize to adopt Resolution No. 2020-90, "A Resolution of the City Council of the City of Huntington Beach Appointing the Design Review Board to Also Serve as the Huntington Beach Building Appeals Board to Hear and Decide Appeals of Orders, Decisions, and Determinations Made by the Building Official Relative to the Application and Interpretation of Title 17 of the Huntington Beach Municipal Code."

The motion carried by the following vote:

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

**18. 20-2076 Approved and authorized the execution of an agreement with the Municipal Water District of Orange County (MWDOC) for sharing consultant costs for the preparation of the 2020 Urban Water Management Plan (UWMP)**

A motion was made by Posey, second Delgleize to approve and authorize the Mayor and City Clerk to execute "Agreement for Sharing Consultant Costs For 2020 Urban Water Management Plans" with the Municipal Water District of Orange County.

The motion carried by the following vote:

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

**19. 20-2095 Adopted Ordinance No. 4227 regarding consideration of joining the Orange County Power Authority (OCPA), a Community Choice Energy (CCE) Joint Powers Authority (JPA)  
Approved for introduction December 10, 2020 - Vote 5-0-2 (Peterson, Ortiz absent)**

Councilmember Peterson stated he cannot support creating a government entity that competes with the private sector; even though the City Council does not set rates, the Joint Powers Authority (JPA) does with no regulatory oversight; it should be an "opt in" vs "opt out" program for true "Community Choice Energy" (CCE); made reference to the local Enron fiasco; in his opinion this is a method to subsidize green energy; the money saved is used by the CCE to support microgrids within the community; and he stated his opinion this is basically forced support for green energy, and if the JPA purpose was to save money for the consumers, rather than invest in environmental justice, he could be a supporter.

Councilmember Posey stated that regulatory oversight will be provided by the competition; the current one-source provider offers no choice for the consumer; saving money is a probable outcome when a consumer chooses an investor-owned utility; the opportunity to choose partially green, mostly green, or all green will increase the demand for renewable energy; and he expects that 15-20 Orange County cities will actually join the Orange County Power Authority (OCPA) JPA.

Councilmember Delgleize stated that there is no correlation between a JPA and Enron; JPAs throughout the State are working to meet the goal of California becoming carbon footprint free; and announced that the City will be adding a Frequently Asked Questions (FAQ) feature to its website with accurate information on this topic.

Councilmember Peterson clarified that Enron's purpose was to buy and re-sell energy contracts. Mr. Saleba, Executive Consultant, EES Consulting (via Zoom), confirmed that Enron did buy and re-sell energy contracts, and explained that Enron was guilty of manipulating the markets, and creating their own portfolio to enhance their shareholders, and added the CCE has no profit motive.

Mayor Carr clarified that Councilmembers have this meeting, and the meeting on February 1, 2021, to make comments on this item, even if they missed the Special Meeting on December 10th, and stated that a Special Meeting was necessary to ensure Huntington Beach is represented on the JPA Executive Board. Mayor Carr added she believes that joining the CCE ensures that Huntington Beach is able to be competitive with surrounding cities for businesses that choose to be green. She also supports an organization that will invest profits back into the community through job creation, and reduced rates.

A motion was made by Posey, second Delgleize to adopt Ordinance No. 4227, "An Ordinance of the City Council of the City of Huntington Beach Authorizing the Implementation of a Community Choice Aggregation Program."

The motion carried by the following vote:

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

NOES: Peterson, and Ortiz

## **ADMINISTRATIVE ITEMS**

### **20. 20-2090 Continued Temporary Closure of the Second Block of Main Street to Vehicular Traffic through February 2021; Directed Staff to Implement Hybrid Model to Open the Third Block of Main Street to Vehicular Traffic ASAP**

City Manager Chi introduced Community Development Director Ursula Luna-Reynosa who presented a PowerPoint communication entitled: *Consider an Extension of the Temporary Closure of Main Street* with slides titled: *Background, Wayfinding Concepts* (5).

Councilmember Delgleize and Director Luna-Reynosa discussed the opportunity for outdoor dining is not determined by the City, however local business owners have a need to know that if they invest in outdoor dining necessities that the City will provide long-term support for when it is allowed. Councilmember Delgleize and City Manager Chi discussed the additional Federal funds recently approved for business support during the pandemic, and as details are made available by the U. S. Treasury Department, the City will be getting the information out to local businesses.

Councilmember Posey proposed to amend this item to also provide restaurants an extra hour of operation during the week and two additional hours on weekends. Councilmember Posey and City Manager Chi discussed that keeping Main Street closed to vehicular traffic for an extended period should not affect the route if it is possible to return to the traditional 4th of July Parade. City Manager Chi confirmed that the Downtown Business Improvement District (DBID) has been encouraged to extend the footprint for Surf City Nights to include Walnut and Olive Avenues as long as they have informed affected businesses and addressed any concerns, and the current challenge is to find enough vendors to populate the allowed space.

Councilmember Peterson feels most restaurants have already invested in outdoor dining necessities, stated his objection to shutting down Main Street until Labor Day, and believes Third Block should be opened up at the end of February to provide easier pick-up access for the affected restaurants. Councilmember Peterson stated support for continued, regular Council review of the situation.

Councilmember Kalmick stated his support for Councilmember Peterson's opinion that Third Block should be opened up at the end of February. Councilmember Kalmick and City Manager Chi discussed some options for the Third Block to meet the needs of both service and retail businesses.

Councilmember Moser stated her support for Councilmembers Peterson and Kalmick's statements regarding the opening of Third Block to vehicular traffic, and support for considering staff's suggestion of a hybrid plan that also provides outdoor space for the businesses wanting to continue with that option. Councilmember Moser and City Manager Chi discussed the possibility of restricted funding for use of Wayfinding projects to emphasize connectivity of the various business areas, and the need for Council to address this in the next couple of months.

Mayor Pro Tem Ortiz stated his support for keeping Second Block closed to vehicular traffic, and looking into the possibility of adding a street light and connecting Paséa with Downtown at Second Street and Walnut Avenue.

Councilmember Delgleize and City Manager Chi discussed that opening the Third Block would probably alleviate some of the delivery, dining and vehicular traffic in the alley between Main and Third Streets.

A motion was made by Peterson, second Ortiz to authorize the City Manager **to continue street closure of the Second Block to February 28; implement hybrid model ASAP that opens the Third Block to traffic and allows outdoor dining; and, Council to consider next steps for the Second Block at their February 15 regular meeting.**

A substitute motion was made by Posey, second Delgleize to authorize the City Manager to continue the temporary closure of the Second and Third Blocks of Main Street to vehicular traffic to accommodate outdoor dining and retail in the public right-of-way until September 6, 2021, **as amended to review hybrid model for the Third Block and possibly implement at the end of April; and, extend hours of operation by one (1) hour until 11 PM Sunday through Thursday nights, and by two (2) hours until 12 midnight Friday and Saturday nights.**

The substitute motion failed by the following vote:

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

The original motion made by Peterson, seconded by Ortiz, carried by the following vote:

AYES: Peterson, Ortiz, Carr, and Moser  
NOES: Delgleize, Posey, and Kalmick  
(Kalmick on record as supporting opening the Third Block of Main Street)

## **ORDINANCES FOR INTRODUCTION**

### **21. 20-2054 Approved for Introduction Ordinance No. 4224 amending the Huntington Beach Municipal Code by adding Chapter 5.120 (Short-Term Rentals) Continued from November 16, 2020**

City Manager Chi introduced Director of Community Development Ursula Luna-Reynosa who explained that Ordinance No. 4224 would establish a set of regulations, standards and a permitting process for Short-Term Rentals (STRs) in Huntington Beach, provided a brief timeline since January 2019 to reach this point, and City Council's previous direction for staff to prepare a high threshold regulation plan for consideration. Deputy Director Jennifer Villasenor explained the current permit process, which requires permit applications to be signed by the property owner with proof of ownership, would continue for STR applicants.

Councilmember Kalmick and Director Luna-Reynosa discussed that going forward it would not be possible for a property with a permitted Accessory Dwelling Unit (ADU) to be allowed to also obtain an STR permit. Councilmember Kalmick also stated his interest in seeing "shall" substituted for "may" in Section 5.120.070 C.

Councilmember Kalmick proposed a straw motion to amend the action that would add reference to ADUs and substituting "shall" for "may" in Section 5.120.070 C.

Mayor Carr and Councilmember Kalmick confirmed with City Manager Chi that properties with new ADUs will not be permitted for STRs.

Councilmember Posey requested a staff report on revenue and Code Enforcement data in one year, by area, for both Sunset Beach (un-hosted STRs) and Huntington Beach (hosted STRs), for Council to evaluate whether the program should be expanded.

A motion was made by Peterson, second Kalmick to, after City Clerk reads by title, approve for introduction Ordinance No. 4224, "An Ordinance of the City Council of the City of Huntington Beach Amending the Huntington Beach Municipal Code by Adding Chapter 5.120, Regulating Short-Term Rentals" (Attachment 1), **as amended to substitute the term "shall" for "may" in Section 5,120.070 C.; and, direct staff to return to Council within one year to share operational data on short-term rental operations.**

The motion as amended carried by the following vote:

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

## **COUNCILMEMBER ITEMS**

### **22. 20-2110 Item Submitted by Councilmember Posey WITHDRAWN — ~~Consider approval of a Resolution stipulating the City Council's support of Local Governance and Authority related to Housing Issues~~**

Councilmember Posey introduced this item by providing a brief historical review of Council actions since 2018, which in his opinion have demonstrated reacting to Sacramento rather than resolving to be proactive through good governance and compromise. He also stated he would like to strike Item 1 because this Item should start with the Intergovernmental Relations Committee (IRC), which he was just appointed to by Mayor Carr this evening.

Councilmember Peterson stated his support for continuing to go through the IRC for housing issues coming from Sacramento.

Chief Assistant City Attorney Vigliotta suggested that if the Council wants to move forward with this item, there should first be a vote on whether to set aside the City Council resolution that adopted the Council (Policy) Manual, explaining the intended Councilmember Item process allows for introduction of a request for action by the City Manager, and returning to Council for an action vote at a future meeting.

Councilmember Posey amended the item to include setting aside the Council Manual, and adopting the resolution tonight.

A motion was made by Carr that this proposed resolution should start with the Intergovernmental Relations Committee (IRC), and if approved by the IRC it would then be reviewed by the City Attorney's Office and then brought back to Council for discussion and a vote.

The motion failed due to lack of a second.



Councilmember Delgleize stated her support for Mayor Carr's motion and belief this would provide for a stronger platform. In response, Councilmember Posey withdrew the item from consideration.

**23. 20-2109 Item Submitted by Councilmember Posey WITHDRAWN — ~~Consider Supporting the Orange County Sheriff's Department in the Pending Appeal of Campbell Et. Al v. Barnes~~**

Councilmember Posey announced he was withdrawing this item since it was already voted on by Council in Closed Session, and read an email he received from Sheriff Barnes' office on this issue.

**24. 20-2107 Item Submitted by Councilmember Kalmick Approved — Beach Edinger Corridor Specific Plan (BECSP) — Conditional Use Permit (CUP) Review Process for Alcohol Permits**

Councilmember Kalmick provided some history related to the Alcohol Conditional Use Permit (CUP) process and stated his intent is to simplify the process and ensure the same process for retail markets.

Councilmembers Posey, Delgleize and Mayor Carr thanked Councilmember Kalmick for leveling the playing field and streamlining a process for all businesses.

A motion was made by Kalmick, second Peterson to recommend that the City Council direct staff to draft the necessary amendments to adjust Section 2.2.1 (1)(d) of the BECSP to lower the level of review from the Planning Commission to the Zoning Administrator for all CUPs for alcohol service, and that staff concurrently clarify the entitlement process for retail markets as it relates to alcohol sales CUPs.

The motion carried by the following vote:

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

**25. 20-2108 Item Submitted by Councilmember Kalmick Approved — Beach Edinger Corridor and Bella Terra Specific Plans Review of prohibition on "Late Night Happy Hours"**

Councilmember Kalmick described previous concerns and stated his opinion it is now time to review evidence to determine if this prohibition is still required.

Councilmembers Delgleize and Posey stated their support for this item, and described it as another good example of Councilmember Kalmick's expertise based on his ten years of service on the Planning Commission.

Mayor Carr and Director Luna-Reynosa discussed some of the details related to the Conditional Use Permit (CUP) application process related to alcohol permits.

Councilmember Posey and Director Luna-Reynosa discussed that the expanded business operating hours considered earlier in this meeting for the Second and Third Blocks of Main Street would only affect the Temporary Use Permits (TUPs). Director Luna-Reynosa explained that when the TUPs are no longer needed, the business's original CUP conditions will be reinstated.

A motion was made by Kalmick, second Delgleize to recommend that the City Council direct staff to do the following: conduct a full review of the prohibition on "late-night happy hours" in the BECSP and Bella Terra Specific Plan areas. If that review finds no concerns, staff should move forward with facilitating the removal of the prohibition on "late-night happy hours" for interested and impacted restaurants within the BECSP and Bella Terra Specific Plan areas.

The motion carried by the following vote:

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

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

Councilmember Moser described meeting with a 14-year-old surfer with spina bifida who explained to her the difficulties that individuals with physical challenges have in accessing the beach, and stated her interest in collaborating to increase beach accessibility for everyone. She also reported on the 7 p.m. Jewels for the Homeless (Annual National Homeless Persons' Memorial Service) event at Christ Cathedral on this, the longest night of the year, to recognize the 329 homeless men, women and children who died this past year in Orange County. Councilmember Moser expressed her philosophical nature and stated her support for coming together in 2021, as inspired by the appearance of the first "Christmas Star" since 1226 with the alignment of Jupiter and Saturn, to start fresh and with intention.

Councilmember Peterson thanked everyone who participated in the Huntington Harbour Boat Parade which was the largest in decades with 77 boats this year. He explained that because of COVID-19 there was no Philharmonic Cruise of Lights but a lot of donations were received so that the Philharmonic can continue to support music programs in the local schools. Parade participants were responsible, and there were no large crowds, but unfortunately Channel 3 did not provide live coverage. Councilmember Peterson expressed his appreciation for being the Grand Marshall, and thanked Parade Captain Calvin Free.

Mayor Carr thanked the Huntington Beach Council on Aging Board, Community Services and Library staff members, volunteers from Edison High School, and Senior Center staff for the very successful Holiday Drive-thru Express which safely served over 400 recipients.

Mayor Carr expressed condolences to the family of Brian Ragland, Utility Manager for the past ten years, overseeing 87 employees in the water production, distribution, quality and waste water sections, and who earlier in the year had received the HB Mayor's Excellence Award for his integrity, professionalism and dedication. Mayor Carr described Mr. Ragland as a gentle giant who always focused on what was best for the residents.

**ADJOURNMENT** — At 9:52 PM in honor and memory of City of Huntington Beach Utilities Manager, Brian Ragland, to a Strategic Planning Session at 9:00 AM on Tuesday, January 5, 2021, at Huntington Beach Central Library, Talbert Room, 7111 Talbert Avenue, Huntington Beach, California.

The next regularly scheduled meeting of the Huntington Beach City Council/Public Financing Authority is Monday, January 19, 2021, at 4:00 PM in the Civic Center Council Chambers, 2000 Main Street, Huntington Beach, California.

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

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City Clerk and ex-officio Clerk of the City Council  
of the City of Huntington Beach and Secretary of  
the Public Financing Authority, Housing and Parking  
Authorities, and Successor Agency to the Former  
Redevelopment Agency of the City of Huntington  
Beach, California

**ATTEST:**

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City Clerk-Secretary

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Mayor-Chair