

Minutes

City Council/Public Financing Authority City of Huntington Beach

Tuesday, October 1, 2024
4:30 PM – Council Chambers
6:00 PM – Council Chambers
Civic Center, 2000 Main Street
Huntington Beach, California 92648

A video recording of the 4:30 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/

4:30 PM — COUNCIL CHAMBERS

CALLED TO ORDER

ROLL CALL

Present: Moser, Bolton, Burns, Van Der Mark, Strickland, McKeon, and Kalmick
Absent: None

CITY COUNCIL MEMBER COMMENTS (3-Minute Time Limit)

Mayor Van Der Mark recognized October as Breast Cancer Awareness Month; Councilmember Moser in addition recognized the efforts of the American Cancer Society and National Breast Cancer Foundation.

ANNOUNCEMENT OF SUPPLEMENTAL COMMUNICATIONS PERTAINING TO CLOSED SESSION ITEM(S) (Received After Agenda Distribution) — None

PUBLIC COMMENTS PERTAINING TO CLOSED SESSION ITEM(S) (3-Minute Time Limit) — None

Mayor Van Der Mark announced Closed Session Titles for Item Nos. 1 – 3 related to Labor Negotiations, Item No. 6 regarding Real Property Negotiations, and Item No. 7 regarding Public Employee Appointment.

A motion was made by Strickland, with a second by Burns, to recess to Closed Session.

RECESSED TO CLOSED SESSION — 4:32 PM

CLOSED SESSION

1. 24-697 CONFERENCE WITH LABOR NEGOTIATORS (Gov. Code section 54957.6.) Agency designated representatives: Eric Parra, Interim City Manager; also in attendance: Marissa Sur, Director of Human Resources; Travis Hopkins, Assistant City Manager; Michael E. Gates, City Attorney and David Cain, Interim Chief Financial Officer. Employee Organization: Huntington Beach Municipal Teamsters (HBMT).
2. 24-698 CONFERENCE WITH LABOR NEGOTIATORS (Gov. Code section 54957.6.) Agency designated representatives: Eric Parra, Interim City Manager; also in attendance: Marissa Sur, Director of Human Resources; Travis Hopkins, Assistant City Manager;

**Michael E. Gates, City Attorney and David Cain, Interim Chief Financial Officer.
Marine Safety Management Association (MSMA).**

3. 24-699 **CONFERENCE WITH LABOR NEGOTIATORS (Gov. Code section 54957.6.) Agency designated representatives: Eric Parra, Interim City Manager; also in attendance: Marissa Sur, Director of Human Resources; Travis Hopkins, Assistant City Manager; Michael E. Gates, City Attorney and David Cain, Interim Chief Financial Officer. Employee Organization: Management Employees' Organization (MEO).**
4. 24-700 **CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION. (Paragraph (1) of subdivision (d) of Section 54956.9). Mirabal (Jonathan Andrew) v. City of Huntington Beach, et al.; OCSC Case No.: 30-2024-01398616-CU-PA-CJC.**
5. 24-701 **CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION. (Paragraph (1) of subdivision (d) of Section 54956.9). 117 Walnut LLC v. PowerDriveOil & Gas Company, LLC, City of Huntington Beach, et al.; OCSC Case No.: 30-2024-01395732-CU-NP-CJC**
6. 24-702 **CONFERENCE WITH REAL PROPERTY NEGOTIATORS - Property: 21091 Pacific Coast Highway, Huntington Beach, CA, 92648 (APN 024-281-16). Agency Negotiators: Eric Parra, Acting City Manager; Travis Hopkins, Assistant City Manager; Ashley Wysocki, Director of Community and Library Services; Chris Cole, Community and Library Services Manager; William Krill, Real Estate Project Manager. Negotiating Parties: (Not Present) Dave Clapp DBA Jack's Beach Concessions. Under negotiation: Price and terms of lease**
7. 24-708 **PUBLIC EMPLOYEE APPOINTMENT (Gov. Code section 54957(b)(1).) Title: Acting City Manager.**

6:00 PM — COUNCIL CHAMBERS

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

ROLL CALL

Present: Moser, Bolton, Burns, Van Der Mark, Strickland, McKeon, and Kalmick
Absent: None

PLEDGE OF ALLEGIANCE — Led by Human Resources Director Marissa Sur

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.

8. 24-705 **Huntington Beach Police and Fire Chaplain Roger Wing**

CLOSED SESSION REPORT BY CITY ATTORNEY

Interim City Manager Eric Parra announced that on November 9, 2024, Assistant City Manager Travis Hopkins will assume the role of Acting City Manager by a unanimous vote of the City Council.

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 which were all uploaded to the City's website and Councilmember iPads: Consent Calendar Items #12 (1 Boards, Commissions and Committees September Activity report); #15 (39 email communications), #21 (1 email communication); and Administrative Items #28 (2 email communications).

PUBLIC COMMENTS (3-Minute Time Limit) — 19 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>.

Dixie Terry, a Huntington Beach homeowner within the Sea Cliff Homeowners Association (HOA), was called to speak and thanked the City Council and City Attorney for bringing the lawsuit in Federal Court on behalf of children and their parents. Ms. Terry shared her personal experience related to her HOA Board hiring a vendor that she believes destroyed the design and craftsmanship of her home, and required her to hire her own contractor to remediate the damages. She asked for City Council assistance to determine who allowed the illegal changes on her home, as well as several other homes in her neighborhood, without securing proper City permits. Ms. Terry asked why the Community Development Department exempted the Master Series from City permit requirements. Mayor Van Der Mark asked Ms. Terry to complete a blue card for staff follow-up. (00:11:02)

Carol Daus, Huntington Beach resident and Friends of the Huntington Beach Library Board Member, was called to speak and shared her frustration that Councilmembers denied the item submitted by Council Members Bolton, Kalmick and Moser regarding physical security at City Hall at the September 17, 2024, City Council meeting and shared her opinions related to public comments made by Councilmembers while discussing that item. Ms. Daus added there is nothing controversial or false about the library petitions which only give voters the right to choose how they want their public Library to be managed. (00:12:59)

Wendy Rincon, 50-year Huntington Beach resident, was called to speak and shared her frustration that Councilmembers denied the item submitted by Council Members Bolton, Kalmick and Moser regarding physical security at City Hall at the September 17, 2024, City Council meeting. Ms. Rincon also shared her anger that there are so many questions regarding Ordinance No. 4326 relating to Parents' Right to Know City because City Attorney Michael Gates missed the discussions on this item at two City Council meetings. She also asked how much the City will benefit financially from the upcoming Pacific Air Show. (00:15:25)

Unnamed Speaker was called to speak and shared her opinions on lethal guns, noted she is collecting library petition signatures and expressed her frustrations related to the legal settlement with Code Four regarding the Pacific Air Show. (00:18:25)

Unnamed Speaker, a life-long Huntington Beach resident, was called to speak and shared opposition to Ordinance No. 4326 relating to Parents' Right to Know City, and the lawsuit against California in regard to the Safety Act. Speaker also requested that efforts regarding a Sister City agreement with Ramat Gan be halted. (00:21:34)

Tim Geddes was called to speak and shared his support for current City Council Candidates Bolton, Kalmick and Moser. (00:23:17)

Unnamed Speaker was called to speak and stated opposition to Measure U on the November 5, 2024, General Election ballot. (00:25:16)

Amory Hanson was called to speak and stated support for Council Member Items #29, submitted by Councilmembers McKeon and Strickland and Mayor Van Der Mark to provide support for AVX Network's Federal Funding Account Grant Application: Digital Equity for Avalon, Catalina Island and surrounding waterways. (00:28:19)

Kathy Carrick was called to speak and stated support for keeping only age-appropriate materials in the Children's Section of the library so that young children can safely explore the material on their own. Ms. Carrick stated support for Council Candidates Don Kennedy, Butch Twining, and Chad Williams, and City Clerk Candidate Lisa Lane Barnes. (00:28:55)

Lisa Lane Barnes, Huntington Beach Community and Library Services Commissioner, and a City Clerk candidate in the November 5, 2024, General Election, was called to speak. She announced that Community and Library Services is holding their Annual Lottery for the Meadowlark Golf Club Non-Profit Charity Tournament with waived green and cart fees for the benefit of local non-profits. (00:30:53)

Clayton Heard, representing Assemblymember Josh Lowenthal, was called to speak and stated support for Council Member Items #29, submitted by Councilmembers McKeon and Strickland and Mayor Van Der Mark to provide support for AVX Network's Federal Funding Account Grant Application: Digital Equity for Avalon, Catalina Island and surrounding waterways. (00:32:34)

Raderi Royal, 17-year-old Huntington Beach resident, was called to speak and shared his serious concerns about California's Freedom to Walk Act as implemented in January 2023, which he believes creates very dangerous situations and encourages jaywalking especially on Pacific Coast Highway (PCH). (00:33:40)

Alara Apcin, born and raised in Turkey, was called to speak and shared that she prays every day for the leaders of Huntington Beach and all countries and cultures of the world, for world peace, and shared her prayer of blessing and peace. (00:34:58)

Unnamed Speaker was called to speak and asked why a majority of the City Council continually focus on issues which do not pertain to maintaining or improving City services for Huntington Beach residents. (00:36:50)

Perry Clitheroe was called to speak and shared his frustration that City Attorney Michael Gates was absent for the last two meetings and not available to answer legitimate questions regarding Ordinance No. 4326 relating to Parents' Right to Know City. Mr. Clitheroe stated support for Consent Calendar Item No. 13 opposing statewide ballot Proposition 33, the Local Government Rent Control Expansion Act and encouraged Councilmembers to take the housing crisis more seriously than they have been. (00:39:24)

Unnamed Speaker was called to speak and stated Administrative Items #28 regarding Taxpayer Transparency — evaluation of City Tax-Sharing should include more than just receiving and filing the report, and should include more than a passing notice of the good decisions of former Councilmembers who supported the Breakwater and Elan projects. Unnamed Speaker stated opposition to Consent Calendar Item #13 opposing statewide ballot Proposition 33, the Local Government Rent Control Expansion Act. (00:42:00)

Kathryn Goddard was called to speak and shared her frustration that there appears to be a Council majority, along with a complicit City Attorney, who allow everyone to speak, but do not really listen and hear what is being said. (00:44:31)

David Rynerson, 26-year Huntington Beach resident, was called to speak and shared his opinions on the controversial settlement with Pacific Air Show which he believes shows certain Councilmembers are more concerned about their political donors and political careers than they are about Huntington Beach. (00:46:52)

Justine Makoff, on behalf of Free Rein Foundation, was called to speak and shared three ways to support the work of Free Rein Foundation at the Huntington Beach Equestrian Center: Hug and Groom opportunity on the first Sunday of every month; Eco Tours of the Equestrian Center and Urban Forest; and the free October 12, 2024, 3K Walk through the Urban Forest and Equestrian Center. More details can be found at freereinfoundation.org. (00:48:16)

COUNCIL COMMITTEE APPOINTMENT ANNOUNCEMENTS — None

AB 1234 REPORTING — None

OPENNESS IN NEGOTIATION DISCLOSURES — None

CITY MANAGER'S REPORT

9. 24-707 Received Update on Police Department Staffing

Police Chief Eric Parra introduced Police Captain Lieutenant Oscar Garcia who presented a PowerPoint communication titled *Hiring Report* with slides entitled: *Net Change in Sworn Personnel, Net Increase in Sworn Personnel, and Number of Lateral Police Officers, Police Recruits Hired and Questions?*

Councilmember Strickland expressed appreciation for the presentation. He and Lieutenant Garcia discussed the number of applications processed have increased dramatically after last year's contract agreement. The number of vacancies went from 30 last year to 15 this year, with the expectation that gap will close in the next year or two. Lieutenant Garcia shared that employment standards remain high and officers from other areas are attracted to Huntington Beach because of the support the Police Department receives from City Council and the community.

Mayor Van De Mark noted the Police Department's efforts to reach out to the community is much appreciated.

Councilmember Bolton and Lieutenant Garcia discussed some of the challenges and changes made which have improved the recruiting process.

Councilmember McKeon noted the importance of Public Safety which includes reducing homelessness, and it all leads to improved quality of life for residents and a vibrant commercial environment.

CITY ATTORNEY'S REPORT

10. 24-694 State v. City of Huntington Beach re Housing Element

City Attorney Michael Gates reported that last week the Trial Court stayed the action until March 2025 pending the appeals that were filed. He noted the appeals could take longer for this case which was

originally filed by the State in March 2023. In the meantime, there are no fees, fines or penalties because everything has been stayed.

Councilmember Strickland and City Attorney Gates briefly discussed how the new bill recently signed by Governor Newsom, which potentially increases fees, fines and penalties, and whether it will be retroactive.

CONSENT CALENDAR (Items 11-24)

Councilmember Kalmick pulled Consent Calendar Items #13 and #18 and Mayor Pro Tem Burns pulled Consent Calendar Item #21 for further discussions.

City Clerk

11. 24-688 Approved and Adopted Minutes

A motion was made by Van Der Mark, second Strickland to approve and adopt the City Council/Public Financing Authority regular meeting minutes of September 17, 2024.

The motion carried by the following roll call vote:

AYES: Moser, Bolton, Burns, Van Der Mark, Strickland, McKeon, and Kalmick
NOES: None

12. 24-689 Received and Filed Monthly Update of Activities for Citizen Boards, Commissions, Committees (BCCs) and Regional Agencies — September 2024

A motion was made by Van Der Mark, second Strickland to receive and file the Monthly Update of Activities for Citizen Boards, Commissions, Committees (BCCs) and Regional Agencies — September 2024.

The motion carried by the following roll call vote:

AYES: Moser, Bolton, Burns, Van Der Mark, Strickland, McKeon, and Kalmick
NOES: None

City Manager

13. 24-678 Adopted Resolution No. 2024-50 in Opposition to the Statewide Ballot Proposition 33, the Local Government Rent Control Expansion Act, as Recommended by the Intergovernmental Relations Committee (IRC)

Councilmember Kalmick pulled this item because the action requires setting aside a resolution that has been in effect for approximately 50 years stating that Councilmembers do not take positions on statewide issues, and asked for an explanation as to why the IRC would take a position of opposition on this.

Councilmember Strickland responded this is a proposition which would dramatically affect the residents of Huntington Beach and therefore it is important to take a position of opposition.

Councilmember Kalmick confirmed with City Attorney Gates that because the Huntington Beach Charter states that City Council cannot implement any type of rent control, even if Proposition 33 were to pass,

rent control in Huntington Beach would still be prohibited without a vote of the people. He then made a motion to approve a minute action to strike Section 1.01.08 - Statewide ballot propositions of Resolution 4344, and City Council Manual Section IX - Conflicts of Interest Item G. - Statewide Ballot Propositions adopted via Resolution No. 2024-23. Councilmember Strickland seconded the motion.

Mayor Pro Tem Burns confirmed with City Attorney Gates that Councilmember Kalmick's motion is procedural, and therefore appropriate. City Attorney Gates noted further if it was substantive, the public would have to be notified.

Councilmember Bolton stated her surprise at this Minute Action, and clarified she will not support the IRC recommendation.

Councilmember Moser stated she concurs with Councilmember Bolton's statement.

Councilmember Kalmick stated he does not support the motion, even though he made it, and he will be abstaining from the vote to support his position that Councilmembers should not take positions on statewide initiatives.

The motion made by Kalmick, seconded by Strickland for Minute Action to strike Section 1.01.08 — Statewide ballot propositions of Resolution 4344, and City Council Manual Section IX — Conflicts of Interest Item G. — Statewide Ballot Propositions adopted via Resolution 2024-23, carried by the following roll call vote:

AYES: Burns, Van Der Mark, Strickland, and McKeon
NOES: Moser, Bolton, and Kalmick

A motion was made by Strickland, second Van Der Mark to adopt Resolution No. 2024-50, "A Resolution of the City Council of the City of Huntington Beach in Opposition to Proposition 33, the Local Government Rent Control Expansion Act."

The motion carried by the following roll call vote:

AYES: Burns, Van Der Mark, Strickland, and McKeon
NOES: None
ABSTAIN: Moser, Bolton, and Kalmick

Community Development

14. 24-648 Approved and authorized execution of Amendment No. 2 to Schedule No. 2, and the Associated Lease Memorandum for Leased Property at Bushard Fire Station Between the City of Huntington Beach and T-Mobile West Tower LLC, for a Wireless Communications Facility

A motion was made by Van Der Mark, second Strickland to approve and authorize the Mayor and City Clerk to execute "Amendment No. 2 to Schedule No. 2 of Leased Property" between the City of Huntington Beach and T-Mobile West Tower LLC; and approve and authorize the Mayor and City Clerk to execute the "Memorandum of Amendment No. 2 to Schedule No. 2 of Leased Property" between the City of Huntington Beach and T-Mobile West Tower LLC.

The motion carried by the following roll call vote:

AYES: Moser, Bolton, Burns, Van Der Mark, Strickland, McKeon, and Kalmick
NOES: None

15. 24-656 Approved and authorized execution and recordation of a Lease Agreement with Surf City Partners, LLC for 21 and 22 Main Street at the Huntington Beach Pier and Approved Building Fee Waivers

A motion was made by Van Der Mark, second Strickland to approve and authorize the Mayor and City Clerk to execute the "Lease Between the City of Huntington Beach and Surf City Partners, LLC;" and, direct the City Clerk to record lease agreement with the Orange County Clerk Recorder; and approve the waiver of up to \$50,000 in City permit fees related to plan check and building division inspection fees.

The motion carried by the following roll call vote:

AYES: Moser, Bolton, Burns, Van Der Mark, Strickland, McKeon, and Kalmick
NOES: None

16. 24-687 Approved the Huntington Beach Tourism Business Improvement District (HBTBID) Annual Report for Fiscal Year (FY) 2024-25

A motion was made by Van Der Mark, second Strickland to approve the HBTBID Annual Report for Fiscal Year 2024-25.

The motion carried by the following roll call vote:

AYES: Moser, Bolton, Burns, Van Der Mark, Strickland, McKeon, and Kalmick
NOES: None

Community and Library Services

17. 24-691 Approved the appointment of Alan Ray to the Huntington Beach Historic Resources Board as recommended by City Council Liaisons Mayor Van Der Mark and Mayor Pro Tem Burns

A motion was made by Van Der Mark, second Strickland to approve the appointment of Alan Ray to the Huntington Beach Historic Resources Board for a term set to expire June 30, 2025, as recommended by City Council Liaisons Mayor Van Der Mark and Mayor Pro Tem Burns.

The motion carried by the following roll call vote:

AYES: Moser, Bolton, Burns, Van Der Mark, Strickland, McKeon, and Kalmick
NOES: None

Fire

18. 24-695 Approved and authorized execution of Amendment No. 1 with Excalibur Well Services, Corp; approved additional funding and appropriation of funds for the Civic Center Oil Well Abandonment Project

Councilmember Kalmick pulled this item to note there are so many derelict properties throughout the City with oil wells because the cost of removal is unknown until the process starts. He added that he pulled

this item to bring forward the idea of looking at the previous parties to determine whether everything was done to specifications and potentially recovering some funds from them.

Fire Chief Haberly confirmed that the previous work was done in 2000 when an additional liner was added which was not recorded in the CalGEM database, and having uncovered that information, better decisions can be made for Wells 1 and 3 as staff uncovers more details related to past actions. City Attorney Gates noted there could potentially be statute of limitation or contractual issues that must be considered along with review of the file with the evidence.

A motion was made by Kalmick, second Strickland to approve and authorize the Mayor and City Clerk to execute "Amendment No. 1 to Service Agreement between the City of Huntington Beach and Excalibur Well Services, Corp. for Civic Center Well Abandonment;" and, approve an appropriation of \$1,150,000 from HB Recovery Funds to the Oil Well Abandonment business unit 31465001.82800.

The motion carried by the following roll call vote:

AYES: Moser, Bolton, Burns, Van Der Mark, Strickland, McKeon, and Kalmick
NOES: None

Human Resources

19. 24-677 Approved and authorized execution of Three-Year Professional Services Contracts for Workers' Compensation Managed Care Services with Lien On Me, Inc. for Bill Review, and Arissa Cost Strategies, LLC for Utilization Review

A motion was made by Van Der Mark, second Strickland to approve and authorize the Mayor and City Clerk to execute "Professional Services Contract Between the City of Huntington Beach and Lien On Me, Inc. for medical Bill Review services of the City's Workers' Compensation claims" in an amount not to exceed \$525,000 for the three-year period, and approve and authorize the Mayor and City Clerk to execute "Professional Services Contract Between the City of Huntington Beach and Arissa Cost Strategies, LLC, for Utilization Review services of the City's Workers' Compensation claims" in an amount not to exceed \$300,000 for the three-year period.

The motion carried by the following roll call vote:

AYES: Moser, Bolton, Burns, Van Der Mark, Strickland, McKeon, and Kalmick
NOES: None

Police

20. 24-676 Approved and authorized execution of a one-year grant agreement with the California Highway Patrol to provide overtime funding to combat impaired driving, adopted Resolution No. 2024-48 accepting grant funds and appropriation of funds

A motion was made by Van Der Mark, second Strickland to approve and authorize the City Council to execute the grant agreement for "FY24/25 CTFGP Law Enforcement — Huntington Beach Police Department"; adopt Resolution No. 2024-48, "A Resolution of the City Council of the City of Huntington Beach Authorizing the Chief of Police to Accept Grant Funds from the State of California Department of California Highway Patrol for DUI Saturation Patrols and Standardized Field Sobriety Test (SFST) Training" and appropriate grant funds in the amount of \$84,480 to a new grant account for separate tracking.

The motion carried by the following roll call vote:

AYES: Moser, Bolton, Burns, Van Der Mark, Strickland, McKeon, and Kalmick
NOES: None

21. 24-692 Approved and authorized execution of a Memorandum of Understanding (MOU) with the Huntington Beach Police Officers' Foundation (HBPOF)

Mayor Pro Tem Burns pulled this item to request it be tabled to allow time for more information gathering. He believes this is duplicating the efforts of the Police Community Foundation, and questioned why.

Councilmember Kalmick explained that this item clarifies issues related to the non-profit arm of the Police Department, i.e., the Police Officers' Foundation, being able to collect funding for officer families in need, and clarifies the difference between the City of Huntington Beach and the Police Officers' Foundation.

Mayor Pro Tem Burns stated his concern regarding the fact that the Police Officers' Foundation just endorsed three currently serving Council Candidates and his interest in taking the time to research whether the Community Foundation and Officers' Foundation could or should join forces. He also noted there are very few MOUs which require City support.

A motion was made by Kalmick, second Bolton to approve and authorize the Mayor and City Clerk to execute the "Memorandum of Understanding between the Huntington Beach Police Officers' Foundation and the City of Huntington Beach."

The motion carried by the following roll call vote:

AYES: Moser, Bolton, Van Der Mark, Strickland, McKeon, and Kalmick
NOES: Burns

Public Works

22. 24-640 Approved and authorized the execution of a Cooperative Agreement with the Mesa Water District in the amount of \$75,000 for a Feasibility Study for an Interagency Water Transfer

A motion was made by Van Der Mark, second Strickland to approve and authorize the Mayor and City Clerk to execute the Cooperative Agreement with the Mesa Water District in the amount of \$75,000 for a Feasibility Study for an Interagency Water Transfer.

The motion carried by the following roll call vote:

AYES: Moser, Bolton, Burns, Van Der Mark, Strickland, McKeon, and Kalmick
NOES: None

23. 24-655 Approved and authorized the execution and recordation of a Storm Water Detention and Landscape Maintenance Agreement with the Roman Catholic Bishop of Orange for the Good Shepherd Cemetery Located at 8301 Talbert Avenue

A motion was made by Van Der Mark, second Strickland to approve and authorize the Mayor and City Clerk to execute the "Storm Water Detention and Landscape Maintenance Agreement, between the City

of Huntington Beach and Roman Catholic Bishop of Orange;" and, instruct the City Clerk to record said Storm Water Detention and Landscape Maintenance Agreement (and attachments) with the Orange County Clerk Recorder.

The motion carried by the following roll call vote:

AYES: Moser, Bolton, Burns, Van Der Mark, Strickland, McKeon, and Kalmick
NOES: None

24. 24-660 Approved and authorized execution of an Agreement for sharing consultant costs for completion of Joint Hazard Mitigation Plans and the America's Water Infrastructure Act of 2018 Update Projects with the Municipal Water District of Orange County (MWDOC)

A motion was made by Van Der Mark, second Strickland to approve and authorize the Interim City Manager to execute an Agreement for sharing consultant costs for completion of Joint Hazard Mitigation Plans and the America's Water Infrastructure Act of 2018 Update Projects with the Municipal Water District of Orange County.

The motion carried by the following roll call vote:

AYES: Moser, Bolton, Burns, Van Der Mark, Strickland, McKeon, and Kalmick
NOES: None

PUBLIC HEARING

25. 24-663 Held Public Hearing and Adopted Resolution No. 2024-42 for Annual Assessment Approval in the Huntington Beach Downtown Business Improvement District for Fiscal Year (FY) 2024-2025

City Clerk Robin Estanislau announced the notice of the public meeting had been completed in the manner and form as required by the Parking and Business Improvement Area Law of 1989, codified as Streets and Highways Code 36500.

Christopher Kennedy, Economic Development Project Manager, presented a PowerPoint communication titled *Public Hearing to consider adoption of Resolution No. 2024-42 approving an Annual Assessment within the Huntington Beach Downtown Business Improvement District for Fiscal Year 2024-2025* with slides entitled *Background, The District, Downtown HB, FY 24-25 Activities, Downtown HB Total Budget, Public Hearing, Recommendation and Thank you, Questions?* (01:15:45)

Mayor Van Der Mark opened the Public Hearing.

City Clerk Robin Estanislau announced no one had signed up to speak.

Councilmember McKeon stated he has received a number of complaints regarding the maintenance component for the Downtown area and suggested power washing two times a week, i.e., late Sunday night or early Monday morning to clean up from the weekend activities and again on Friday in preparation for weekend visitors. Staff acknowledged that changes were being considered.

Mayor Van Der Mark closed the Public Hearing.

City Clerk Robin Estanislau announced no protests were received totaling zero percent. Therefore, the City Clerk's Office has determined that a majority protest has not been received from owners or authorized representatives of businesses in the district that will pay 50% or more of the assessments proposed to be levied.

A motion was made by Burns, second Strickland to conduct the Public Hearing; and, if written protests of at least 50% or more of the total assessments are not received, adopt Resolution No. 2024-42, "A Resolution of the City Council of the City of Huntington Beach Approving an Annual Assessment within the Huntington Beach Downtown Business Improvement District for FY 2024-2025."

The motion carried by the following roll call vote:

AYES: Moser, Bolton, Burns, Van Der Mark, Strickland, McKeon, and Kalmick
NOES: None

26. 24-650 Approved Zoning Map Amendment No. 23-001 by introducing Ordinance No. 4306; Approved Zoning Map Amendment No. 23-002 by introducing Ordinance No. 4316; Approved Zoning Map Amendment No. 24-001 by introducing Ordinance No. 4321; Approved Zoning Map Amendment No. 24-003 by introducing Ordinance No. 4323; Approved Zoning Map Amendment No. 24-004 by introducing Ordinance No. 4324; Approved Zoning Map Amendment No. 24-005 by introducing Ordinance No. 4325; Approved Local Coastal Program Amendment No. 24-001 by adopting Resolution No. 2024-14 (Continued from September 3, 2024)

Jennifer Villasenor, Community Development Director, announced this item was continued from September 3, 2024, where the full presentation was made, and noted Ricky Ramos, Planning Manager, was available to re-present the PowerPoint communication titled *Zoning Map Amendment* if Council desired. There was no Councilmember interest in another review of the presentation.

Mayor Van Der Mark opened the Public Hearing.

City Clerk Robin Estanislau announced no one signed up to speak.

Mayor Van Der Mark closed the Public Hearing.

Councilmember Kalmick stated he understands there is a lot of consternation about land use in Huntington Beach, and added this is only cleanup which will provide a clearer plan moving forward.

A motion was made by Burns, second Strickland to find the proposed project exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15183, Projects Consistent with a Community Plan or Zoning; and *after City Clerk reads each Ordinance by title*, approve the following:

1. Zoning Map Amendment No. 23-001 with findings (Attachment No. 1) and after the City Clerk reads by title, introduce Ordinance No. 4306, "An Ordinance of the City Council of the City of Huntington Beach Amending the Huntington Beach Zoning and Subdivision Ordinance to Rezone 17 Parcels Consisting of City Parks and City Owned Property into Conformance with their General Plan Designations (Zoning Map Amendment No. 23-001)"; (Attachment No. 7);
2. Zoning Map Amendment No. 23-002 with findings (Attachment No. 2) and after the City Clerk reads by title, introduce Ordinance No. 4316, "An Ordinance of the City Council of the City of Huntington Beach Amending the Huntington Beach Zoning and Subdivision Ordinance to Rezone 18 Parcels Consisting of Churches and Schools into Conformance with their General Plan Designations (Zoning Map Amendment No. 23-002)"; (Attachment No. 8);
3. Zoning

Map Amendment No. 24-001 with findings (Attachment No. 3); and after the City Clerk reads by title, introduce Ordinance No. 4321, "An Ordinance of the City Council of the City of Huntington Beach Amending the Huntington Beach Zoning and Subdivision Ordinance to Rezone 23 Parcels within the Coastal Zone to be in Conformance with their General Plan Designations (Zoning Map Amendment No. 24-001)"; (Attachment No. 9); 4. Zoning Map Amendment No. 24-003 with findings (Attachment No. 4) and after the City Clerk reads by title, introduce Ordinance No. 4323, "An Ordinance of the City Council of the City of Huntington Beach Amending the Huntington Beach Zoning and Subdivision Ordinance to Rezone 42 Parcels Consisting of Utility Type Uses into Conformance with their General Plan Designations (Zoning Map Amendment No. 24-003)"; (Attachment No. 10); 5. Zoning Map Amendment No. 24-004 with findings (Attachment No. 5) and after the City Clerk reads by title, introduce Ordinance No. 4324, "An Ordinance of the City Council of the City of Huntington Beach Amending the Huntington Beach Zoning and Subdivision Ordinance to Rezone 5 Parcels Consisting of Commercial Uses into Conformance with their General Plan Designations (Zoning Map Amendment No. 24-004)"; (Attachment No. 11); 6. Zoning Map Amendment No. 24-005 with findings (Attachment No. 6); and after the City Clerk reads by title, introduce Ordinance No. 4325, "An Ordinance of the City Council of the City of Huntington Beach Amending the Huntington Beach Zoning and Subdivision Ordinance to Rezone 28 Inconsistently Zoned Parcels into Conformance with their Residential General Plan Designations (Zoning Map Amendment No. 24-005)"; (Attachment No. 12); and 7. Local Coastal Program Amendment (LCPA) No. 24-001 with findings (Attachment No. 3) by adopting City Council Resolution No. 2024-14, "A Resolution of the City Council of the City of Huntington Beach Adopting Local Coastal Program Amendment No. 24-001 and Requesting Certification by the California Coastal Commission"; (Attachment No. 9).

The motion carried by the following roll call vote:

AYES: Moser, Bolton, Burns, Van Der Mark, Strickland, McKeon, and Kalmick
NOES: None

27. 24-680 Approved Zoning Text Amendment No. 23-002 (Zoning Update) by Approving for Introduction Ordinance No. 4310

Joanna Cortez, Principal Planner, provided a brief PowerPoint communication titled *Zoning Text Amendment No. 23-002 Zoning Update Citywide*, with slides titled *Request/Recommendation*, and *Questions*.

Mayor Van Der Mark opened the Public Hearing.

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 which were all uploaded to the City's website and Councilmember iPads: *Legislative draft for Ordinance No. 4310*.

Public Speakers (3-minute Time Limit) — 1 Speaker

Amory Hanson was called to speak and stated support for approving Zoning Text Amendment No. 23-002 by approving for Introduction Ordinance No. 4310. (01:30:09)

Mayor Van Der Mark closed the Public Hearing.

A motion was made by Burns, second Kalmick to find Zoning Text Amendment No. 23-002 exempt from the California Environmental Quality Act (CEQA) pursuant to City Council Resolution No. 4501, Class 20, which supplements the California Environmental Quality Act because the request is a minor amendment

to the zoning ordinance that does not change the development standards intensity or density; and approve Zoning Text Amendment No. 23-002 with findings (Attachment No. 1); and after the City Clerk reads by title, approve for introduction Ordinance No. 4310, "An Ordinance of the City Council of the City of Huntington Beach Amending Chapter 212 I Industrial Districts of the Huntington Beach Zoning and Subdivision Ordinance (Zoning Text Amendment No. 23-002)"; (Attachment No. 2)

The motion carried by the following roll call vote:

AYES: Moser, Bolton, Burns, Van Der Mark, Strickland, McKeon, and Kalmick
NOES: None

ADMINISTRATIVE ITEMS

28. 24-621 Received and filed response to August 6, 2024, Council Member Item: Taxpayer Transparency — Evaluation of City Tax-Sharing

Jennifer Carey, Acting Deputy City Manager, presented a PowerPoint communication titled *Evaluation of City Tax-Sharing*, with slides entitled: *Background, Overview, Business Subsidies, Sales Tax Sharing Agreements: Non-Car Dealerships, Sales Tax Sharing Agreements, COVID Rent Abatement (2), Hotel TOT Deferment, Sales Tax Sharing Agreements: Car Dealerships, Auto Dealers Association, Property Tax (3), Other and Questions?*

Councilmember McKeon thanked staff for this report and focused his comments on the Breakwater and Elan concessions, specifically the July 20, 2021, Council meeting report which contains a number of discrepancies compared to the facts presented this evening and provided several examples: 30-year vs 35-year bond; \$500,000/year in foregone property tax vs over \$600,000/year. He added his opinion that the City has no business using taxpayer funds for investing in speculative real estate, where no one knows what will happen during the next 35 years, nor the condition of the properties at that time. He also noted the Huntington Beach Employee Retirement Levy listed as \$2M in 2021, is now \$22M in foregone property tax. Councilmember McKeon also noted that the \$150M paid back to government and educational agencies was not required, but proposed by an Ad Hoc Committee composed of then-Councilmembers Carr, Posey, Delgleize, and approved by then-Councilmembers Kalmick and Moser.

City Attorney Michael Gates confirmed that none of the documents related to that Joint Power Authority (JPA) agreement were presented to his office for review.

Councilmember McKeon added the numbers presented in tonight's report do not include all of the waived fees for the Workforce Housing sponsors, and noted that after three years the sponsors still cannot confirm if any of this housing is occupied by local workforce individuals. He added this situation is the reason for the proposed Charter amendment that this type of situation will not happen again without a vote of the residents, and noted that Councilmembers Bolton, Kalmick and Moser abstained from voting on the proposed Charter amendment.

Councilmember Kalmick responded there are some key elements of the situation that are missing, such as the \$150M in taxes that will be returned to the county, school and sanitation districts was approved so that these agencies would not oppose the deal. He confirmed with Acting Deputy City Manager Carey, that based on the language in the agreement for conveyance of surplus proceeds, it appears the City would not be required to pay if the City holds on to the property.

Councilmember Kalmick continued by explaining how the original bond of 30 years became 35 years, and noted it is being paid down more quickly than originally anticipated. He also noted that at the time

this agreement was made the City had a surplus budget so a \$500,000 – \$600,000 property tax deferment to get a huge asset that could be turned into market rate housing, or re-upped for affordable housing, or could be sold for hundreds of millions of dollars and could be a windfall for the City, was a good policy decision at the time.

Councilmember Kalmick stated there are quantifiable benefits based on known metrics, and referenced specifically the 2024 Pacific Air Show which he believes the City is making concessions for, but he has not seen any Council action on that, and requested a staff report after the event to show the concessions with an explanation for the apparent contract waiver. He noted he expected to see the economic impact of past Air Shows in tonight's report and expressed disappointment that information had been left out.

Councilmembers Strickland and Kalmick discussed tax assessor positions, potential litigation and the Board of Equalization appeals process regarding the \$150M in taxes.

Councilmember Moser responded by defining specific event waivers may include such things as permit fees or parking revenue offsets, but usually do not account for recovery of the full cost of City services provided for an event such as public safety, traffic control, infrastructure support, waste management, and clean-up. She stated her interest in seeing an item-by-item explanation for direct and in-direct costs related to the 2024 Pacific Air Show.

Councilmember Bolton asked Acting Deputy City Manager Carey if records show fee waivers for past Air Show events. Manager Carey responded that the staff report includes an itemized listing of amounts approved by City Council, and she only had in front of her available information for 2019 which shows a fee waiver of \$11,250; parking offset revenue of up to \$100,000 contingent on actual parking revenue; and utilization aspect of the City's in-kind contributions via the waste franchise agreement which could be estimated at up to \$10,000.

A motion was made by Van Der Mark, second Burns to receive and file response to August 6, 2024, Councilmember Item: Taxpayer Transparency — Evaluation of City Tax-Sharing Report.

The motion carried by the following roll call vote:

AYES: Moser, Bolton, Burns, Van Der Mark, Strickland, McKeon, and Kalmick
NOES: None

COUNCIL MEMBER ITEMS

29. 24-706 Approved Item Submitted by Council Member McKeon, Mayor Van Der Mark, and Council Member Strickland — Support for AVX Network's Federal Funding Account Grant Application: Digital Equity for Avalon, Catalina Island, and Surrounding Waterways

Councilmember McKeon introduced this item by explaining this effort will increase broadband and mobile network reliability and quality of service for such things as tele-health, distance learning, remote work and entertainment services. He noted that installing subterranean infrastructure along Pacific Coast Highway (PCH) will not only supply Catalina, but also provide countless future economic benefits for Huntington Beach especially in the area of the Pier and intersection of Beach Boulevard and PCH.

Councilmember McKeon described the process, if funding is approved, would require a plan with request for City permits for conduit, vaults, manholes and access points. He noted that Avalon has already passed a resolution to accelerate the permit process on their end, and noted it would most likely be two

to two-and-a half years before laying the underwater cable would start. He added that currently there is no commercial grade utility or network cabling in the area of the Pier and stated hopefully the City can piggy-back upgrades onto this project to eliminate the current need for portable cell towers and generators for special events.

Councilmember Kalmick stated his support for this project, and noted the potential to use existing abandoned pipeline to eliminate the potential of having to rip up the shoreline. He also stated support for the potential of data centers in Huntington Beach which would provide an enormous amount in utility taxes through a project that uses state and federal funds to increase connectivity.

A motion was made by McKeon, second Strickland to confirm City Council support for AVX Network's Last Mile Federal Funding Account application: Digital Equity for Avalon, Catalina Island, and Surrounding Waterways, and authorize the Mayor to send a letter of support on behalf of the City of Huntington Beach.

The motion carried by the following roll call vote:

AYES: Moser, Bolton, Burns, Van Der Mark, Strickland, McKeon, and Kalmick
NOES: None

ADJOURNMENT — at 8:08 PM a motion was made by Strickland with a second by Burns to adjourn to the next regularly scheduled meeting of the Huntington Beach City Council/Public Financing Authority on Tuesday, October 15, 2024, 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>

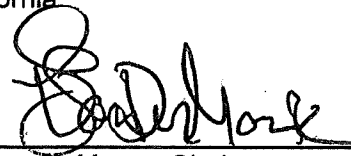


City Clerk and ex-officio Clerk of the City Council of
the City of Huntington Beach and Secretary of the
Public Financing Authority of the City of Huntington
Beach, California

ATTEST:



City Clerk—Clerk



Mayor—Chair