

Minutes

City Council/Public Financing Authority City of Huntington Beach

Monday, November 4, 2019
4:00 PM – No Study Session
5:00 PM – Closed Session
6:00 PM – Council Chambers
Civic Center, 2000 Main Street
Huntington Beach, California 92648

**A video recording of the 6:00 PM portion of this meeting
is on file in the Office of the City Clerk, and archived at
www.surfcity-hb.org/government/agendas/**

5:00 PM — COUNCIL CHAMBERS

CALLED TO ORDER — 5:00 PM

ROLL CALL

Present: Brenden, Carr, Semeta, Posey, Delgleize, and Hardy
Absent: Peterson

Pursuant to Resolution No. 2001-54, Mayor Peterson requested, and was granted permission to be absent.

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

PUBLIC COMMENTS PERTAINING TO CLOSED SESSION ITEMS (3 Minute Time Limit) — None

A motion was made by Brenden, second by Posey to recess to Closed Session for Items 2 – 6, and with no objections, the motion passed.

CLOSED SESSION ANNOUNCEMENT(S)

- 1. 19-1113 Mayor Pro Tem Semeta announced: Pursuant to Government Code § 54957.6, the City Council shall recess into Closed Session to meet with its designated labor negotiators: Oliver Chi, City Manager; also in attendance: Travis Hopkins, Acting Assistant City Manager regarding the following: Municipal Employees' Association (MEA); Management Employees' Organization (MEO); Police Officers' Association (POA), Police Management Association (PMA); Marine Safety Management Association (MSMA) Surf City Lifeguard Employees' Association (SCLEA), and Non-Associated.**

RECESSED TO CLOSED SESSION — 5:01 PM

2. **19-1099 Pursuant to Government Code § 54956.9(d)(2), the City Council recessed into Closed Session to confer with the City Attorney regarding potential litigation. Number of cases, three (3).**
3. **19-1100 Pursuant to Government Code § 54956.9(d)(1), the City Council recessed into Closed Session to confer with the City Attorney regarding the following lawsuit: Cruz v. City of Huntington Beach; USDC Case No.: 8:19-cv-1449-DOC (ADSx).**
4. **19-1101 Pursuant to Government Code § 54956.9(d)(1), the City Council recessed into Closed Session to confer with the City Attorney regarding the following lawsuit: City v. State of California (SB 54); OCSC Case No. 30-2018-00984280.**
5. **19-1112 Pursuant to Government Code § 54957.6, the City Council recessed into Closed Session to meet with its designated labor negotiator: Oliver Chi, City Manager; also in attendance: Travis Hopkins, Acting Assistant City Manager regarding the following: Municipal Employees Association (MEA); Management Employees' Organization (MEO); Police Officer's Association (POA); Police Management Association (PMA); Marine Safety Management Association (MSMA) Surf City Lifeguard Employees' Association (SCLEA) and Non-Associated.**
6. **19-1124 Pursuant to Government Code § 54956.9(d)(1), the City Council recessed into Closed Session to confer with the City Attorney regarding the following lawsuit: Californians for Homeownership, Inc. v. City of Huntington Beach; OCSC Case No. 30-2019-01107760**

6:00 PM - COUNCIL CHAMBERS

RECONVENED CITY COUNCIL/PUBLIC FINANCING AUTHORITY MEETING AND CALLED TO ORDER THE SPECIAL MEETING OF THE HOUSING AUTHORITY — 6:03 PM

ROLL CALL

Present: Brenden, Carr, Semeta, Posey, Delgleize, and Hardy
Absent: Peterson

Pursuant to Resolution No. 2001-54, Mayor Peterson requested, and was granted permission to be absent.

PLEDGE OF ALLEGIANCE — Led by City Manager Chi

INVOCATION

In permitting a nonsectarian invocation, the City does not intend to proselytize or advance any faith or belief. Neither the City nor the City Council endorses any particular religious belief or form of invocation.

7. **19-1087 Mark Currie of Baha'i of Huntington Beach and member of the Greater Huntington Beach Interfaith Council**

AWARDS AND PRESENTATIONS

- 8. 19-1115 Mayor Pro Tem Semeta called on Board Members of the Friends of the Huntington Beach Public Library to present a check for \$150,000 to Director of Library Services, Stephanie Beverage, for books and other library materials**

Director of Library Services, Stephanie Beverage, introduced the Friends of the Huntington Beach Library (FHBL) as one of the largest, most dedicated and most effective volunteer groups she has ever worked with. Funds raised from the FHBL book sales, gift shop and special events since 2000 has totaled nearly \$3 Million dollars.

ANNOUNCEMENT OF SUPPLEMENTAL COMMUNICATIONS (Received After Agenda Distribution)

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

Consent Calendar

- #10. 19-1083** Communication submitted by Robin Estanislau, City Clerk, identifying a correction to the October 21, 2019, minutes.
- #16. 19-1104** Email communication submitted by Amory Hanson.

Administrative Items

- #17. 19-1119** Email communication submitted by Janet Bean.
- #17. 19-1119** Communication submitted by Travis Hopkins, Acting Assistant City Manager, submitting a signed lease agreement with identified revisions.
- #18. 19-1024** Communication submitted by Ursula Luna-Reynosa, Community Development Director and Kellee Fritzel, Deputy Director of Economic Development, providing a draft Acquisition Loan Agreement for 18431 Beach Blvd., and identifying a revision to Recommended Action A.
- #18. 19-1024** Two (2) email communications submitted by Jenny Braithwaite and Prof. Galen T. Pickett.
- #19. 19-1094** Fifty-seven (57) email and MyHB communications received.

CLOSED SESSION REPORT BY CITY ATTORNEY — None

PUBLIC COMMENTS (3 Minute Time Limit) — 36 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>.

Cheri Atkinson, Homeless United HB Member and Clinical Social Worker, was called to speak and stated her support for Administrative Item No. 18 and Jamboree Housing regarding development of senior apartment units. (00:11:34)

Karen Carroll, long-time resident of Huntington Beach and Committee Chair, Justice and Peace Ministry at Saint Bonaventure Catholic Church, was called to speak and stated her support for Administrative Item No. 18 and Jamboree Housing regarding development of senior apartment units. (00:14:18)

Gigi Jackson, a newer resident of Huntington Beach and member of Homeless United HB, was called to speak and stated her support for Administrative Item No. 18 and Jamboree Housing regarding development of senior apartment units. (00:17:21)

Michelle Kerns, 20-year resident, Huntington Beach homeowner, and Homeless United HB Member, was called to speak and stated her support for Administrative Item No. 18 and Jamboree Housing regarding development of senior apartment units. (00:20:14)

Galen Pickett, property owner, resident of Huntington Beach, and Homeless United HB Member, was called to speak and stated his support for Administrative Item No. 18 and Jamboree Housing regarding development of senior apartment units, and Administrative Item No. 19 regarding Housing and Community Development (HCD) certification to become eligible for SB 2 Funds. (00:23:06)

Howard Herdman, a long-time resident of Huntington Beach, was called to speak and stated his support for Administrative Item No. 18 and Jamboree Housing regarding development of senior apartment units. (00:25:20)

Natalie Moser, 40-year resident, Chair, Human Relations Task Force, and Homeless United HB Member, was called to speak and stated her support for Administrative Item No. 18 and Jamboree Housing regarding development of senior apartment units, and Administrative Item No. 19 regarding Housing and Community Development (HCD) certification to become eligible for SB 2 Funds. (00:28:12)

Cari Swan was called to speak and stated her opposition to Administrative Item No. 19 regarding Housing and Community Development (HCD) certification to become eligible for SB 2 Funds. (00:31:15)

Ralph Bauer, long-time resident of Huntington Beach, was called to speak and stated his support for Administrative Item No. 18 and Jamboree Housing regarding development of senior apartment units. (00:34:18)

Shirley Dettloff, 55-year resident of Huntington Beach, was called to speak and stated her support for Administrative Item No. 18 and Jamboree Housing regarding development of senior apartment units. (00:37:11)

Tim Geddes, 35 plus-year resident of Huntington Beach, was called to speak and stated his opinions in opposition to the Magnolia Tank Farm and Shopoff projects, and encouraged the City Council to always make "the right thing to do" decisions. (00:41:09)

Bob Pace, a passionate surfer and Huntington Beach International Surfing Museum Former Board Member, was called to speak and stated his opposition to having an out-of-area company manage the Huntington Beach International Surfing Museum. (00:44:11)

Bill Fury, former Huntington Beach International Surfing Museum Board Member, was called to speak and stated his opposition to having an out-of-area company manage the Huntington Beach International Surfing Museum. (00:47:30)

Gary Sahagen, Huntington Beach International Surfing Museum Former Board Member, was called to speak and stated his opposition to having an out-of-area company manage the Huntington Beach International Surfing Museum. (00:50:37)

Rabbi Stephen Einstein, Founding Member and Past President of the Greater Huntington Beach Interfaith Council, was called to speak and stated his support for Administrative Item No. 18 and Jamboree Housing regarding development of senior apartment units. (00:54:05)

Adam Bushman Orozco, an avid surfer, was called to speak and stated his support for local management of the Huntington Beach International Surfing Museum. (00:56:03)

Jericho Poppler, Women's Surfing Champion and the Surf City Go Go Girls were called to speak and danced to *Surf City* by Jan & Dean to encourage the City Council to do the right thing for the Huntington Beach International Surfing Museum. (00:57:20)

Mike Downey was called to speak and stated support for local management of the Huntington Beach International Surfing Museum. (01:00:39)

Diana Dehm, Surf City resident and Former Director of the Huntington Beach International Surfing Museum, was called to speak and stated support for local management of the Huntington Beach International Surfing Museum. (01:01:26)

Bruce Wareh was called to speak and stated his opposition to Administrative Item No. 19 regarding Housing and Community Development (HCD) certification to become eligible for SB 2 Funds. (01:05:00)

Jerry Barry, a 55-year resident of Huntington Beach, was called to speak and stated his opposition to Administrative Item No. 19 regarding Housing and Community Development (HCD) certification to become eligible for SB 2 Funds. (01:09:08)

Sharon Messick, HBLAP, was called to speak and shared slides to document her opinion on the heavy toxic burden created for her neighborhood related to the AES, Ascon Landfill and Shopoff Development projects, and asked City Council to not approve the Magnolia Tank Farm project. (01:10:13)

Rita Barry, a 55-year resident of Huntington Beach, was called to speak and stated her opposition to Administrative Item No. 19 regarding Housing and Community Development (HCD) certification to become eligible for SB 2 Funds. (01:13:10)

Terri Wargo was called to speak and stated support for local management of the Huntington Beach International Surfing Museum. (01:15:11)

Teresa Carlisle, Huntington Beach Art Center, was called to speak and announced the 6th Annual Huntington Beach Arts Council Exhibition, *Inspired*, showing from November 16 through December 14, with an Opening Reception on Saturday, November 16th, Public Reception from 6:30 - 9 p.m. (01:16:25)

Kathryn Levassiur, a long-time Huntington Beach resident, was called to speak and announced the Fix-It Clinic, Saturday, November 16, Huntington Beach Central Library, 1 - 3 p.m., a free family event to try to fix things that don't work. (01:18:20)

Amber, a 19-year home owner in south east Huntington Beach, was called to speak and stated her concerns related to possible toxic conditions at Edison High School, Edison Community Center and area residents from the Ascon Landfill project. (01:19:14)

Milt Dardis was called to speak and shared his opinions regarding the Shopoff project, and asked why there are no underground soil samples for the Ascon Landfill project. (01:22:31)

Shannon Eggleston, an avid surfer and local business owner, was called to speak and shared her support for local management of the Huntington Beach International Surfing Museum. (01:25:52)

Becky Ettinger, a former surfing coach and Professor of Nursing, was called to speak and stated her support for local management of the Huntington Beach International Surfing Museum. (01:27:33)

Rob Pool was called to speak and stated his opposition to Administrative Item No. 19 regarding Housing and Community Development (HCD) certification to become eligible for SB 2 Funds, and opposition to building anything next to the Magnolia Tank Farm, which he believes is a toxic dump. (01:30:27)

Bryce Leisy, Wilson High School Surf Coach, Long Beach, was called to speak and stated his support for local management of the Huntington Beach International Surfing Museum. (01:33:54)

Kelli Inman, 46-year resident, 25-year homeowner and mother of an Edison High School sophomore, was called to speak and shared potential toxicity family health issues which she suspects are related to the Ascon Landfill project, and expressed her dismay at the lack of transparency regarding the potential effects for staff and students at Edison High School as related to the Ascon Landfill project. Mayor Pro Tem Semeta asked Ms. Inman to complete a blue card for staff follow-up. (01:35:31)

Adam Wood, Building Industry Association of Orange County and Huntington Beach resident, was called to speak and stated his support for Administrative Item No. 19 regarding Housing and Community Development (HCD) certification to become eligible for SB 2 Funds. (01:38:49)

Zach Ifland, Surfing the Nations Executive Director, was called to speak and stated his support for local management of the Huntington Beach International Surfing Museum. (01:39:38)

Lee Love, Surf City resident and business owner, was called to speak, and stated her support for local management of the Huntington Beach International Surfing Museum, and invited everyone to the 20th Annual Surf City Splash on Wednesday, January 1, 2020, to benefit the Huntington Beach International Surfing Museum. (01:41:12)

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

Councilmember Brenden reported meeting with Cynthia Guidry, the new Long Beach Airport Director, regarding jet noise issues, and announced that Mayor Peterson is in Washington, DC meeting with the FAA to continue discussions on jet noise solutions, and described HR 96, a bill in Congress that would direct the FAA to report on the health impacts of air traffic noise and pollution. Councilmember Brenden announced there are several vacancies on the Human Relations Task Force and applicant interviews will be held the first week in December. Application forms are available on the City's website. Councilmember Brenden, as a member of the Orange County Senior Citizen Advisory Council, announced that AARP will host a public workshop entitled *Livable Communities* on Friday, November 8, 9:30 a.m. at Laguna Niguel City Hall.

Councilmember Delgleize reported attending a meeting of the Orange County Housing Finance Trust, and the Orange County Transit Authority Mayor's Forum.

CITY MANAGER'S REPORT

City Manager Chi acknowledged feedback related to the Surfing Museum, and indicated that the City will continue communications with Visit Huntington Beach (VHB) and the local surf community to consider options for Council approval in the near future.

CITY TREASURER'S REPORT

9. 19-809 Received and Filed the City Treasurer's September 2019 Quarterly Investment Report

City Treasurer Alisa Backstrom presented a PowerPoint communication entitled: *City of Huntington Beach Quarterly Investment Report* with slides titled: *Economic and Market Overview - September 2019, Bond Basics, Portfolio Summary as of 9/30/2019, Investments by Type - as of 9/30/2019, Monthly Activity, Quarterly Activity, Portfolio Earnings, and Selected Investment Policy Compliance Requirements.*

A motion was made by Posey, second Carr to receive and file the City Treasurer's Quarterly Investment Report for September 2019, pursuant to Section 17.0 of the Investment Policy of the City of Huntington Beach.

The motion carried by the following vote:

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

CONSENT CALENDAR

Councilmember Posey pulled Item No. 15 for further discussion.

10. 19-1083 Approved and Adopted Minutes

A motion was made by Delgleize, second Hardy to approve and adopt the City Council/Public Financing Authority regular meeting minutes dated October 21, 2019, as written and on file in the office of the City Clerk ***as amended by Supplemental Communication to identify and correct a typographical error.***

The motion carried by the following vote:

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

11. 19-1040 Approved and accepted donation of \$150,000.00 from the Friends of the Huntington Beach Public Library (FOTL); and, approved allocation

A motion was made by Delgleize, second Hardy to approve and accept the donation from the Friends of the Huntington Beach Public Library, and allocate \$150,000.00 to Adult Donations Account 10350102.64455 for books.

The motion carried by the following vote:

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

12. 19-1109 Adopted Resolution No. 2019-79 Adopting the City's Debt Management Policy

A motion was made by Delgleize, second Hardy to Adopt Resolution No. 2019-79, "A Resolution of the City Council of the City of Huntington Beach Adopting the City's Debt Management Policy."

The motion carried by the following vote:

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

13. 19-1004 Approved and authorized execution of Lease Agreements for two concession buildings at the Huntington Beach Pier with Kite Connection and Surf City Store

A motion was made by Delgleize, second Hardy to approve and authorize the Mayor, City Clerk, and City Manager to execute "Lease Between the City of Huntington Beach and Dave Shenkman, Doing Business As Kite Connection International Incorporated;" and, approve and authorize the Mayor, City Clerk, and City Manager to execute "Lease Between the City of Huntington Beach and Tina Viray and Nelson Wescott, a General Partnership, Doing Business As the Surf City Store."

The motion carried by the following vote:

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

14. 19-1089 Approved and authorized execution of License Agreements with the County of Orange to install, operate and maintain official and secure Ballot Drop Boxes at the Huntington Beach Civic Center, 2000 Main Street, and the Main Street Branch Library, 525 Main Street, in Huntington Beach

A motion was made by Delgleize, second Hardy to approve and authorize the Mayor and City Clerk to execute a "License Agreement" with the County of Orange for installation, operation and maintenance of a Ballot Drop Box as identified in Exhibits A and B (License Area description and location) at the Huntington Civic Center, 2000 Main Street, Huntington Beach; and, approve and authorize the Mayor

and City Clerk to execute a "License Agreement" with the County of Orange for installation, operation and maintenance of a Ballot Drop Box as identified in Exhibits A and B (License Area description and location) at the Main Street Branch Library, 525 Main Street, Huntington Beach.

The motion carried by the following vote:

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

- 15. 19-1103 Authorized the appointment of Marie Knight to the position of Director of Organization Learning and Engagement; created the Director of Organizational Learning & Engagement classification by approving for introduction Ordinance No. 4200; Adopted Resolution No. 2019-78 amending the Non-Associated Salary Resolution to add the classification of Director of Organizational Learning & Engagement, while also clarifying the compensation range for the City Manager; delegated authority for execution of the employment agreement for the Director of Organizational Learning & Engagement to the City Manager**

Councilmember Posey and City Manager Chi discussed funding and the responsibilities of the new position as related to the Director of Human Resources position, and succession planning.

Mayor Pro Tem Semeta confirmed with City Manager Chi that a Director of Human Resources cannot be hired without Council approval, and stated her support for this item.

A motion was made by Posey, second Hardy to, after the City Clerk reads by title, approve for introduction Ordinance No. 4200, "An Ordinance of the City of Huntington Beach Amending the Huntington Beach Municipal Code by Amending Section 2.76.010 Thereof Related to Exclusions From the Competitive Service" by adding the Director of Organization Learning & Engagement; and, adopt Resolution No 2019-78, "A Resolution of the City Council of the City of Huntington Beach Modifying Salary and Benefits for Non-Represented Employees By Adding the Director of Organizational Learning & Engagement Classification and Establishing Compensation and Amending the Compensation for the City Manager" **as amended to strike reference to vacant Department Head positions identified on Exhibit 1 of Resolution 2019-78**, and, delegate authority to the City Manager and City Attorney to execute Employment Agreement for the Director of Organizational Learning & Engagement; and, approve the appointment of Marie Knight to the position of Director of Organizational Learning & Engagement; and, approve and authorize the City Manager to execute the "Employment Agreement Between the City of Huntington Beach and Marie Knight" for the position of Director of Organizational Learning and Engagement.

The motion carried by the following vote:

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

16. 19-1104 Approved the appointment of Christopher Slama to the position of the Director of Community Services and authorized the City Manager to execute the Employment Agreement

A motion was made by Delgleize, second Hardy to approve and authorize the City Manager to execute the "Employment Agreement between the City of Huntington Beach and Christopher Slama" for the position of Director of Community Services.

The motion carried by the following vote:

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

Mayor Pro Tem congratulated Mr. Chris Slama for accepting the position of Community Services Director.

ADMINISTRATIVE ITEMS

17. 19-1119 Approved and authorized execution of a Lease Agreement for Let's Go Fishing and Surf City Snack Bar, LLC at the Huntington Beach Pier

City Manager Chi introduced the Lease, reasons for the change to a 1-year lease, and highlighted expectations of tenants located on the municipal pier.

Councilmember Posey and City Manager Chi discussed some concerns and performance issues which were not properly addressed through the Request for Proposals (RFP) process and Councilmember Posey suggested a 6-month lease extension with Let's Go Fishing, followed by a month-to-month term as Council proceeds to ensure proper return on taxpayers' investment.

Councilmember Brenden stated his support for Councilmember Posey's statements and amendment for a 6-month lease extension that then would convert to month-to-month to allow for Council direction and development of an accurate RFP that addresses specific concerns.

Councilmember Hardy expressed her concerns with how this process was handled and stated support for the amended motion.

Councilmember Delgleize suggested that it might be time to look at the whole pier, rather than just one location on the pier.

Councilmember Carr stated support for Councilmember Delgleize's comment, as well as more accurately defining expectations.

Mayor Pro Tem Semeta shared her support for the recommended changes, and including the other two tenants in the process of defining the vision for the pier as a whole.

A motion was made by Posey, second Brenden to approve and authorize the Mayor, City Clerk, and City Manager to execute "Lease between the City of Huntington Beach and Let's Go Fishing and Surf City

Snack Bar in the City of Huntington Beach"; and direct staff to review expectations/options for the Pier Concession and bring back as a Study Session item, ***as amended to revise lease agreement from a 1-year to 6-month term, with a month-to-month option thereafter for year one; and, to accept revisions submitted via Supplemental Communication to update the business name and delete Section 16. Security Deposit.***

The motion carried by the following vote:

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

18. 19-1024 Approved and authorized execution of an Acquisition Loan Agreement between the City, Housing Authority and Beach Housing Partners LP for development of up to 43 senior apartment units located at 18431 Beach Boulevard; and approved allocation of funds

City Manager Chi introduced Director of Community Development Ursula Luna-Reynosa and Deputy Director of Economic Development Kellee Fritzal who presented a PowerPoint communication entitled: *Acquisition Loan Agreement: Between Huntington Beach & Jamboree*, with slides titled *Jamboree is a Nonprofit Corporation founded in 1990, Beach Blvd and Main Street, Acquisition Loan Agreement, and Questions.*

Councilmember Posey confirmed with Director Luna-Reynosa that if the project is approved it would provide Regional Housing Needs Assessment (RHNA) credit.

Councilmember Posey and City Manager Chi discussed the source of funds for the loan are restricted housing-related funds the City has from pre-redevelopment days, and "in-lieu" fees.

Councilmember Carr requested the current balance in affordable housing funds, and City Manager Chi confirmed that currently the City has \$9M in restricted funds that must be used on low, very low or homeless housing projects.

Councilmember Hardy explained that she is not approving a specific project by supporting this item, that the process to approve a specific project is yet to come, and stated her optimism for this project at this location.

Director Luna-Reynosa and City Manager Chi discussed the need to expand the timeline for completion of financing.

Councilmember Brenden, City Manager Chi and Director Luna-Reynosa discussed loan process details and Councilmember Brenden stated his support for this item.

Councilmember Delgleize stated her support for this item.

A motion was made by Posey, second Brenden to ***direct the City Manager/Executive Director and City Attorney/Authority Counsel to finalize the draft Acquisition Loan Agreement (18431 Beach Boulevard) by and among the Huntington Beach Housing Authority, City of Huntington Beach,***

and Beach Housing Partners LP; and, authorize and direct the City Manager/Executive Director, after City Attorney/Authority Counsel review, to sign any necessary documents to implement the Agreement; and, appropriate funds of \$2.1 million from Fund 217 and \$900,000 from Fund 352 for this purpose, **as amended by Supplemental Communication to revise Recommended City Council and Housing Authority Action A).**

The motion carried by the following vote:

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

19. 19-1094 Directed staff to prepare Amendments to the Housing Element of the General Plan and to the Beach Edinger Corridor Specific Plan (BECSP) to obtain Housing and Community Development (HCD) certification for the purpose of being eligible to apply for SB 2 Funds

City Manager Chi presented a PowerPoint presentation entitled: *Direction Regarding Housing Element Certification to Obtain SB 2 Funds*, with slides titled: *How Did We Get Here? What Is the City Actually Considering Tonight?, Why Is the City Trying To Get Its Housing Element Certified?, What's Included In the Proposed Housing Element Plan Update?, How Would the Affordable Housing Overlay Work?, Regarding Parking Standards, What Would Be Required for the 7 Sites?, Now . . . Where Are These 7 Sites, and How Many Units Are We Planning For?, Realistic Development Potential for the 7 Identified Overlay Sites, Site 1: Cameron/Beach (South of Slater), Site 2: Beach/Main, Sites 3 & 4: Delaware/Florida, Site 5: Beach/Yorktown (East Side), Site :6 Beach/Yorktown (West Side), Site 7: Beach s/o Yorktown (State-Owned Property), Policy Question Before the City Council Tonight, Additional Considerations, and Questions and Feedback.*

Councilmember Posey provided a brief history of the effort and his support to qualify for SB 2 funding.

Councilmember Delgleize stated support for Councilmember Posey's comments and added that the laws have changed since 2015 with tightening restrictions and increased numbers for affordable housing requirements. Councilmember Delgleize described the properties identified as currently blighted and supports this item as a good, long-term solution.

Councilmember Brenden stated his support for this item, but expressed concerns to the City Attorney that approving this action might compromise other lawsuits against the State claiming Charter City status. City Attorney Gates stated he was unable to comment or make any public disclosure.

Councilmember Hardy expressed her opinion that Huntington Beach has definitely stepped up to meet RHNA requirements, especially noting that the City's numbers are in the hundreds higher than neighboring cities, and stated her concern about considering multiple project sites, even if they are currently in unsightly condition, because she believes reviewing the specific details on a project-by-project basis is the correct way to proceed, and therefore she cannot support this item.

Councilmember Carr stated her support for the identified project sites, but questioned if HCD will accept multiple one-offs throughout the City as meeting requirements. To define "by right" Director Luna-Reynosa explained that projects have to comply with the City's development standards, and if they

comply the developer does not have to secure any discretionary permits. Director Luna-Reynosa further explained that the RHNA process is not one-offs, but rather planning for zoned properties that will allow for a certain number of residential units to meet the RHNA thresholds.

City Manager Chi explained that the affordable housing development standards have already been determined and approved, and this item under consideration is only to decide if the Council approves submitting a plan to the State for their consideration that includes this affordable housing overlay to see if they would approve and certify.

Mayor Pro Tem Semeta and Director Luna-Reynosa discussed the density bonus, which is State law and provides for a percentage of units that must meet different affordability levels, and confirmed that tonight's action will not change those options.

Councilmember Delgleize stated her support for the overlay because the development standards do exist to ensure projects will be compatible.

Mayor Pro Tem Semeta stated support for development that is compatible with surrounding uses, and expressed concerns regarding what she sees as the State's over-reaching policies to remove local control over land-use decisions. She further expressed that she is troubled by the inequity that Huntington Beach's taxpayer dollars are being withheld despite it being one of the SCAG regions top housing producers. She further stated that while she would like to receive the funding, we have a choice to make and can still make shelter beds available without SB2 funds. She therefore will not be supporting the item as presented.

Councilmember Posey explained that this item is only a planning process, does not require any building, and creates an opportunity that may or may not result in development, but is expected to result in compliance with RHNA for the next twenty-three months.

Staff provided an overview of the process required for housing element development and explained that the current standards were adopted in 2015 with the approval of the Beach Edinger Corridor Specific Plan. If approved, this item will ask HCD to review the City's housing element plan to determine if it meets State housing element law. HCD will send a letter of determination that will either certify the plan as presented, or stipulate any changes that must be made.

Councilmember Delgleize confirmed with staff that if certification is not reached before the next cycle in Fall 2021, then any RHNA numbers not accommodated in the current planning period will be added to the numbers for the new cycle, and stated her support for this item.

Councilmember Carr stated that she is against bad development and would like to have further conversation with HCD on this issue and therefore supports this item.

A motion was made by Delgleize, second Posey to direct staff to prepare an amendment to the Housing Element and BECSP for City Council consideration.

Councilmember Brenden and Mayor Pro Tem Semeta asked for clarification as they questioned whether "directing staff to prepare an amendment to the Housing Element and BECSP for City Council consideration" was what City Manager Chi described during the discussion.

Director Luna-Reynosa explained that HCD has engaged in an informal review process, but HCD will not comment in writing until they receive a formal submittal.

City Manager Chi helped amend the Recommended Action to meet Council expectations and clarify Council's intentions.

A substitute motion was made by Brenden, second Carr to ***direct staff to prepare a plan for the amendments to the Housing Element and Beach Edinger Corridor Specific Plan (BECSP) with the affordable housing overlay, and submit that plan to the State Housing and Community Development (HCD) for consideration and review in an effort to get our Housing Element certified.***

The substitute motion carried by the following vote:

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

COUNCILMEMBER COMMENTS (Not Agendized)

Councilmember Brenden read the list of Top Ten Senior Scams and recommended reading the front-page article from the Council on Aging November newsletter; clarified for all residents that there is one City-permitted non-profit vendor, Canning Hunger, which is authorized to ask for voluntary donations when repainting curb street numbers; reported speaking at Eagle Scout Courts of Honor for Dane Tyler Price of Troop 568, and Benjamin Mallory Walker of Troop 1; attending the Huntington Beach Kiwanis Welcome for New City Manager Oliver Chi, the Association of California Cities – Orange County (ACC-OC) Lunch and Learn Presents — Navigating Social Media/A Guide for Local Agency Officials, the Spurgeon Awards Luncheon hosted annually by the Orange County Boy Scouts Exploring Program, Colette's Children's Home Annual Gala; and announced the Saturday, November 16, Fix-It Clinic at Central Library from 1—3 p.m. Councilmember Brenden closed his comments by remembering Dewey Everett Linehan, a long-time Lion and member of the Forever Young Band, who recently passed away.

Councilmember Carr thanked the community for their continued support during her husband's healing process and announced that he is now out of the hospital. She also announced her appointment by Speaker Anthony Rendon to serve on the California Commission on Aging.

Councilmember Posey reported that the Association of California Cities – Orange County (ACC-OC) has created a new Housing Committee that named him as the Chair, and he attended the Closing Ceremony of the VISSLA ISA World Junior Surfing Championships.

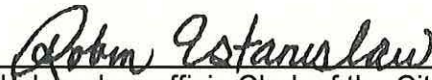
Councilmember Delgleize commended the Friends of the Library volunteers for the tremendous amount of money they raise each year; reported attending a Veterans Ceremony in Costa Mesa where 100-year old Lt. Jane Poor and 99-year old Sgt. Bill Call were recognized; and congratulated City of Huntington Beach residents who completed the Certified Emergency Response Training (CERT) Class.

Councilmember Hardy reported participating in the VISSLA ISA World Junior Surfing Championships Opening Ceremony.

Mayor Pro Tem Semeta reported participating in the VISSLA ISA World Junior Surfing Championships Closing Ceremony and congratulated Coach Brett Simpson and Team USA for earning Gold; attending the Orange County Transportation Authority District (OCTA) Mayor's Forum, the Mental Health Forum hosted by Senator John Moorlach, Association of California Cities – Orange County (ACC-OC) CalPERS Educational Forum, and the Downtown Business Improvement District (DBID) Halloween celebration.

ADJOURNMENT — at 9:53 PM to the next regularly scheduled meeting of the Huntington Beach City Council/Public Financing Authority on Monday, November 18, 2019, at 4:00 PM in the Civic Center Council Chambers, 2000 Main Street, Huntington Beach, California.

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



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

ATTEST:


City Clerk-Secretary
Mayor-Chair