

Minutes

City Council/Public Financing Authority City of Huntington Beach

Monday, September 21, 2020
5:00 PM - Council Chambers
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

CALL TO ORDER — 5:00 PM

ROLL CALL

Pursuant to Resolution 2001-54, Councilmember Brenden requested, and was granted permission to be absent.

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

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

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

A motion was made by Posey, second Delgleize, to recess to Closed Session for Items 1 and 2. With no objections, the motion carried.

RECESSED TO CLOSED SESSION — 5:02 PM

CLOSED SESSION

- 1. 20-1890 CONFERENCE WITH LEGAL COUNSEL — ANTICIPATED LITIGATION.
Significant Exposure to Litigation Pursuant to Paragraph (2) of Subdivision (d) of
Section 54956.9: Number of cases, two (2).**
- 2. 20-1894 CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION.
Initiation of Litigation Pursuant to Paragraph (4) of Subdivision (d) of Section
54956.9 (Deciding Whether to Initiate Litigation): Number of cases, one (1).**

6:00 PM - COUNCIL CHAMBERS

RECONVENED CITY COUNCIL/PUBLIC FINANCING AUTHORITY MEETING — 6:15 PM

ROLL CALL

Pursuant to Resolution 2001-54, Councilmember Brenden requested, and was granted permission to be absent.

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

PLEDGE OF ALLEGIANCE — Led by Councilmember Peterson.

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.

- 3. 20-1686 Mike Michaud of Dance 4 Joy Ministries and member of the Greater Huntington Beach Interfaith Council**

CLOSED SESSION REPORT BY CITY ATTORNEY — None

AWARDS AND PRESENTATIONS

- 4. 20-1870 Mayor Semeta presented the Making A Difference Award to Robert Mayer, Sr.**

Mayor Semeta honored Mr. Robert Mayer, Sr., Founder, Robert Mayer Corporation, Developer, Owner and Operator of The Waterfront Beach Resort by Hilton Hotel and The Hyatt Regency Resort and Spa, for donating \$100,000 to the One HB Business Support Campaign to provide \$5,000 micro-grants to small businesses impacted by COVID-19. Robert Mayer, Sr. also established the Robert Mayer Leadership Academy to facilitate the growth of community leaders through lessons in integrity, vision, and personal responsibility. Robert Mayer, Sr. also recently donated \$2M to the Boys and Girls Clubs of Huntington Valley to allow operations to continue during the pandemic. Mr. Mayer, Sr., expressed his appreciation for the acknowledgement and thanked the City Council.

Tim Whitacre, representing County Supervisor Michelle Steel, presented a Lifetime Achievement Award to Mr. Mayer, Sr., to acknowledge the major impact he has had on all of Orange County.

Mr. Whitacre also presented a commendation from Supervisor Steel to the City Council in honor of their demonstrated leadership and steadfast commitment to navigating Huntington Beach through the COVID-19 pandemic.

- ~~5. 20-1751 Mayor Semeta to call on Victoria Alberty to present the "Adoptable Pet of the Month"~~**

- 6. 20-1844 Mayor Semeta recognized Hispanic Heritage Month, celebrated nationwide from September 15 to October 15**

Mayor Semeta invited Ms. Tony Gregory and Ms. Julisa Butran, representatives of Scholars' Hope Foundation, to acknowledge the Foundation's efforts in the Oak View Community for the last 20 years. Ms. Gregory stated that one-hundred percent (100%) of the students participating in their program graduate from high school and ninety-six percent (96%) continue with a higher education. Ms. Butran, a senior at Ocean View High School, expressed appreciation for the motivation, tools and guidance that Scholars' Hope Foundation has provided during her educational experience.

7. 20-1869 Mayor Semeta presented the Mayor's HB Excellence Award to Community Services Recreation Supervisor, Kristin Martinez

Mayor Semeta acknowledged Kristin Martinez, Community Services Recreation Supervisor at the Senior Center in Central Park, who was selected by her co-workers to receive this Mayor's HB Excellent Award. Kristin was described as humbly inspiring her team to develop ways to stay connected with the senior community even when the Senior Center's doors are closed during the pandemic. Kristin introduced her family, thanked them for their support as well as her Senior Center team members.

ANNOUNCEMENT OF SUPPLEMENTAL COMMUNICATIONS (Received After Agenda Distribution)

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

City Manager's Report

#9 (20-1887) PowerPoint communication submitted by Travis Hopkins, Assistant City Manager, titled *Ascon Landfill Site Update*

#10 (20-1888) PowerPoint communication submitted by Oliver Chi, City Manager, titled *City of Huntington Beach – COVID-19 Response Update*

#10 (20-1888) Email communication received from Pat Quintana related to SB1159

#11 (20-1889) PowerPoint communication submitted by Chris Slama, Director of Community Services, titled *Community Services Department – Summer 2020 Recap*

City Clerk's Report

#12 (20-1874) National Voter Registration Day announcement submitted by Robin Estanislau, City Clerk

Administrative Items

#22 (20-1884) PowerPoint communication submitted by Chris Slama, Director of Community Services, titled *Huntington Central Park West Playground*

#23 (20-1837) PowerPoint communication submitted by Tess Nguyen, Associate Planner, titled *Short-Term Rental Analysis & Recommended Approaches*

#23 (20-1837) Thirty-four (34) email communications regarding short-term rentals received from:

Alison Andrews
Alex B.

Thomas Brown

Pauline & Claudine
Burnett

Chuck Burns (2)
Michelle Burns

Cathi Crouch	Kathryn Levassieur	Susan Tilou	Judy Jew
Cheryl Elliot	Pat & Shelly Love	Georgina Troxell	Richard de Sam
Georgia Guerrero	Carlos Martinez	Lisa Wellman	Lazaro
David Guido	Hildy Meyers	Scott Wellman	TrudyLe Clair &
Chris Hart	Ellen Riley (2)	Jean Young	Raymond Bradley
Judy Hicks	Indra Lars Sahanaja	Kreshnik Begolli	Beverly Sanson
Kevin Hunold	Richard & Judy	Patricia Byers	
Albert Leung	Taylor	Eric Halsey	

Councilmember Items

#24 (20-1883) Letter received from Dan Kalmick regarding possible solutions overcoming barriers to internet access for low income residents

PUBLIC COMMENTS (3 Minute Time Limit) - 23 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 #608, Gerald Catarina, a Downtown resident since 1980, was invited to speak and stated his opposition to Administrative Item #23 (20-1837) regarding an Ordinance regulating Short-Term Rentals (STRs). (00:38:53)

Catarina Burch, research intern and Occidental College student, was invited to speak and stated her opposition to Administrative Item #23 (20-1837) regarding an Ordinance regulating Short-Term Rentals (STRs). (00:41:39)

Dan Kalmick, a Planning Commissioner and Candidate for City Council in 2020, was invited to speak and stated his support, and possible solutions, for Councilmember Item #24 (20-1883) regarding development of an Internet Access Pilot Program. (00:42:51)

Caller #696, Amy, a Burlington, VT, short-term rental owner, and a many-time visitor to Huntington Beach, was invited to speak and stated her support for Administrative Item #23 (20-1837) regarding an Ordinance regulating Short-Term Rentals (STRs). (00:46:18)

Caller #347, Justin Frazier, was invited to speak and stated he was outside Council Chambers and requested a blue card. Staff delivered the blue card, and advised that an email to city.council@surfcity-hb.org would reach all Councilmembers. (00:50:40)

Caller #092, Judy, a resident of Sunset Beach, was invited to speak and asked questions about Administrative Item #23 (20-1837) regarding an Ordinance regulating Short-Term Rentals (STRs), and she was advised to submit her questions via email as dialogue with Councilmembers is not permitted during Public Comments. (00:51:49)

Amory Hanson, a member of the Historic Resources Board and Candidate for City Council in 2020, was invited to speak and suggested that Surf City Nights be temporarily moved to Lake Street Park and James Farquhar Park while Main Street is used for outside dining and shopping during the COVID-19 pandemic. (00:54:10)

Caller #251 was invited to speak and stated her support for Administrative Item #23 (20-1837) regarding an Ordinance regulating Short-Term Rentals (STRs). (00:55:26)

Caller #401, Albert Levassiur, husband of Kathryn, Founder of the Huntington Beach Short-Term Alliance, was invited to speak and stated his support for Administrative Item #23 (20-1837) regarding an Ordinance regulating Short-Term Rentals (STRs). (00:57:55)

Kathryn Levassiur, a long-time resident of Huntington Beach and Founder, Huntington Beach Short-Term Rental Alliance, was invited to speak and stated her support for Administrative Item #23 (20-1837) regarding an Ordinance regulating Short-Term Rentals (STRs), as well as support for Councilmember Item #24 (20-1883) regarding development of an Internet Access Pilot Program. (00:59:19)

Michael Low, owner of an Air B&B in Sunset Beach for three years, was invited to speak and stated his support for Administrative Item #23 (20-1837) regarding an Ordinance regulating Short-Term Rentals (STRs). (01:02:20)

Shereen Elhusseini, a new homeowner in Huntington Beach, was invited to speak and stated her support for Administrative Item #23 (20-1837) regarding an Ordinance regulating Short-Term Rentals (STRs). (01:04:05)

Nora Giralt, a resident of Long Beach, was invited to speak and stated her support for Administrative Item #23 (20-1837) regarding an Ordinance regulating Short-Term Rentals (STRs). (01:05:22)

Chris Lungren, a life-time resident of Huntington Beach, was invited to speak and stated his opposition to Administrative Item #23 (20-1837) regarding an Ordinance regulating Short-Term Rentals (STRs). (01:07:18)

Steve Nguyen, a 42-year resident of Huntington Beach and short-term rental host, was invited to speak and stated his support for Administrative Item #23 (20-1837) regarding an Ordinance regulating Short-Term Rentals (STRs). (01:08:28)

Mirta Seitz was invited to speak and stated her support for Administrative Item #23 (20-1837) regarding an Ordinance regulating Short-Term Rentals (STRs). (01:11:59)

Jonah Breslau, speaking on behalf of the Hospitality Workers Union, Local 11, was invited to speak and stated his opposition to Administrative Item #23 (20-1837) regarding an Ordinance regulating Short-Term Rentals (STRs). (01:13:24)

Myha Nguyen, a new homeowner in Huntington Beach and short-term rental home hostess, was invited to speak and stated her support for Administrative Item #23 (20-1837) regarding an Ordinance regulating Short-Term Rentals (STRs). (01:14:57)

Holly Schlange, a homeowner in Sunset Beach and short-term rental home hostess, was invited to speak and stated her support for Administrative Item #23 (20-1837) regarding an Ordinance regulating Short-Term Rentals (STRs). (01:16:55)

Judy Jew, owner of a home in Huntington Beach which she would like to use for STRs, was invited to speak and stated her support for Administrative Item #23 (20-1837) regarding an Ordinance regulating Short-Term Rentals (STRs). (01:18:09)

Phil Larshan, Huntington Beach homeowner and short-term rental host, was invited to speak and stated his support for Administrative Item #23 (20-1837) regarding an Ordinance regulating Short-Term Rentals (STRs). (01:19:57)

Tony Bisson, who grew up in Huntington Beach, was invited to speak and stated his opposition to Administrative Item #23 (20-1837) regarding an Ordinance regulating Short-Term Rentals (STRs). (01:22:20)

Jean Young was invited to speak and stated her support for Administrative Item #23 (20-1837) regarding an Ordinance regulating Short-Term Rentals (STRs). (01:25:00)

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

Councilmember Posey reported attending two Vector Control Budget and Finance Committee meetings, discussing investment policies and financial reserves, and served as voting delegate at a LAFCO meeting where discussions were held on two municipal service reviews/spheres of influence.

Councilmember Delgleize reported attending an Association of California Cities — Orange County (ACC-OC) meeting to discuss public safety, economics related to the future of shopping and strip malls, and water issues.

Mayor Pro Tem Hardy reported that as a member of the League of California Cities, Coastal Cities Leadership Committee, her position will become vacant at the end of her City Council term and encouraged continuing Council members to consider applying if they are interested in issues related to the rising sea level. Currently the Coastal Cities Leadership Committee is working with the Coastal Commission to address rising sea level issues.

Mayor Semeta reported on the latest information from the Southern California Association of Government (SCAG) and reconvening the Litigation Committee regarding Regional Housing Needs Allocation (RHNA) numbers which appear to have been double counted for several areas, including Orange County.

8. 20-1747 Council Report/Appointment of a Voting Delegate and Alternate to the League of California Cities Annual Conference and Expo

A motion was made by Peterson, second Delgleize to appoint Mayor Semeta to serve as the voting delegate and City Council Member Carr as alternate, to represent the City of Huntington Beach at the 2020 League of California Cities Annual Conference & Expo. The General Assembly will be held virtually on Friday, October 9, 2020.

The motion carried by the following vote:

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

CITY MANAGER'S REPORT

9. 20-1887 Ascon Landfill Site Update

Assistant City Manager Travis Hopkins reported there is no new activity at the Ascon Landfill Site, and he projected a PowerPoint slide with contact details.

10. 20-1888 Update of the City COVID-19 Response Plan and Actions for Review and Discussion

City Manager Chi presented a PowerPoint communication entitled *COVID-19 Response Update* with slides titled: *Situational Update U.S. Totals (2)*, *Situational Update California*, *Situational Update Orange County (2)*, *Situational Update Huntington Beach*, *Situation At a Glance*, *Situational Update Opening up the California Economy*, *Situational Update Small Business Grant Program*, *Situational Update COVID-19 Information Distribution*, *Situational Update Food Distribution Programs*, and *Questions*.

11. 20-1889 Community Services Director Chris Slama presented a recap of summer 2020 programs, services and events for the department

Community Services Director Chris Slama, Community Services Manager Ashley Wysocki and Community Services Manager Chris Cole presented a PowerPoint communication entitled: *Community Services Department Summer 2020 Recap* with slides titled: *Community Services Programs & Services Division*, *Summer Camp*, *HB Art Center*, *Aquatics & Sports*, *Contract Classes*, *Senior Center - Human Services*, *Senior Center - Recreation*, *Community Services Facilities and Events Division*, *Specific Events*, *4th of July*, *New Agreements*, *New Parking Meters*, *2021 Events*, and *Questions*.

CITY CLERK'S REPORT

12. 20-1874 City Clerk announced National Voter Registration Day, Tuesday, September 22, 2020

City Clerk Robin Estanislau announced the details for the September 22 National Voter Registration Day outreach at the local high schools through their websites this year since the schools are currently teaching remotely due to COVID-19. She explained that the purpose of reaching out to 16 and 17 year old high school students is to educate them on pre-registration so that upon their 18th birthday, they automatically become a registered voter. City Clerk Estanislau also provided details regarding the Orange County vote-by-mail ballots and locations for Huntington Beach ballot drop boxes. More information can be found on the County Registrar's website at www.ocvote.com.

Councilmember Delgleize and City Clerk Estanislau discussed utilizing the ocvote.com website to determine where the ballot drop boxes are for any given zip code.

Councilmember Carr requested, and City Clerk Estanislau agreed to post a link to ballot drop box locations on the City's Elections Information webpage.

CONSENT CALENDAR

Mayor Semeta and Councilmember Posey both pulled Consent Calendar Item #20 (20-1886) for discussion.

13. 20-1871 Adopted Resolution No. 2020-57 amending the Fiscal Year 2020/21 Budget to carry over unspent appropriations from Fiscal Year 2019/20 for the continuation of Capital Improvement Program (CIP) projects

A motion was made by Peterson, second Hardy to adopt Resolution No. 2020-57, "A Resolution of the City Council of the City of Huntington Beach Amending the Fiscal Year 2020/21 Budget to Carry Over Unspent Appropriations from Fiscal Year 2019/20," which incorporates and references the continuation of funding. Exhibit A lists individual capital improvement projects and their respective carryover amounts totaling \$16,530,872.

The motion carried by the following vote:

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

14. 20-1567 Adopted Resolution No. 2020-60 amending the City's Classification Plan, and approved the modified Classification Titles of Marine Safety Officer, Marine Safety Captain, and Marine Safety Battalion Chief

A motion was made by Peterson, second Hardy to adopt Resolution No. 2020-60, "A Resolution of the City Council of the City of Huntington Beach Amending the City's Classification Plan and Approve the Modified Classification Titles of Marine Safety Officer, Marine Safety Captain and Marine Safety Battalion Chief."

The motion carried by the following vote:

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

15. 20-1831 Approved and authorized the execution of a License Agreement with Palermo Investments, LLC, for the 401 Main Street Project

A motion was made by Peterson, second Hardy to approve and authorize the Mayor and City Clerk to execute and record the "License Agreement Between the City of Huntington Beach and Palermo Investments, LLC, to Provide Installation and Maintenance of Landscaping and Landscaping Improvements in the Public Right-of-Way" for the 401 Main Street Project.

The motion carried by the following vote:

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

16. 20-1833 Approved an Amendment to the Professional Services Contract with Dudek for On-Call Construction Management and Engineering Services

A motion was made by Peterson, second Hardy to approve and authorize the Mayor and the City Clerk to execute "Amendment No. 1 to Agreement between the City of Huntington Beach and Dudek for On-Call Construction Management and Engineering Services" to increase the contract amount from \$1,500,000 to \$1,875,000.

The motion carried by the following vote:

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

17. 20-1872 Approved and authorized execution of the Operational Area Agreement of the County of Orange and Political Subdivisions to comply with Standardized Emergency Management System regulations

A motion was made by Peterson, second Hardy to approve and authorize the Mayor and City Clerk to execute, "Operational Area Agreement of the County of Orange and Political Subdivisions."

The motion carried by the following vote:

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

18. 20-1875 Approved the Acquisition and Sale Agreement between the City of Huntington Beach and the Huntington Beach City School District for the acquisition of three portable buildings for use at the City's Homeless Navigation Center

A motion was made by Peterson, second Hardy to authorize the Director of Public Works to execute the "Acquisition and Sale Agreement" with the Huntington Beach City School District for three portable buildings in a form approved by the City Attorney.

The motion carried by the following vote:

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

19. 20-1885 Approved and authorized a One-Year Professional Services Contract Term Extension for as-needed Design/Landscape Architectural Services with RJM Design Group, Inc., as well as a contract increase with a not-to-exceed amount of \$500,000; and a One-Year Term Extension with Integrated Consulting Group, Inc. (ICG)

A motion was made by Peterson, second Hardy to approve and authorize the Mayor and City Clerk to execute "Amendment No. 1 to Professional Services Contract Between The City of Huntington Beach and RJM Design Group, Inc., for As-Needed Professional Design/Landscape Architectural Services" to increase the contract amount with a not-to-exceed amount of \$500,000 and extend the term to November 20, 2021; and, approve and authorize the Mayor and City Clerk to execute "Amendment No. 1 to Professional Services Contract Between The City of Huntington Beach and Integrated Consulting

Group, Inc., for As-Needed Professional Design/Landscape Architectural Services" to extend the term to November 20, 2021.

The motion carried by the following vote:

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

20. 20-1886 Authorized the release of a Request for Proposals (RFP) and the formation of an Ad-Hoc Review Committee for the commissioning of a Public Art Element in Huntington Central Park

Mayor Semeta introduced this item by providing a brief history, and requested that Councilmember Carr be a member of the ad-hoc HB Central Park Public Art Committee.

Councilmember Posey and City Manager Chi discussed the Park Development Impact Fee account, and balance at the end of this Fiscal Year of \$3.8 million after this expense. City Manager Chi confirmed that this account has no new revenue sources at this time from developer impact fees.

A motion was made by Semeta, second Posey to authorize the release of a Request for Proposals (RFP) to commission a public art component of the Central Library Fountain Restoration project currently included in the FY 2020/21 CIP; and, authorize Mayor Semeta to appoint an ad-hoc Huntington Central Park Public Art Committee to develop a scope of services for the RFP, review the proposals, and recommend to the City Council the final art selection and location.

The motion carried by the following vote:

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

**21. 20-1873 Adopted Ordinance No. 4211 approving Zoning Map Amendment No. 20-001 to rezone property located at 311 17th Street (Nguyen Properties)
Approved for introduction September 8, 2020 - Vote: 7-0**

A motion was made by Peterson, second Hardy to approve Zoning Map Amendment No. 20-001 with findings (Attachment 1) and adopt Ordinance No. 4211, "An Ordinance of the City of Huntington Beach Amending District Map 10 (Sectional Map 10-6-11) of the Huntington Beach Zoning and Subdivision Ordinance to Rezone the Real Properties Located at 311 17th Street (APN # 023-156-13 and APN # 023-156-14) from Commercial General (CG) to Residential Medium High Density - Subdistrict (RMH-A) (Zoning Map Amendment No. 20-001)" (Attachment 2).

The motion carried by the following vote:

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

ADMINISTRATIVE ITEMS

22. 20-1884 Approved the Huntington Central Park West Playground Equipment Design Concept

City Manager Chi introduced Community Services Director Chris Slama who presented a PowerPoint communication entitled *Huntington Central Park West Playground* with slides titled; *Project Background, Location Map, Proposed Project Area, Existing Conditions, Upper Playground, Lower Playground, Design Simulation, "Risk-Based Play"(8), Backyards Linear Park, Playground Flyover, Project Schedule, and Questions*

Councilmember Delgleize confirmed with Director Slama that it will take approximately 16 weeks to produce the play equipment and get it on site. Director Slama confirmed that the bathroom upgrades in that area will be completed in approximately two weeks.

Mayor Pro Tem Hardy and Director Slama discussed the target age range for the most difficult aspects of the equipment is up to 12 years.

Councilmember Posey confirmed with Director Slama the total cost of the Central Park restroom upgrades is approximately \$400 – \$500K for each restroom, and discussed that the balance of the Parks fund will be depleted after 2022 if Council continues to approve annual expenditures of approximately \$4M, and no new development fees come in.

Councilmember Carr stated she sees this project as being attractive to families from surrounding cities, that risk-based play equipment is important to child development, and discussed warranty and maintenance concerns with Director Slama.

Mayor Semeta expressed her excitement for making this type of equipment available to the community.

A motion was made by Peterson, second Delgleize to approve the Huntington Central Park West playground equipment design concept as approved by the Community Services Commission at their September 10, 2020 meeting.

The motion carried by the following vote:

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

23. 20-1837 City Council directed staff to prepare an Ordinance regulating Short-Term Rentals (STRs)

Community Development Director Ursula Luna-Reynosa introduced Dave Bergman, Henry Pontarelli and Jennifer Daugherty of Lisa Wise Consulting, attending the meeting remotely, who presented a PowerPoint communication entitled *Short-Term Rental Analysis & Recommended Approaches* with slides titled: *Agenda, Aim or Project, Research and Outreach Process, Huntington Beach Context, Case Studies, Existing Conditions/Data, Short-Term Rentals in Huntington Beach(2), Community Outreach, General Findings(2), Potential Approaches, Framework Recommendations, Low Scenario, Medium Scenario, High Scenario, Potential Fiscal Impacts(2), Next Steps(2), and Discussion.*

Councilmember Delgleize and Director Luna-Reynosa discussed that currently short-term rentals (STRs) are prohibited in all of Huntington Beach and in Sunset Beach, including the fact that the County never enforced in Sunset Beach prior to the City's annexation. There was further discussion regarding the types of complaints, and current lack of communication between the Police Department and Code Enforcement for issues related to short-term rentals. Councilmember Delgleize shared her understanding of how technology can be used to monitor hours of activity and noise levels at STRs, described how Newport Beach manages their STRs, and stated her support for the City having STR regulations.

Director Luna-Reynosa clarified that the revenue projections described in the presentation did not include any expenditures related to enforcement, and explained that a fee structure would have to be set up to recover all costs.

Mayor Pro Tem Hardy asked for clarification of the math used to determine Transient Occupancy Tax (TOT) revenues shown in the presentation, as those numbers appeared to be inaccurate. Consultant Bergman confirmed that the formulas used would be reviewed and they would provide accurate numbers. Mayor Pro Tem Hardy stated she will not support an exempt status for people previously illegally operating an STR, and suggested the City should support any homeowner association that has Covenants, Conditions and Restrictions (CCRs) which ban STRs. Mayor Pro Tem Hardy expressed concerns about STR owners maintaining regular trash pick-ups, how to manage parking issues, and complaint calls being responded to on a timely basis. She stated support for on-site hosted STRs, approving a Sunset Beach STR zone, as well as considering zones within new construction projects. Mayor Pro Tem Hardy explained that the Coastal Commission will not allow moving backwards and therefore recommended moving forward incrementally such as only approving home-hosted STRs, or selected zones, rather than a city-wide action. She further stated her opinion that supporting city-wide STRs, without on-site hosts could create problems for neighborhoods and residents, and decrease available housing which results in driving up the cost of housing.

Councilmember Carr stated her agreement with many of Mayor Pro Tem Hardy's comments, and stated her opinion that the status quo of no control is not an option. Councilmember Carr added that currently STR owners are not held to the same standards as hotels, and that needs to change in a responsible manner. She could support approving STRs for Sunset Beach and hosted STRs for Huntington Beach if the plan includes such things as a good neighbor policy, required inspections by the Fire Department, require a license and permit, the same taxes and fees that hotels pay, limits the number of allowed STRs, and does not support an exempt status for previous illegal operators. She further explained she doesn't see STR regulations as a tool to generate income, but rather a self-supporting way to address quality of life issues for residents, and ensure that STR owners remain in compliance.

Councilmember Carr and Consultants David Bergman and Jennifer Daugherty discussed that the businesses that provide STR listings generally desire to work within regulations, and the listing platforms have the ability to include a field for license or permit number(s) if the City's Ordinance stipulates those requirements, and this can also assist Code Enforcement in finding illegal STRs. Consultant Bergman also clarified that their obligation at this point was not to provide a detailed and comprehensive solution, but that could be the next step.

Councilmember Peterson stated he looks forward to seeing the corrected math as requested by Mayor Pro Tem Hardy, and stated his opinion that any approved STR plan must include enforcement policies. He also stated support for regulated home-hosted STRs in Huntington Beach which would include paying the same taxes and fees that hotels do, and creating a Sunset Beach zone for STRs.

Councilmember Posey and Director Luna-Reynosa discussed 2017 Assembly Bill 250 which addressed lower-cost coastal accommodations and that the California Coastal Commission (CCC) will not allow a coastal city to prohibit STRs because the CCC sees STRs as providing a lower-cost visitor accommodation. Director Luna-Reynosa confirmed that using the Coastal Overlay District could be an appropriate way to define zone borders, but it is ultimately up to the Council to decide any zone boundaries. Councilmember Posey stated he would only support home-hosted STRs in Huntington Beach but would not place that restriction on Sunset Beach, and consider it a pilot program to be revisited in a year at which time it is expected there would be a more normal economic climate that hopefully will not still be impacted by COVID-19.

Mayor Semeta stated that from conversations with other coastal city mayors, she understands that the CCC likes to see a cap set for STRs because of their concerns about reduced long-term rental housing. Mayor Semeta stated her support for starting small with highly regulated hosted STRs.

Mayor Pro Tem Hardy asked that a minimum age requirement for renting be included in the regulations.

Councilmember Peterson and City Attorney Gates discussed that whether associated monies would be considered fees or taxes would be determined by how the ordinance is written.

Councilmember Carr stated support for home-hosted STRs, with an exception for Sunset Beach, and a review of how the plan is working in a year.

Council consensus was reached for **Option #3** (Brenden - Absent):

Provide staff with direction on one of the following options which would require the City Council to consider if these proposed regulations apply to the entire City or only portions of town:

- ~~1. Direct staff to prepare an Ordinance regulating STRs with the Low Threshold Regulations;~~
- ~~2. Direct staff to prepare an Ordinance regulating STRs with the Medium Threshold Regulations;~~
3. Direct staff to prepare an Ordinance regulating STRs with the High Threshold Regulations

COUNCILMEMBER ITEMS

24. 20-1883 Submitted by Councilmember Delgleize — Development of an Internet Access Pilot Program

Councilmember Delgleize introduced this item as the beginning step for the City to ensure that every resident has internet access. She further stated that she does not know how this should be accomplished, but expects options will be forthcoming through continued discussions.

Mayor Pro Tem Hardy stated that as a teacher she is aware of homes where internet service capability is being taxed in remote jobs and schooling situations. She suggested possibly providing internet access centers at City libraries or facilities with larger rooms where proper social distancing protocols can be followed, including work stations where two members of the same family can work simultaneously.

Councilmember Delgleize stated she would like to see the City partner with internet provider companies and other City businesses to possibly sponsor family internet access. Mayor Pro Tem Hardy suggested putting on the OneHB site.

Councilmember Peterson explained that providers already collect fees that appear as line item charges on phone and cable bills, which means users already subsidize funds that are directed to disadvantaged communities. The providers use those funds to offer free or low-cost access, and in his opinion, the City should not become an internet provider.

Councilmember Posey stated his support for Councilmember Peterson's comments that the situation today is the responsibility of a school board and not a city council. Councilmember Posey suggested there may even be CARES Act funding that schools could apply for if necessary to address the issue.

Councilmember Carr expressed her opinion that this issue relates to students, homeowners, and small business owners, and she supports this item.

Mayor Semeta stated there is a Broadband Committee for the City, and suggested it might be appropriate to gather information and resources which are available for the public. She also stated that Public Cable Television Authority (PCTA) handles complaints against cable companies, and there might possibly be public, educational and government (PEG) funds available.

City Manager Chi stated that internally staff has discussed if there is any way to leverage existing City facilities, reaching out to existing ISPs for possible amplified marketing, and opening discussions with the school districts to determine if collaboration could help. City Manager Chi added that staff would be happy to pursue some of these ideas and report back to Council.

Councilmember Posey stated his support if efforts start by confirming with the school districts if there is a problem, and if so, then determining if the districts want or need the City's assistance to help find appropriate resources.

Recommended Action:

~~I recommend that the City Council direct the City Manager to develop a school internet access pilot program for economically disadvantaged families in Huntington Beach for formal City Council consideration.~~

Discussion Only – No Formal Action Taken

COUNCILMEMBER COMMENTS (Not Agendized)

Councilmember Delgleize stated there is a real need for O+ blood and encouraged everyone who can to donate at an American Red Cross blood drive.

Mayor Pro Tem Hardy reported attending the Patriot Day Ceremony at City Hall and was pleased to see the American Legion involved.

Councilmember Peterson announced he is the Grand Marshall for the Huntington Harbour Philharmonic boat parade with the theme of "America Strong — Revel in the Rhythm" and he is looking for boat owners to participate.

Mayor Semeta thanked people for participating in the recent NuVision Credit Union blood drive sponsored by Refuge Church and the Huntington Beach Firefighters' Association, as well as the Food Drive at the Sports Center sponsored by the City of Huntington Beach, Supervisor Michelle Steel, and Saddleback Community Church. Mayor Semeta reported welcoming the Red, White and Blue Team, from Waves of Valor — Huntington Beach (Veteran Surf Camp) relay runners at the City Hall 9/11 Memorial, and attending the Huntington Beach Police Community Foundation Day of Gratitude to recognize officers for their everyday service.

ADJOURNMENT at 10:20 PM, in memory of Dr. Neil Graham and Dr. Paul Qaqundah, to the next regularly scheduled meeting of the Huntington Beach City Council/Public Financing Authority on Monday, October 5, 2020, at 4:00 PM in the Civic Center Council Chambers, 2000 Main Street, Huntington Beach, California.

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



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

ATTEST:


City Clerk-Secretary
Mayor-Chair