Minutes
Council/RDA Meeting
City Council/Redevelopment Agency
City of Huntington Beach

Monday, July 2, 2007
4:00 P.M. - Room B-8
6:00 P.M. - Council Chambers
Civic Center, 2000 Main Street
Huntington Beach, California 92648

An audiotape of the 4:00 p.m. portion of this meeting and a videotape of the 6:00 p.m. portion of this meeting are on file in the Office of the City Clerk.

Call City Council/Redevelopment Agency Meeting to Order

Mayor Coerper called the City Council/Redevelopment Agency meeting to order at 4:00 p.m. in Room B-8 located on the lower level of the Huntington Beach Civic Center, 2000 Main Street, Huntington Beach.

City Council/Redevelopment Agency Roll Call

Present: Bohr, Carchio, Cook, Coerper, Green, Hansen, and Hardy
Absent: None

The City Clerk Announced Late Communications

Pursuant to the Brown (Open Meetings) Act, City Clerk Joan Flynn announced the following late communication relative to Study Session Item No. 2 which was received by her office following distribution of the agenda packet:

Communication submitted by Dan T. Villella, Finance Director dated July 2, 2007 and titled *Requests by City Councilmembers for the Fiscal Year 2007/2008 Budget*.

The Following Communications Were Submitted During the Meeting:

Communication submitted by Jean Nagy during the Study Session portion of the meeting, undated and titled "*The Beautiful Tree Canopy of Huntington Central Park is Disappearing.*"

Public Comments Regarding 4:00 P.M. Portion of Council Meeting for Study Session and Closed Session Agenda Items

Jean Nagy, Huntington Beach Tree Society, spoke to the Council about the number of trees dead or dying in Central Park. She discussed observations made by Tree Maintenance Supervisor Randy Menzel of trees dying due to beetle invasion. She provided a financial estimate to remove dead trees, and volunteered services to apply for grant funding for tree replacement. She stressed the importance of not losing the canopy of trees in Central Park and

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requested Council assistance. She also announced that the Tree Society will receive an award from the International Society of Arbor Culture for their tree planting efforts.

Councilmember Green asked for the number of eucalyptus trees infected. Ms. Nagy discussed how pests infest deteriorating trees. Councilmember Green asked for the solution and Ms. Nagy stated a replanting effort must take place.

Councilmember Carchio asked about prevention efforts currently in place. Jim Jones described how the eucalyptus has been attacked over the last few years, and how the City has introduced other trees to replace the deteriorating species. He also discussed the high cost of treating sick trees.

(City Council/Redevelopment Agency) Study Session #1 Held - Report to City Council Concerning Councilmember Carchio's "H" Item of March 5, 2007 Regarding a Fee Waiver for Residential Remodeling. The Report Defines Possible Fees to be Waived, the Duration of the Program, and Estimated Loss in Revenue.

PowerPoint presentation titled H Item Fee Waiver Report for Residential Remodeling is included in the agenda packet.

City Administrator Penny Culbreth-Graft introduced Ross Cranmer, Director of Building and Safety, who provided a staff report and PowerPoint presentation outlining the following points: Programs Used In Other Cities; Huntington Beach Average 800 Sq. Ft. Addition; Projected Residential Activity; Fee Waiver Options for Residential; Fee Waiver (Green) Option of Energy Saving Systems; and, Staff Recommendations.

Councilmember Green asked if the proposed incentive could be funded at Tier Level 2. City Administrator Culbreth-Graft responded that direction must be given by Council on one-time spending within Tier 2. Director Cranmer stated that staff supports making the Green (energy saving) Option and ongoing program funded by General Fund monies. Councilmember Green stated support for the Green Option as a one-time program this year, funded through Tier 2. City Administrator Culbreth-Graft stated the $15,000 cost is favorable, and explained how the process would go forward. Director Cranmer discussed operation fees. Councilmember Green asked why Huntington Beach fees are high compared to other cities. Director Cranmer explained that the City's discretionary fees (zoning entitlement) may be considered high, but plan review and permit fees are at or below the mid level. Councilmember Hansen suggested the proposal be discussed during second Tier Review.

Councilmember Hardy discussed property tax formulas for recovery of remodel fees, and questioned the philosophy of supporting a subsidy that provides assistance to a minimal number of residents, resulting in lost revenue to the City.

Mayor Pro Tem Cook stated that the goal must be clarified. She opined that a 3-month pilot period doesn't make sense, citing federal tax credits and long term perspectives. She discussed other ways to assist property owners with remodel efforts, and her hopes of finding a better way to accomplish the goal.

Councilmember Carchio disagreed with statements made by Councilmember Hardy. He thanked Director Cranmer and summarized the proposal as a way to pay back the taxpayer, stating the City spends more money on reports than it does to provide incentives to its

community. He opined the cost as minimal, and discussed how many citizens are making decisions to build in an energy-friendly form to protect the environment. He urged Council to adopt the resolution to show the taxpayer the City cares, citing increased property value, sales tax revenue, neighborhood beautification and work opportunities for local contractors.

Councilmember Bohr stated he would consider support if the proposal targeted particular recipients such as low-income individuals. He asked Director Cranmer why similar programs were implemented in other cities. Director Cranmer responded that like programs target certain demographics, and are typically implemented to address blighted areas.

Councilmember Green requested that the proposal include incentives for owner-occupied units so that residents will consider remodeling. She discussed efforts to improve block walls, trees, gutters, and how efforts at the front end can stop a home from deteriorating.

Mayor Pro Tem Cook recommended that Code Enforcement provide suggestions on how to increase the value of homes in areas of need, stating a 3-month pilot isn't long enough to make a positive effect. She discussed making better use of funds to revitalize neighborhoods through manual repairs such as paint, weed abatement, graffiti removal, and how grants and loans are already available. City Administrator Culbreth-Graft suggested that Council consider targeting programs for repair, and bring forward recommendations for consideration during the budget review period.

Councilmember Carchio stated that the proposal targets residents who live in older communities. Mayor Pro Tem Cook stated a 3-month pilot period isn't long enough.

Mayor Coerper asked Director Cranmer to calculate a total for all options and stated his lack of support for the proposal, citing concerns related to employee layoffs and financial recovery.

The Green Option was supported by a consensus of Council.

Councilmember Green stated support for considering a pilot period for Option 2. Councilmember Carchio concurred, clarifying that the cost provided for the Option is representative of a worst case scenario or fully-funded program. Councilmember Hansen explained how the estimate residential addition activity is rational, and opined that the incentive will be taken advantage of.

Mayor Coerper voiced concerns about using City funds as incentives when past practices have resulted in employee layoffs. Councilmember Green explained that the incentive is funded by Tier 2 funds. Councilmember Hardy suggested Tier 2 funds be used for better purposes.

(City Council/Redevelopment Agency) Study Session #2 Held - A Discussion on Requests by City Councilmembers for the Fiscal Year 2007/2008 Budget.

City Administrator Culbreth-Graft introduced Finance Director Dan Villella to provide a staff report. Director Villella discussed Second Tier recommendations, and referred to Council's list of priority items for discussion during budget review.

Due to time constraints, City Administrator Culbreth-Graft explained Council's alternatives to continue discussion on the item following Closed Session, at their next regular meeting of July 16 or during budget hearings. She stated further discussion would not interfere with base

budget programming.

Mayor Pro Tem Cook stated some items would be perfect to match with grant funds. Councilmember Green wanted to take action now and Councilmember Hardy had questions. Councilmember Bohr recommended holding discussion on July 16, and request staff combines Items 1 and 4 on his priority list. Councilmember Carchio stated support for discussion at tonight's meeting.

5:00 p.m. - Recess to Reception

Mayor Coerper recessed the meeting to a Reception in Room B-7 Honoring Anjo, Japan Delegation Celebrating 25 Years of Sister City Friendship and the Student Ambassadors from Waitakere, New Zealand and Anjo, Japan.

Reconvened City Council/Redevelopment Agency Meeting - 6:05 p.m.

City Council/Redevelopment Agency Meeting Roll Call

Present: Bohr, Carchio, Cook, Coerper, Green, Hansen, and Hardy.
Absent: None.

Pledge of Allegiance/Flag Salute - Led by Mayor Pro Tem Debbie Cook

Invocation - Led by Mark Currie, Huntington Beach Interfaith Council

The City Clerk Announced Late Communications

Pursuant to the Brown (Open Meetings) Act, City Clerk Joan Flynn announced the following communications on agenda items that were received by her office following distribution of the agenda packet:

Communication submitted by Stanley Smalewitz, Director of Economic Development/ Deputy Executive Director, dated July 2, 2007 and titled "*Late Communication - Item D-1 Second Implementation Agreement with Bella Terra Associates, LLC.*"

Communication submitted by Dan T. Villella, CPA, Finance Director, dated July 2, 2007 and titled "*Late Communication - Study Session #2 Requests by City Council Members for the Fiscal Year 2007/2008 Budget.*"

The Following Communications Were Submitted During the Meeting:

Communication submitted by Jean Nagy during the Study Session portion of the meeting, undated and titled "*The Beautiful Tree Canopy of Huntington Central Park is Disappearing.*"

News article from the Huntington Beach Independent submitted by Vern Nelson dated June 27, 2007 and titled "*SOUNDING OFF: 'SiCKO' Commentary Needs Reality Check.*"

News article from the Huntington Beach Independent submitted by Vern Nelson dated June 20, 2007 and titled *"COMMUNITY COMMENTARY: Moore's 'mockumentary' is misleading."*

Informational flyer submitted by Vern Nelson, undated and titled "*Does State Senator Tom Harman Represent You?*"

Informational report submitted by Martha Parham, undated and titled "*Coast Community College District Measure C Citizens Oversight Committee 2005-2006 Annual Report.*"

List of musical selections performed by visitors from Anjo, Japan who will play the Koto, a Japanese string instrument.

Presentation - Tom Adams, U.S.A. Pro All-Stars Softball Team

Mayor Coerper called on Tom Adams to accept a commendation for the Women's U.S.A. Pro All-Stars Softball Team and their involvement in a competitive event at the Central Sports Complex against the Denso Japan Pro Team. Mr. Adams discussed how the event was put together, team formation and association with the Japan-America Society.

Mayor Coerper also called on Mayumi Murakami, President of the Women's Major League Softball International to recognize her efforts in the event.

Presentation - Fourth of July Board

Mayor Coerper called on Huntington Beach Downtown Business Improvement District (BID) President Steve Daniel to present a check in the amount of $5,000 to Diane Hayden representing the Fourth of July Board. Representative Hayden thanked the Downtown BID on behalf of Pat Stier, Fourth of July Board Chair.

Mayor's Award

Mayor Coerper called on Fire Chief Duane Olson to present the Mayor's Award to Fire Marshall/Division Chief Jacques Pelletier. Chief Olson described Fire Marshall Pelletier's character, experience and accomplishments. Fire Marshall Pelletier acknowledged his colleagues and asked his family to join him. Mayor Coerper offered compliments and thanked Fire Marshall Pelletier for his service to the community.

Presentation - Student Ambassadors of Goodwill and Performances by Visitors from Anjo, Japan

Mayor Coerper called on Carmen Erber from the Sister City Association of Huntington Beach to introduce student ambassadors from Anjo, Japan, Waitakere, New Zealand and Huntington Beach. She also announced a special dance would be performed by student ambassadors from Anjo, Japan, and a musical performance made by visiting Japanese guests.

Carmen Erber introduced Mr. Omi, leader of the Anjo delegation. Mr. Omi spoke in Japanese, and his comments were translated by an interpreter. He expressed pleasure to be in Huntington Beach and celebrating 26 years as a Sister City. He discussed visits by both delegations in each country, and expressed his hope that Council enjoys the Japanese performances. He also discussed his honor for 25 years of friendship between the two cities.

Mr. Omi made a presentation of gifts to the City that included a picture frame, plate, wire sculpture/topiary frame and tea service. Mayor Coerper offered gifts in exchange.

A dance performance was made by student ambassadors from Anjo, Japan. Following the performance, Mayor Coerper presented gift bags to all student ambassadors.

A musical performance on the Koto, a Japanese string instrument, was made by guests from Anjo, Japan. The music presented included: *Rokudan No Shirabe* (melody of six steps), compositioned by Kengyo Yatsuhashi; *Sakura* (Cherry Blossoms); and, *Eine Kleine Nacht Musik*, compositioned by Mozart.

Public Comments

Maureen Sloan, Soroptomist International Huntington Beach President, spoke to the City Council about a recycling event for electronic products called *E-Waste* that will be held on July 28 at Five Points Plaza. She described the types of electronic products the collection site will accept and stated prize drawings will be held and visitors will receive a gift for providing a donation.

Dr. Richard Lara voiced concerns about local news articles implying that the future of Dog Beach is in jeopardy, and stated support for Dog Beach remaining in its current status. He also voiced concerns about State Senator Harman's attack on SB 840 and discussed rising costs in the current health care system. He opined that SB 840 is not socialized health care, explained the guidelines of the bill and encouraged others to do their research. He also complimented the guest entertainers from Anjo, Japan.

Mayor Pro Tem Cook stated that Dog Beach is not in jeopardy, and that the newspaper has communicated misinformation as a ploy to raise money for Dog Beach clean-up. Councilmember Carchio echoed Mayor Pro Tem Cook's comments on the status of Dog Beach.

Dorian Yarnelson, Healthcare for All California, spoke in support of SB 840 (Single Payer Healthcare). He described it as a comprehensive bill that will save California taxpayers money and provide good care. He asked if the Council had a chance to view the information he previously provided to them on DVD. He discussed the Governor's plan and other bills currently in the health care arena. He showed a list of organizations that support the bill, and referenced www.onecarenow.org as a place for information.

Vern Nelson, Healthcare for All California, expressed concerns about Senator Tom Harman and his opposition to SB 840. He discussed the Senator's comments in the Huntington Beach Independent regarding the Michael Moore film "Sicko." He referenced a pamphlet distributed to the public, and a health care petition currently in circulation. He also discussed activity that will take place on July 4th to advertise the bill.

Diane Amendola, voiced opposition to AB 1634 (mandatory spay/neuter of domestic pets), stating opposition to the government mandating sterilization of pets. She discussed private pet ownership and breeders' rights, and stressed the need for education on responsible pet ownership. Ms. Amendola also spoke about animal shelter activity in the cities of San Francisco and Santa Cruz.

Martha Parham and Richard Kudlik, Coast Community Colleges, thanked the Council for their

support of Measure C. Ms. Partham discussed how Measure C funds have been distributed between Orange Coast, Goldenwest and Coastline Community Colleges. She discussed the function and responsibilities of the Citizens' Oversight Committee for specific improvements made at Goldenwest College, and announced that construction will soon begin on a new Health Sciences Facility that will house the campus nursing program. Mr. Kudlik explained strict accountability rules under Proposition 39 and process and distribution of funds.

Robin (Rusty) Rustan spoke on behalf of Veterans to express concerns about health care. He informed the Council of a proposed initiative that supports mandatory health care funding for Veterans, and discussed how VA hospitals have been underfunded since 1950. He read excerpts from a resolution that referred to George Washington's declaration on war service, treatment of Veterans and brave soldiers who serve the nation. Mayor Coerper stated he would take the resolution into consideration and provide feedback to the speaker at a later time.

Council Committee/Appointments/Liaison Reports and All AB 1234

Councilmember Green reported attending a gathering for the retiring Director of Public Works Robert Beardsley, Sister City Luncheon and Reception, and 4th of July Recognition Event.

Mayor Coerper asked the City Clerk to clarify if Councilmembers can submit a written report of AB 1234 activity. City Clerk Joan Flynn confirmed. Mayor Coerper stated his report would be submitted.

Mayor Pro Tem Cook stated her report was submitted and on file in the Office of the City Clerk. She also thanked Flossie Horgan for her service on the Planning Commission, wishing her luck in resuming responsibilities associated with the Bolsa Chica Land Trust, and announced the appointment of Joe Shaw as Flossie's Planning Commission replacement.

Councilmember Bohr reported attending a gathering for retiring Director of Public Works Robert Beardsley, Sister City Luncheon and Reception, and 4th of July Recognition event.

City Administrator Penny Culbreth-Graft reported attending a University of Pepperdine Workshop, Sister City Luncheon and Reception and the 4th of July Recognition event.

City Clerk Joan Flynn stated her report will be submitted and on file in her office, and discussed how written submittal of AB 1234 activity can be included as part of the Agenda if provided early enough by Council.

City Treasurer Shari Freidenrich reported attending the National GFOA Finance Officer's Conference June 10-13, Sister City Luncheon and 4th of July Recognition event.

Mayor Pro Tem Cook asked the City Attorney to clarify that Council's attendance at official City functions and events do not require reporting. Assistant City Attorney Paul D'Alessandro confirmed.

Mayor Coerper reported attending a meeting with Prime Productions on June 19 to discuss the air show, attended the League of California Cities Policy Committee Meeting in San Jose on June 28 and the Sister City Luncheon and Reception. Mayor Coerper asked the City Attorney to clarify reporting requirements for money spent on City functions or events. Assistant City Attorney D'Alessandro stated a memo to clarify Council questions will be forthcoming.

City Clerk Flynn described the process of submitting written reports.

City Administrator's Report

City Administrator Penny Culbreth-Graft announced the acting appointments of Dave Webb, Acting Director of Public Works, Operations (Utilities and Maintenance Operations), and Travis Hopkins, Acting Director of Public Works, Engineering, on an interim basis until a recruitment in conducted.

(City Council) Reviewed and Accepted Shari L. Freidenrich, City Treasurer's April 2007 Investment Summary Report Titled City of Huntington Beach Summary of City Investment Portfolio, Bond Proceeds, and Deferred Compensation Activity for April 2007

Communication from City Treasurer Shari L. Freidenrich transmitting the Monthly Investment Report and Summary of Investments for April 2007.

City Treasurer Freidenrich expressed honor to be joined by the City Treasurer from Anjo, Japan. She discussed her plans to demonstrate how checks are printed in Huntington Beach, and announced that her guest will accompany her in the 4th of July Parade festivities.

City Treasurer Freidenrich gave a brief staff report and PowerPoint presentation.

A motion was made by Bohr, second Green to review and accept the Monthly Investment Report. Following review of the report, by motion of Council, accept the Monthly Investment Report entitled Summary of Investment Portfolio, Bond Proceeds, and Deferred Compensation Activity for April 2007, pursuant to Section 17.0 of the Investment Policy of the City of Huntington Beach. PowerPoint presentation titled April Treasurer's Report is included in the agenda packet. The motion carried by the following roll call vote:

AYES:	Bohr, Carchio, Cook, Coerper, Green, and Hansen
NOES:	None
ABSENT:	Hardy (Out of Room)

City Attorney's Report of Litigation Filed - None.

(City Council) The City Clerk to Provide an Update on the Passport Acceptance Facility

City Clerk Joan Flynn updated the Council on Passport Acceptance Facility activity within her office. She reported that 3,005 passport applications were processed January through May, 2007, representing approximately 99% of the total number of applications processed in 2006. She stated she expects the process to contribute approximately $250,000 to the General Fund by the end of the year. She also discussed how her office exceeds service expectations by assisting customers to obtain their passports following extremely long delays due to high volume and problematic processing at the Federal level.

Mayor Pro Tem Cook asked about an announcement extending the date required to obtain a passport for travel within the Western Hemisphere.

City Clerk Flynn confirmed that the requirement to obtain a passport for travel within the Western Hemisphere by land, rail or sea has been presumably extended to Summer, 2008.

Mayor Coerper complimented the City Clerk and her staff for their dedicated service.

Call Civic Improvement Corporation To Order

Civic Improvement Corporation Roll Call

Present: Bohr, Carchio, Cook, Coerper, Green, Hansen, and Hardy.
Absent: None.

Civic Improvement Corporation Election of Officers

A motion was made by Green, second Bohr to elect Gil Coerper, President of the Civic Improvement Corporation; Debbie Cook, Vice President of the Civic Improvement Corporation and Joan L. Flynn, Secretary of the Civic Improvement Corporation. The motion carried by the following roll call vote:

AYES: Bohr, Carchio, Cook, Coerper, Green, Hansen, and Hardy
NOES: None

Approve Civic Improvement Corporation Minutes

Mayor Pro Tem Cook and City Administrator Culbreth-Graft discussed the board's function and responsibilities.

A motion was made by Green, second Cook to approve and adopt the minutes of the July 3, 2006 Regular Meeting of the Civic Improvement Corporation as written and on file in the Office of the Secretary. Submitted by the Secretary. The motion carried by the following roll call vote:

AYES: Bohr, Carchio, Cook, Coerper, Green, Hansen, and Hardy
NOES: None

Adjourned the Huntington Beach Civic Improvement Corporation Meeting and Reconvened the City Council/Redevelopment Agency Regular Meeting

(City Council/Redevelopment Agency) Public Hearing *Continued* to Consider Approval of the Second Implementation Amendment to the Owner Participation Agreement (OPA) Between the Redevelopment Agency of the City of Huntington Beach and Bella Terra Associates, LLC; Adopt Agency Resolution No. 368 and City Council Resolution No. 2007-37- Continued from June 18, 2007

Communication from the Director of Economic Development/Deputy Executive Director transmitting the following **Statement of Issue**: The Agency is being asked to approve the Second Implementation Agreement to the Owner Participation Agreement (OPA) by and between the Redevelopment Agency of the City of Huntington Beach and Bella Terra Associates, LLC. The Second Implementation Agreement amends the OPA regarding the payment of the Agency's obligation to BellaTerra Associates of $15,000,000 in Feasibility Gap

Payments for the construction, rehabilitation and renovation of the Huntington Center (Bella Terra.)

The City Council of the City of Huntington Beach ("City") and the Redevelopment Agency of the City of Huntington Beach ("Agency") will conduct a joint public hearing on June 18, 2007 at 6:00 p.m., or as soon thereafter as the matter may be heard, in the Council Chambers, 2000 Main Street Huntington Beach, California 92648, pursuant to the California Community Redevelopment Law (Health and Safety Code Section 33000 et seq.), for the purpose of considering the modification to the executed Owner Participation Agreement for the Bella Terra retail center formerly known as Huntington Center. The proposed Second Implementation Amendment to the Owner Participation Agreement modifies the repayment structure for certain public improvements that were installed and constructed by the developer of the project.

A summary containing the following information is available for public inspection and copying during regular office hours at the offices of the City Clerk at 2000 Main Street Huntington Beach, California 92648:

1) An identification of the proposed modifications to the executed Owner Participation Agreement;

2) Estimates of the amount of tax increment proposed to be used to pay for the installation and construction of the identified public improvements; and

3) The redevelopment purpose for which tax increment is being used to pay for the installation and construction.

ALL INTERESTED PERSONS are invited to attend said hearing and express opinions or submit to the City Clerk written evidence for or against the application as outlined above. If you challenge the City Council/Agency's action in court, you may be limited to raising only those issues that you or someone else raised at the public hearing described in this notice or in written correspondence delivered to the City at, or prior to, the public hearing. If there are any further questions, please call Stanley Smalewitz, Director of Economic Development, at (714) 536-5542. Direct your written communication to: Joan L. Flynn, City Clerk, City of Huntington Beach, 2000 Main Street - Second Floor, Huntington Beach, CA 92648.

* Staff report
* City Council discussion
* Open public hearing
* Following public input, close public hearing

Funding Source: Funds are available in the Redevelopment Debt Services account number 40740101.88030.

A motion was made by Cook in response to the late communication from Director Smalewitz, second Green to **continue to a date uncertain** the following action: **1)** Adopt Agency **Resolution No. 368**, *"A Resolution of the Redevelopment Agency of the City of Huntington Beach, California, Approving and Making Certain Findings Pursuant to Health and Safety Code Section 33433 for a Second Implementation Agreement to Owner Participation Agreement Between the Redevelopment Agency of the City of Huntington Beach and Bella Terra Associates"*; and **2)** Approve the *Second Implementation Agreement to Owner Participation Agreement Between the Redevelopment Agency of the City of Huntington Beach and Bella*

Terra Associates, LLC, and authorize the Agency Chairman and Agency Clerk to execute the agreement; and **3)** Adopt City Council **Resolution No. 2007-37**, "*A Resolution of the City Council of the City of Huntington Beach, California, Approving and Making Certain Findings Pursuant to Health and Safety Code Section 33433 for a Second Implementation Agreement to Owner Participation Agreement Between the Redevelopment Agency of the City of Huntington Beach and Bella Terra Associates.*" **(Continued from June 18, 2007)** The motion carried by the following roll call vote:

AYES: Bohr, Carchio, Cook, Coerper, Green, Hansen, and Hardy
NOES: None

Consent Calendar - Items Approved

A motion was made by Cook, second Green to move the following Consent Calendar items, as recommended. The motion carried by the following roll call vote:

AYES: Bohr, Carchio, Cook, Coerper, Green, Hansen, and Hardy (Hardy Abstain on Approval of June 18, 2007 Minutes)
NOES: None

(City Council/Redevelopment Agency) Approved Minutes - Approved and adopted the minutes of the City Council/Redevelopment Agency regular meeting of June 18, 2007 as written and on file in the Office of the City Clerk. Submitted by the City Clerk.

(City Council) Adopted Resolution No. 2007-38 to Establish the Annual Appropriation Limit of the Proceeds From Taxes in the Amount of $565,300,579 for Fiscal Year 2007/2008, Pursuant to Article 13B of the State of California Constitution (Gann Appropriation Limit) - Adopted Resolution No. 2007-38, "A Resolution of the City Council of the City of Huntington Beach Establishing the Appropriation Limit for Fiscal Year 2007-2008" of $565,300,579. Submitted by the Director of Finance. Funding Source: Not applicable.

(City Council) Adopted Resolution No. 2007-39 Approving a Side Letter to the Memorandum of Understanding (MOU) Between the City of Huntington Beach and the Municipal Employees' Association (MEA) Regarding Unit Modification to Include all Non-Exempt, Non-Associated Classifications and Extend the Term of the MOU from June 30, 2007 to September 30, 2007 - Approved Resolution No. 2007-39, "A Resolution of the City Council of the City of Huntington Beach Amending the Memorandum of Understanding Between the City and the Municipal Employees' Association, by Adopting the Side Letter of Agreement (Regarding Unit Modification and Extension of MOU.) Submitted by the Deputy City Administrator. Funding Source: The total cost to implement the unit modification is $30,520 for a 12-month period. The cost is $6,358 for the remainder of Fiscal Year 2006/2007.

(City Council) Accepted a U. S. Department of Housing and Urban Development (HUD) Grant Award and Authorized Expenditure in the Amount of $99,000 for the Planning and Design Phase of the New Seniors' Center - **1)** Accepted the grant award of $99,000 from the U. S. Department of Housing and Urban Development (HUD) for the planning and design phase of the new Seniors' Center; and **2)** Authorized expenditure of $99,000 from account 20945101, for drawdown reimbursement from HUD. Submitted by the Director of Community Services. Funding Source: New grant revenue not anticipated in Fiscal Year 2006/2007 budget.

(City Council) Approved and Authorized the Mayor and City Clerk to Execute a Five-Year Lease Agreement Between the City of Huntington Beach and Robinwood Little League, Inc. for the Rental of Baseball Fields and Related Improvements at Marina Community Park - Approved and authorized the Mayor and City Clerk to execute the Lease Between the City of Huntington Beach and Robinwood Little League for the Rental of Baseball Fields and Related Improvements at Marina Community Park. Submitted by the Director of Community Services and the Director of Economic Development. Funding Source: Not applicable.

(City Council) Adopted Resolution No. 2007-40 Approving the Memorandum of Understanding (MOU) Between the City and the Huntington Beach Surf City Lifeguard Employees' Association (SCLEA) Covering the Period January 1, 2007 through September 30, 2008 - Adopted Resolution No. 2007-40,"A Resolution of the City Council of the City of Huntington Beach Approving and Implementing the Memorandum of Understanding Between the Huntington Beach Surf City Lifeguard Employees' Association (SCLEA) and the City of Huntington Beach for the Term of January 1, 2007, Through September 30, 2008." Submitted by the Deputy City Administrator. Funding Source: Funding was included in the Fiscal Year 2006/2007 budget and will be included in the Fiscal Year 2007/2008 and Fiscal Year 2008/2009 budgets. The cost to implement the SCLEA Memorandum of Understanding in Fiscal Year 2006/2007 is $41,066; $46,641 in Fiscal Year 2007/2008; and, $1,349 in Fiscal Year 2008/2009. Total estimated cost of this Memorandum of Understanding for a twenty-one month term is $89,056.

(City Council) Received and Filed the Mobile Home Advisory Board (MHAB) Annual Summary Report for the Years of 2005 and 2006 - Received and filed the Mobile Home Advisory Board (MHAB) Summary Report for the years 2005 and 2006. Submitted by the Director of Economic Development. Funding Source: Not applicable.

Councilmember Green pulled the item to clarify Mobile Home Advisory Board (MHAB) compilation and requirements. Assistant Project Manager and staff liaison Teri King discussed the history of the MHAB, Maddy Act requirements, and limited participation by park owners. Councilmember Green stated the board's minutes often indicate a lack of quorum, and questioned the necessity of the board. Manager King explained that the board often meets for educational purposes, and that issues requiring a vote are not considered without a quorum.

Economic Development Director Stanley Smalewitz stated that Council direction is required to disband a committee. Mayor Pro Tem Cook stated such action would be premature, given the board's involvement in current, pending litigation. City Administrator Culbreth-Graft asked if pending litigation is discussed at board meetings. Manager King stated no.

Mayor Coerper asked how often the board meets and what they discuss. Manager King responded meetings take place on the 4th Monday of each month and are typically held in community clubhouses. She stated discussion involves way of life within mobile home parks and park disputes, and explained how the meetings provide a forum for park residents to voice concerns and exchange information with City personnel, given that code enforcement within mobile home parks is handled by the State of California.

Mayor Pro Tem Cook recommended that the board meet on a quarterly basis to discuss issues such as code enforcement, rent control, flooding. Councilmember Carchio voiced support for holding quarterly meetings and asked why park owners do not participate. Manager King responded that representatives for park owners do participate, and that productive dialogue is

held. Councilmember Green suggested that the board's title be changed to something more appropriate, such as a task force. Mayor Pro Tem Cook suggested that the annual report be accepted, and that Council consider alternative action at a later date.

A motion was made by Hansen, second Cook to Receive and File the Mobile Home Advisory Board (MHAB) Annual Summary Report for the Years of 2005 and 2006 The motion carried by the following roll call vote:

AYES: Bohr, Carchio, Cook, Coerper, Green, Hansen, and Hardy
NOES: None

(City Council) Approved the Appointment Process as Recommended by Staff and the Historic Resources Board (HRB) for the Selection of a City Historian - 1) Approved the five recommendations of the Historic Resources Board concerning the appointment of a City Historian; and 2) Directed the City Clerk to participate with the Council liaisons on the selection committee for the City Historian. Submitted by the City Clerk and the Director of Community Services. Funding Source: Not applicable.

Councilmember Green pulled the item to recommend that the Council appoint an interim Historian to put the position in motion until the process as recommended by the Historic Resources Board is complete, and a qualified candidate selected. Mayor Pro Tem Cook questioned whether the request identified on the agenda would allow such an appointment, and if a City employee could be named City Historian.

Councilmember Hardy voiced concerns about unfair advantage given to a candidate who is appointed on an interim basis. Councilmember Green asked the City Attorney if an appointment could be made, and if it could be a City employee. Assistant City Attorney Paul D'Alessandro stated an opinion was provided that approved appointment of a City employee. However, he also suggested that the agenda called for an approval of a process, not a person.

Councilmember Carchio stated support for an interim appointment. Councilmember Hardy explained that interim positions are typically filled by paid staff members, not boards and commissions positions, reiterating the unfair advantage given to someone appointed on an interim basis and deterring possible candidates from applying for the position. She stated that not voting on the request would delay progress, and assured Council that as liaison to the Historic Resources Board, speedy resolution will take place.

Councilmember Green described the report's application requirements, including 5-year resident, 4-year term limit, knowledge of city history through written essay and knowledge of archiving information, voicing concerns about the length of time to evaluate the applicant's qualifications.

Councilmember Carchio stated support to expedite the process. Mayor Pro Tem Cook reminded the Council that the Historic Resources Board was directed to create a process, and it is important that the Council follow the board's recommendations.

City Clerk Flynn explained how the process has worked during the past three years, and reasons for the delay in presenting the information to Council. She thanked Jim Engle for his assistance in writing the staff report and informed the Council of activity by volunteer Marie English who worked with the previous City Historian to keep the status quo of responding to

requests for historical data.

Councilmember Green asked if Alicia Wentworth was indeed acting in the capacity of City Historian. City Clerk Flynn confirmed Alicia's role, and explained that due to illness, she was assisted by Volunteer English to update or record data and respond to requests for historical information.

Community Development Director Jim Engle spoke about adding a job description to expedite the process. Councilmember Green asked if the test identified in the proposed process had been established. Director Engle responded the test would be developed during the application phase.

Mayor Coerper asked when final recommendations would come before the City Council. City Clerk Joan responded that if the request was approved, the process could be resolved within 30 to 60 days.

A motion was made by Cook, second Hardy to **1)** Approve the five recommendations of the Historic Resources Board concerning the appointment of a City Historian; and **2)** Direct the City Clerk to participate with the Council liaisons on the selection committee for the City Historian. The motion carried by the following roll call vote:

AYES: Bohr, Cook, Coerper, Hansen, and Hardy
NOES: Carchio, and Green

(City Council) Adopted Resolution No. 2007-41 in Support of an Appropriation of $1 Billion in Proposition 1B Funds out of the 2007-08 California State Budget to Fund Local Street and Road Repairs, and Approved a City Council Position on Legislation Pending Before the Federal, State, or Regional Governments as Recommended by the City Council Intergovernmental Relations Committee (IRC)

Communication from Councilmember Jill Hardy, Chair on behalf of Intergovernmental Relations Committee Members Councilmember Don Hansen and Councilmember Keith Bohr transmitting the following Statement of Issue: Approve a City Council position as recommended by the City Council Intergovernmental Relations Committee (IRC) on legislation pending before a federal, state, or regional government, thereby authorizing the Mayor to communicate the City's position to the elected members of the federal or state legislature, or regional body.

Funding Source: Not Applicable

1) SUPPORT - HR 2447 (Turner) The Energy and Environment Block Grant as Introduced;

2) SUPPORT - AB 258 (Krekorian) Local Coastal Program - Nonpoint Source Pollution;

3) ADOPT RESOLUTION NO. 2007-41, "A Resolution of the City Council of the City of Huntington Beach Supporting the State of California Budget Allocation of Proposition 1B funds in 2007-08," in Support of an Appropriation of $1 Billion in Proposition 1B Funds out of the 2007-08 California State Budget to Fund Local Street and Road Repairs;

4) SUPPORT - SCA 12 (Torlakson) Local Government, Property Related Fees - Stormwater, Drainage Water Approval Requirements as amended on 6/18/07;

5) SUPPORT - AB 1597 (Solorio) Counties Sheriff's Duties, Coastline, Harbors, and Inland Waterways - as amended on 5/29/07, with the condition that it be amended to remove "coastlines" from the enforcement authority of the Orange County Sheriff;

6) REMOVE CITY'S POSITION ON AB 1355 (Houston) FORMERLY Counties Sheriff's Duties, Coastline, Harbors, and Inland Waterways NOW Sheriff's - Persons who commit a public offense

A motion was made by Hansen, second Bohr to **1)** SUPPORT - HR 2447 (Turner) The Energy and Environment Block Grant as Introduced; **2)** SUPPORT - AB 258 (Krekorian) Local Coastal Program - Nonpoint Source Pollution; **3)** ADOPT RESOLUTION NO. 2007-41, "A Resolution of the City Council of the City of Huntington Beach Supporting the State of California Budget Allocation of Proposition 1B funds in 2007-08," in Support of an Appropriation of $1 Billion in Proposition 1B Funds out of the 2007-08 California State Budget to Fund Local Street and Road Repairs; **5)** SUPPORT - AB 1597 (Solorio) Counties Sheriff's Duties, Coastline, Harbors, and Inland Waterways - as amended on 5/29/07, with the condition that it be amended to remove "coastlines" from the enforcement authority of the Orange County Sheriff; **6)** REMOVE CITY'S POSITION ON AB 1355 (Houston) FORMERLY Counties Sheriff's Duties, Coastline, Harbors, and Inland Waterways NOW Sheriff's - Persons who commit a public offense The motion carried by the following roll call vote:

AYES: Bohr, Carchio, Cook, Coerper, Green, Hansen, and Hardy
NOES: None

A motion was made by Hardy, second Bohr to **4)** SUPPORT SCA 12 (Torlakson) Local Government, Property Related Fees - Stormwater, Drainage Water Approval Requirements as amended on 6/18/07 The motion carried by the following roll call vote:

AYES: Bohr, Carchio, Cook, Coerper, Green, and Hardy
NOES: Hansen

(City Council) Adopted Ordinance No. 3770, *MODIFIED BY REMOVING SECTIONS 1, 5 AND 6,* Amending Title 2 of the Huntington Beach Municipal Code by Amending and Deleting Various Chapters and Sections as Part of a Comprehensive Review and Update of the Huntington Beach Municipal Code by the City Attorney
Approved for Introduction June 18, 2007

Councilmember Green asked about Section 1 and transmittal of campaign contributions within City-owned buildings. Councilmember Carchio suggested that such information be provided to all candidates. City Administrator Culbreth-Graft stated Council can direct staff to draft a report for review, if they so choose. Councilmember Hardy asked if the section pertains to City rental facilities that could house candidate fundraisers. Assistant City Attorney D'Alessandro responded if rental fees are collected, the taxpayer is no longer paying for the activity.

Councilmember Green suggested that the City follow state guidelines for simplicity and consistency purposes. Mayor Pro Tem Cook recommended modified language to clarify the intent of the section and continuing it to the next meeting.

Councilmember Green voiced concerns about reappointment restrictions for City boards and

commissions identified in Section 5. Assistant City Attorney D'Alessandro explained that a two consecutive term limitation is realized first, with a 24-month waiting period before reappointment can occur. Councilmember Green stated the waiting period was excessive, and also questioned consecutive absence restrictions and vacating appointments identified in Section 6. She cited examples of hardships realized by members. Assistant City Attorney D'Alessandro explained how certain boards and commission members have voiced concerns about unexcused absences, and that the language proposed requires a person to provide a written notice of their anticipated absence and receive approval by the governing body. Councilmember Green added that if absences are excused, exceptions would be granted for hardship or illness.

Mayor Pro Tem Cook stated language in Section 5 is inconsistent with changes made effecting the 4th of July Committee, suggesting that the language be modified to be consistent, and to include the term *unexcused* before *consecutive absences.*

Councilmember Hardy asked if the changes proposed would affect current board and commission members. Assistant City Attorney D'Alessandro stated the ordinance is effective on a go-forward basis. Councilmember Hardy stated appointed positions usually experience a lapse due to Council term expiration.

A motion was made by Cook, second Green to cast Straw Vote One - Modify Section 1 to correct typographical error (receipt instead of receive), investigate Congress and State Government requirements related to accepting campaign contributions inside City facilities and return with modified language The motion carried by the following roll call vote:

AYES: Bohr, Carchio, Cook, Coerper, Green, Hansen, and Hardy
NOES: None

A motion was made by Cook, second Green to cast Straw Vote Two - modify language in Section 5 (reappointment waiting period), and Section 6 (unexcused absence guidelines). The motion carried by the following roll call vote:

AYES: Bohr, Carchio, Cook, Coerper, Green, and Hardy
NOES: None
ABSENT: Hansen (Out of Room)

A motion was made by Cook, second Green to after the City Clerk reads by title, adopt City Council **Ordinance No. 3770**, *"An Ordinance of the City of Huntington Beach Amending Title 2 of the Huntington Beach Municipal Code by Amending and Deleting Various Chapters and Sections Thereof"* **as amended** approving Sections 2, 3, 4, 7 and 8, and postponing action on Sections 1, 5 and 6 with proposed modifications to August 6, 2007. The motion carried by the following roll call vote:

AYES: Bohr, Carchio, Cook, Coerper, Green, Hansen, and Hardy
NOES: None

(City Council/Redevelopment Agency) Approved for Introduction Ordinance No. 3771 Authorizing Execution and Recordation of the Revised Plan Statement Pursuant to Health and Safety Code Section 33373, Which Affirms the Redevelopment Agency's Restrictions on the Use of Eminent Domain in the Huntington Beach Redevelopment Project Area, Also Known as the Merged Project Area

Communication submitted by the Director of Economic Development/Deputy Executive Director transmitting the following Statement of Issue: The City Council is asked to adopt an ordinance regarding the Redevelopment Agency's existing program for the use of eminent domain in the Merged Project Area. The Agency is also asked to execute and record the Revised Plan Statement pursuant to Health and Safety Code Section 33373 (SB 1809.)

A motion was made by Green, second Hansen to **1)** After City Clerk reads by title, Approve Introduction of Ordinance No. 3771, *"An Ordinance of the City Council of the City of Huntington Beach, California, Describing the Redevelopment Agency of the City of Huntington Beach's Program to Acquire Property Within the Huntington Beach Redevelopment Project (or also known as Merged Project) Area by Eminent Domain"* by roll call vote; and **2)** Authorize the Chairperson and Agency Clerk to execute and record the Revised Plan Statement, Huntington Beach Redevelopment Project (or also known as Merged Project) Area Statement, pursuant to Health and Safety Code Section 33373 (SB 1809) The motion carried by the following roll call vote:

AYES: Carchio, Cook, Coerper, Green, Hansen, and Hardy
NOES: Bohr

(City Council/Redevelopment Agency) Approved for Introduction Ordinance No. 3772 Authorizing Execution and Recordation of the Revised Plan Statement Pursuant to Health and Safety Code Section 33373, Which Affirms the Redevelopment Agency's Restrictions on the Use of Eminent Domain in the Southeast Coastal Project Area

Communication submitted by the Director of Economic Development/Deputy Executive Director transmitting the following Statement of Issue: The City Council is asked to adopt an ordinance regarding the Redevelopment Agency's existing program for the use of eminent domain in the Southeast Coastal Project Area. The Agency is also asked to execute and record the Revised Plan Statement pursuant to Health and Safety Code Section 33373 (SB 1809.)

A motion was made by Cook, second Carchio to **1)** After City Clerk reads by title, Approve Introduction of Ordinance No. 3772, *"An Ordinance of the City Council of the City of Huntington Beach, California, Describing the Redevelopment Agency of the City of Huntington Beach's Program to Acquire Property Within the Southeast Coastal Redevelopment Project Area by Eminent Domain"* by roll call vote; and **2)** Authorize the Chairperson and Agency Clerk to execute and record the Revised Plan Statement, Southeast Coastal Redevelopment Project Area Statement, pursuant to Health and Safety Code Section 33373 (SB 1809.) The motion carried by the following roll call vote:

AYES: Carchio, Cook, Green, Hansen, and Hardy
NOES: Bohr, and Coerper

Mayor Coerper asked for an update on eminent domain affecting the Southeast Coastal Redevelopment Area. Director Smalewitz discussed current legislation under SB 53 and

explained that the ordinance is mandatory, and only reflects what is already included within the Redevelopment Plan.

Council Comments - (Not Agendized)

Councilmember Carchio discussed attending a gathering for retiring Director of Public Works Robert Beardsley, the Anniversary of the Huntington Beach International Surfing Museum, a gathering for retiring Human Services Supervisor/Project Self Sufficiency Susan Edwards and the Women's Fast Pitch U.S.A. Pro All-Stars event. He express appreciation to Tom Adams, reminded the public of the Kiwanis' Breakfast to be held at Lake Park on July 4, and Surf City Nights will resume on Tuesday, July 10.

Mayor Pro Tem Cook reminded the public of the City's zero tolerance of illegal fireworks, expressed hopes for a safe holiday and wished America a happy birthday.

Mayor Coerper reported attending a gathering for retiring Human Services Supervisor/ Project Self Sufficiency Susan Edwards, gathering for retiring Director of Public Works Robert Beardsley, League of California Cities meeting in San Jose, and League of California Cities Breakfast with State Senator Lou Correa, Women's Fast Pitch U.S.A. Pro All-Star's event, Sister City Luncheon and Reception, reinforced the zero tolerance policy on illegal fireworks and voiced excitement for the 4th of July Parade and festivities.

Closed Session of the City Council/Redevelopment Agency Cancelled

Mayor Coerper announced that Closed Session on the following item has been cancelled:

(City Council) Closed Session - Pursuant to Government Code Section 54957.6, the City Council shall recess to Closed Session to meet with its designated labor negotiators: Penelope Culbreth-Graft, City Administrator; Bob Hall, Deputy City Administrator; Dan Villella, Finance Director; and Renee Mayne, Chief Negotiator, regarding labor negotiations with the following employee organizations: MEA, HBFA, SCLEA, and Non-Associated.

Adjournment - City Council/Redevelopment Agency

Mayor Coerper adjourned at 9:32 p.m. to an adjourned regular meeting on **Monday, July 9, 2007, at 6:30 p.m.**, City Council Chambers, 2000 Main Street, Huntington Beach, California.

The next regularly scheduled meeting will be held on **Monday, July 16, 2007 at 4:00 p.m.** in Room B-8, Civic Center, 2000 Main Street, Huntington Beach.

City Clerk and ex-officio Clerk of the City
Council of the City of Huntington Beach
and Clerk of the Redevelopment Agency
of the City of Huntington Beach, California

ATTEST:

City Clerk-Clerk

Mayor-Chair

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