Regular Minutes
City Council/Redevelopment Agency
City of Huntington Beach

Monday, July 18, 2005
4:30 P.M. - Room B-8
6:00 P.M. - Council Chambers
Civic Center, 2000 Main Street
Huntington Beach, California 92648

An audiotape of the 4:30 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.

The 4:00 p.m. portion of the meeting was recessed by Deputy City Clerk Kelly Mandic to 4:30 p.m. in Room B-8 due to a lack of quorum.

Call to Order

Mayor Hardy called the regular meetings of the City Council/Redevelopment Agency of the City of Huntington Beach to order at 4:30 p.m. in Room B-8.

City Council/Redevelopment Agency Meeting Roll Call

Present: Hansen, Coerper, Sullivan, Hardy, Green, Bohr, Cook
Absent: None

The City Clerk Announced a Late Communication

Pursuant to the Brown (Open Meetings) Act, City Clerk Joan L. Flynn announced a Late Communication regarding an agenda item that had been received by her office following distribution of the agenda packet:

Communication submitted by the Public Works Department dated July 18, 2005 which includes replacement page numbers 14-17 of a black and white version of the PowerPoint report entitled *Water Master Plan Update Status and Presentation of Water Rate Study*. The original submitted in the Agenda Packet inadvertently omitted the body text on these pages.

The Following Additional Late Communication Was Submitted During the Meeting:

Communication submitted by the Public Works Department dated July 18, 2005 titled *Three Tiers*, which is an updated version of page 29 of the PowerPoint report entitled *Water Master Plan Update Status and Presentation of Water Rate Study*.

(City Council/Redevelopment Agency) Study Session Held – Presentation Given by the Department of Public Works regarding the Water Master Plan Update – Rate Study (160.10)

Acting Public Works Director Paul Emery and Utilities Manager Howard Johnson gave an overview of the topic. Mr. Johnson introduced Senior Administrative Analyst Ken Dills, who presented a PowerPoint report titled *Water Master Plan Update, Status and Presentation of Water Rate Study*, which was included in the agenda packet and updated by Late

E-1

Communications. Mr. Dills outlined water rate methodology and formulas. Reed Schmidt from Bartle Wells Associates reported on the preliminary results of the water rate study, including details of proposed tiered plans, seasonal rate plans and examples of local cities with tiered rate structures. Utilities Manager Johnson concluded the presentation by listing the next steps and reporting on the staff recommendation.

Council discussion ensued regarding other cities that have tiered plans, the focus of water conservation efforts on landscape irrigation, the importance of public education when embarking on a new rate plan, citizens' average usage in summer versus winter, and reserve policies. Councilmember Green stated concern for the financial impact on large families and asked for a breakdown of the upcoming rate increases. Utilities Manager Johnson stated that he would supply Council with the rate studies. City Treasurer Shari Freidenrich also responded, stating that budget billing would be a possibility.

Motion to Recess to Closed Session – Approved

A motion was made by Coerper, second Green to recess to Closed Session on the following items. The motion carried by the consensus of all present, none absent.

(City Council) Closed Session – Pursuant to Government Code Section 54957.6 to meet with its designated representatives: Agency Negotiators: Penelope Culbreth-Graft, City Administrator; Chuck Thomas, Acting Director of Administrative Services, Dan Villella, Finance Officer; and Irma Youssefieh, Human Resources Manager regarding labor relations matters – meet and confer with the following employee organizations: **PMA, FMA, MSOA, and SCLEA.** Subject: **Labor Relations – Meet & Confer**. (120.80)

Reconvened City Council/Redevelopment Agency Meeting – 6:12 P.M. – Council Chambers.

City Council/Redevelopment Agency Roll Call

Present: Hansen, Coerper, Sullivan, Hardy, Green, Bohr, Cook
Absent: None

No Actions Taken Which Require a Reporting Pursuant to Government Code §54957.1(a) (3) (B).

Mayor Hardy asked City Attorney Jennifer McGrath if there were any actions taken by the City Council or Redevelopment Agency in Closed Session that required a reporting. City Attorney McGrath responded that there were no actions to report.

Pledge of Allegiance – Led by members of Boy Scout Troop No. 1134

Moment of Silence – Mayor Hardy requested a moment of silence be observed.

The City Clerk Announced Late Communications

Pursuant to the Brown (Open Meetings) Act, City Clerk Joan L. Flynn announced Late Communications regarding agenda items that had been received by her office following distribution of the agenda packet:

Communication submitted by the Public Works Department dated July 18, 2005 which includes replacement page numbers 14-17 of a black and white version of the PowerPoint report entitled *Water Master Plan Update Status and Presentation of Water Rate Study.* The original submitted in the Agenda Packet inadvertently omitted the body text on these pages.

Communication submitted by Steve Stafford dated July 18, 2005 titled *Item D-1* in opposition to the adoption of Ordinance 3719 as it is presented amending Chapter 17.48 of the Huntington Beach Municipal Code relating to the Electrical Code.

Communication submitted by Merrilee Madrigal forwarding an email dated December 1, 2004 from Teddi Hart titled *Huntington Beach Environmental Board Meeting – Flood Review – Monroe's Nursery.*

Communication submitted by Merrilee Madrigal forwarding an email dated February 21, 2005 from Teddi Hart titled *Huntington Beach Environmental Board Meeting – Flood Review – Monroe's Nursery* with pictures attached.

Communication submitted by Merrilee Madrigal dated July 18, 2005 titled *Please Oppose Item E-4 from the Consent Calendar July 18, 2005* including several attachments.

The Following Additional Late Communication Was Submitted During the Meeting:

Communication submitted by the Public Works Department dated July 18, 2005 titled *Three Tiers,* which is an updated version of page 29 of the PowerPoint report entitled *Water Master Plan Update Status and Presentation of Water Rate Study.*

Presentation – Mayor Jill Hardy called on Marine Safety Chief Kyle Lindo and Junior Guard Coordinator Dave Simcox who introduced the following Junior Lifeguard Program students from New Zealand who are visiting and are participating in the program: Sean Ridler, Team Manager; Alice Prescott, Coach; James Starnes; Abbey Prescott; Cameron Bowen; Alisha King; Georgia McCormack; Tai Drummond; Matthew Kerr; and Spencer Raymond. The students presented the Mayor with a framed photograph of the beach at Tairua, New Zealand. Mayor Hardy presented the students with mementos of Surf City. (160.40)

Presentation – Mayor Jill Hardy called on Mayor Pro Tem Dave Sullivan and Councilmember Gil Coerper to recognize the volunteers who helped with the Fourth of July Picnic hosting the 3/1 Marine Battalion that has been adopted by the City. The Councilmembers thanked the many organizations, businesses, and individuals who donated time, products and funding to make the picnic a success and presented them with tokens of appreciation. (160.40)

Public Comments

Merrilee Madrigal, affiliated with Huntington Beach Santa Ana River Watershed Alliance, spoke in opposition to the Consent Calendar item regarding a lease agreement between Monroe Pacific Wholesale Nursery and the City. She referred to Late Communications she submitted and which were announced earlier by the City Clerk detailing water runoff and water flooding issues. Ms. Madrigal asked Council to consider alternative land uses for these areas, rather than nurseries.

Ray Hiemstra, with Orange County Coastkeeper, stated his opposition to approval of the Monroe Nursery lease agreement. He stated the Munroe Nursery site is one of the worst he has seen for water quality and urban runoff issues. Mr. Hiemstra asked Council to deny the lease extension until the nursery is in compliance and asked that a Monroe Nursery Water Quality Management Plan be available for public review.

Will Johnson stated concerns regarding the agenda item that addresses prohibition of medical marijuana dispensaries and with Council approving code that, in his opinion, would discriminate against medical patients. Mr. Johnson asked Council to uphold patients' rights of access to safe medicine.

William Britt, Director of the Association of Patient Advocates, spoke regarding safe access to medical marijuana for patients and the experiences relative to this issue with San Francisco cannabis clubs and Oregon identification cards.

Steve Stafford stated three weeks ago a ballplayer was injured at the ballpark in Worthy Park on a fence. He commended the police officer that took a report on the incident. Mr. Stafford further stated concerns with the Homeowners' Association in several areas.

Erica Zelmer announced 2nd Harvest Food Bank Charity successes including recent food collection totals and spoke of a local food drive she will be hosting at her house. She announced a goal to raise 100,000 pounds of food and asked for the City's support. Ms. Zelmer also announced the Summer Drive to be held at the Orange County Fair on July 20 from 12 Noon to 6 p.m.

Jan Vandersloot, Santa Ana River Watershed Alliance member, spoke regarding the Monroe Nursery Lease Agreement and asked Council not to approve the agreement at this time. He asked that the Alliance and the Wildlands Conservancy be given the opportunity to acquire land to add to the Santa Ana River Parkway. He also spoke regarding recent Orange County Sanitation District work and what he referred to as de-watering and foundation damage to local citizens' properties, asking Council to take this into consideration in light of the proposed Poseidon project.

Eileen Murphy, affiliated with Residents for Responsible Desalination urged Council to vote "No" on the proposed desalination plant when it is agendized. Ms. Murphy stated concerns with the final destination of the water.

Tim Geddes spoke regarding a Huntington Beach Wave column and Poseidon donations to Councilmembers' campaigns. Mr. Geddes stated his opinion that the project would have a negative impact on the neighborhood and that the most important issue is the adequacy of the Environmental Impact Report (EIR).

Larry Porter, affiliated with Residents for Responsible Desalination spoke in opposition to the proposed Poseidon desalination plant and stated his opinion that the EIR is untruthful, giving examples. Mr. Porter asked Council to deny approval of the EIR report.

Merle Moshiri spoke regarding issues in southeast Huntington Beach including the recent closure of an elementary school that has ongoing construction, methane issues, the Ascon dumpsite, a sanitation district lawsuit and now a potential Poseidon desalination plant. Ms. Moshiri suggested Councilmembers consider appearances in regard to campaign contributions.

Marinka Horack, 29-year southeast Huntington Beach resident spoke in opposition to the proposed Poseidon desalination project. Ms. Horack reported details on the Tampa Bay desalination project and perceived problems.

Councilmember Cook reported that the Metropolitan Water District has approved hundreds of millions of dollars in subsidies for ocean desalination projects for five agencies in Southern California. She suggested interested parties contact the Metropolitan Water District of Orange County Boardmembers.

(City Council) Councilmember Coerper Thanked Volunteers for 4th of July "3/1" Events - Announced Liaison Report at Next Council Meeting. (110.10)

Councilmember Coerper thanked the individuals who volunteered at the 4th of July event for the "3/1" members. He announced that a "3/1" liaison will report at the next regular Council meeting.

(City Council) Reviewed and Accepted Shari Freidenrich, City Treasurer's May 2005 Report Titled *City of Huntington Beach Summary of City Investment Portfolio, Bond Proceeds, and Deferred Compensation Activity for May 2005* (310.20)

The City Council considered a communication from City Treasurer Shari Freidenrich transmitting the Monthly Investment Report and Summary of Investments for May 2005.

City Treasurer Freidenrich gave a PowerPoint presentation titled *May Treasurer's Report,* which was included in the agenda packet.

A motion was made by Coerper, second Green to review and accept the Monthly Investment Report *Summary of Investment Portfolio, Bond Proceeds, and Deferred Compensation Activity for May 2005,* pursuant to Section 17.0 of the Investment Policy of the City of Huntington Beach. The motion carried by the following roll call vote:

AYES: Hansen, Coerper, Sullivan, Hardy, Green, Bohr, Cook
NOES: None
ABSENT: None

(City Council) Public Hearing Held - Adopted the 2004 California Electrical Code and Adopted Ordinance No. 3719 Amending Chapter 17.48 of the Huntington Beach Municipal Code Relating to the Electrical Code (640.15)

Mayor Hardy announced that this was the time noticed for a public hearing to receive and consider statements of all persons who wish to be heard relative to the application described below:

Ordinance No. 3719. Adoption of the STATE OF CALIFORNIA ELECTRICAL CODE – an Ordinance of the City Council of the City of Huntington Beach Amending the Huntington Beach Municipal Code by amending Chapter 17.48 to adopt the California Electric Code, 2004 Edition, as modified pursuant to Ordinance No. 3719.

Legal notice as provided to the City Clerk's Office by staff had been published and posted.

Permit Plan Check Manager Gerald Caraig gave an oral report.

Mayor Hardy declared the public hearing open.

Prior to announcing the public speakers, the City Clerk restated for the record the following Late Communication which pertains to this public hearing:

Communication submitted by Steve Stafford dated July 18, 2005 titled *Item D-1* in opposition to the adoption of Ordinance 3719 as it is presented amending Chapter 17.48 of the Huntington Beach Municipal Code relating to the Electrical Code.

Steve Stafford spoke about stainless steel rods that have failed and voiced his opinion that using stainless steel rods is a bad idea.

There being no persons present to speak further on the matter and there being no further protests filed, either written or oral, the Mayor declared the public hearing closed.

Mayor Hardy inquired of staff if cities that do not adopt the California Electrical Code must still comply with the code. Permit Plan Check Manager Caraig replied in the affirmative.

After the City Clerk read by title, a motion was made by Cook, second Bohr to adopt **Ordinance No. 3719,** *An Ordinance of the City of Huntington Beach Amending Chapter 17.48 of the Huntington Beach Municipal Code Relating to the Electrical Code* for the adoption of the 2004 amended edition of the California Electrical Code by roll call vote. (Approved for introduction on July 5, 2005). The motion carried by the following roll call vote:

AYES: Hansen, Coerper, Sullivan, Hardy, Green, Bohr, Cook
NOES: None
ABSENT: None

(City Council) Public Hearing Held - Approved Conditional Use Permit (CUP) No. 2005-015 (Second Master CUP for 42 Condominium Conversions on 11 Properties) (420.40)

Mayor Hardy announced that this was the time noticed for a public hearing to consider the following:

Conditional Use Permit No. 2005-015 (Condominium Conversions)

Applicants: Multiple Property Owners

Request: To approve approximately 42 condominium units on approximately 11 properties.

Locations: 1703 Alabama Street, 7342 Garfield Avenue, 317 Seventeenth Street, 214 Twentieth Street, 1418 Orange Avenue, 18891 Valley Circle, 202 Fifteenth Street, 322 Nineteenth Street, 426 Twenty-Second Street, 218 Sixteenth Street, 2505 Delaware Street.

Environmental Status: Notice is hereby given that this Item is categorically exempt from the provisions of the California Environmental Quality Act (CEQA).

Legal notice as provided to the City Clerk's Office by staff had been mailed, published and posted.

Senior Planner Jane James presented a PowerPoint report titled *Condominium Conversions*, which was included in the agenda packet.

Mayor Hardy declared the public hearing open.

Mike Adams recommended that Council approve CUP No. 2005-15, announced his availability to answer any questions, and gave an update on the previous agreement.

Renee Tarrow, resident of one of the properties included in the agreement, alleged that work required by the inspection had not been accomplished.

There being no persons present to speak further on the matter and there being no further protests filed, either written or oral, the Mayor declared the public hearing closed.

A motion was made by Cook, second Bohr to approve Conditional Use Permit No. 2005-015 with findings and conditions for approval (Attachment No. 1*). The motion carried by the following roll call vote:

AYES: Hansen, Coerper, Sullivan, Hardy, Green, Bohr, Cook
NOES: None
ABSENT: None

ATTACHMENT NO. 1*

SUGGESTED FINDINGS AND CONDITIONS OF APPROVAL

CONDITIONAL USE PERMIT NO. 05-15

SUGGESTED FINDINGS FOR APPROVAL - CONDITIONAL USE PERMIT NO. 05-15:

1. Conditional Use Permit No. 05-15 for the establishment, maintenance and operation of 42 condominium units on 11 separate properties will not be detrimental to the general welfare of persons working or residing in the vicinity or detrimental to the value of the property and improvements in the neighborhood. Based upon the conditions imposed the exterior of the units will be in good condition, any construction performed without permits or any significant health and safety violations will be remedied, minimum construction standards will be met, CC&Rs with a surveyor or engineer prepared map will be submitted, and affordable housing in-lieu fee will be paid.

2. The conditional use permit will be compatible with surrounding uses because all of the subject properties are located within residential districts and are surrounded by other multi-family or single-family units.

3. The proposed conditional use permit for 42 condominium units on 11 properties will comply with the provisions of the base district and other applicable provisions in Titles 20-25 of the Huntington Beach Zoning and Subdivision Ordinance. In addition, each project will comply with any specific condition required in the settlement agreement.

4. The granting of the conditional use permit will not adversely affect the General Plan. It is consistent with the Land Use Element designations of Medium High and Medium Density Residential on the various subject properties. In addition, it is consistent with the following goals and policies of the General Plan:

   A. Land Use Element

   Policy LU 4.2.1: Require that all structures be constructed in accordance with the requirements of the City's building and other pertinent codes and regulations; including new, adaptively re-used, and renovated buildings.

   Policy LU 8.1.1: Accommodate land use development in accordance with the patterns and distribution of use and density depicted on the Land Use Plan Map, in accordance with the appropriate principles.

   B. Housing Element

   Policy H 3.1.1: Encourage the provision and continued availability of a range of housing types throughout the community, with variety in the number of rooms and level of amenities.

   The subject residential properties vary from tri-plexes to four-plexes and are located throughout the City. Four of the eleven total project sites are zoned and General Planned for Medium High Density Residential while the remaining seven properties carry Medium Density Residential zoning and land use designations. The units represent a variety of unit types with various floor plans and amenities. An affordable housing in-lieu fee will be submitted for each project.

The City Council finds that the project will not have any significant effect on the environment and is exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to section 15303 of the CEQA Guidelines, because new construction or conversion of up to six multi-family units at one project site are exempt.

SUGGESTED CONDITIONS OF APPROVAL - CONDITIONAL USE PERMIT NO. 05-15:

1. Conditional Use Permit No. 05-15 will become effective at each individual property in accordance with the approved settlement agreement.

(Redevelopment Agency) Public Hearing Held - Evaluated the Progress of the Five Year Implementation Plan (2002-2007) for the Southeast Coastal Redevelopment Project Area (410.05)

Mayor Hardy announced that this was the time noticed for a public hearing to consider the following:

Evaluate the progress of the Five Year Implementation Plan (2002 - 2007) of the Southeast Coastal Redevelopment Project Area. The purpose of the Implementation Plan is to identify the specific goals and objectives for the project area, describe the specific programs, including potential projects and estimated expenditures that would be made during the five years, and explain how these activities will eliminate blight.

Legal notice as provided to the City Clerk's Office by staff had been published and posted.

Economic Development Consultant, Mike Hennessey presented a PowerPoint slide report titled *Mid-Term Evaluation of The Five Year Implementation Plan (2002-2007) Southeast Coastal Redevelopment Project,* which was included in the agenda packet.

Mayor Hardy clarified that some projects in the Southeast originally planned to be funded with tax increment dollars are being budgeted for in the upcoming year.

Council discussion followed relative to the property assessment for the AES plant and which authority determines its value. Councilmembers stated an interest in obtaining more information on this topic, thanked the City Treasurer for her efforts, and asked her for any updates.

City Treasurer Shari Friedenrich stated that a report is being compiled and will be submitted to the State Board of Equalization in the next two months, prior to the next evaluation.

Mayor Hardy declared the public hearing open.

There being no persons present to speak on the matter and there being no protests filed, either written or oral, the Mayor declared the public hearing closed.

A motion was made by Hansen, second Coerper to approve the recommended action to conduct a public hearing and to receive staff presentation and public testimony on progress of the Five Year Implementation Plan for the Southeast Coastal Redevelopment Project Area (2002-2007). The motion carried by the following roll call vote:

AYES: Hansen, Coerper, Sullivan, Hardy, Green, Bohr, Cook
NOES: None
ABSENT: None

(City Council) Public Hearing Held – Approved as Amended the 2005/2006 Housing and Urban Development (HUD) Action Plan and Authorized Submission to the U.S. Department of Housing and Urban Development (340.70)

Mayor Hardy announced that this was the time noticed for a public hearing to consider the following:

The 2005/2006 Action Plan in accordance with the City's Consolidated Plan (CP) as required by the U.S. Department of Housing and Urban Development (HUD) for receipt of $1,591,169 in Community Development Block Grant (CDBG) funds, and $823,233 in HOME Investment Partnership (HOME) funds, and $28,222 in American Dream Downpayment Initiative (ADDI) funds. The 2005/2006 Action Plan proposes the CDBG, HOME, and ADDI budgets from October 1, 2005 to September 30, 2006, a twelve-month period.

The City followed its Citizen Participation Plan. The Citizen Participation Advisory Board (CPAB) held two public hearings on community needs and held subsequent monthly public meetings. Citizens may review and comment on the draft 2005/2006 Action Plan in the Department of Economic Development. The public comment period will begin July 15 and end August 14, 2005. Public comments received during this time will be attached to the Action Plan and sent to HUD.

CDBG REVENUE:	AMOUNT
CDBG 2005/2006 Entitlement Grant	$1,591,169
PROPOSED CDBG ACTIVITIES:	
Administration	$281,081
Fair Housing Council	37,152
City Gym & Pool Sec. 108 Loan Payment	257,057
Code Enforcement Program	173,831
ADA Ramp Construction	110.000
Street Construction	150,000
Beach Wheelchairs	14,130
Fire Station Facilities	125,760
Oak View Community Park Lighting	40,000
Housing Rehabilitation Loan Program– Administration	163,482
Adult Day Services of Orange County	10,000
Community Care Health Centers	22,500
Community Service Programs	27,000
Oak View Community Center/Children's Bureau	53,004
Oak View Library Literacy	17,500
Project Self-Sufficiency	46,802
Seniors Outreach Program	61,869
TOTAL:	$1,591,168

HOME Investment Partnership

In an effort to expand and preserve its existing affordable housing stock, Huntington Beach has worked with Community Housing Development Organizations (CHDOs) to acquire multifamily rental properties. These buildings are rehabilitated and then are made available to persons below 60% of Orange County median income for a minimum of 30 years. The CHDO must enter into an agreement with the City that outlines all of the affordability requirements, property maintenance standards, and long-term monitoring requirements that are required by HOME regulations.

The following activities are proposed for the 2005/2006 HOME program:

HOME REVENUE:	AMOUNT
HOME 2005/2006 Entitlement Grant	$ 823,233
HOME PROPOSED ACTIVITIES:	
Administration	82,323
Acquisition	740,910
	$823,233

American Dream Downpayment Initiative (ADDI)

ADDI is designed to assist eligible first-time homebuyers with downpayment and/or closing costs in purchasing single-family hones. All funds are proposed for direct assistance.

ADDI REVENUE:	AMOUNT
ADDI 2005/2006 Entitlement Grant	$ 28,222

The CP sets local policies and priorities for the development of a viable urban community by providing decent housing and a suitable living environment and expanding economic opportunities principally for low- and moderate-income persons. The city intends to extend and strengthen partnerships among all levels of government and the private sector, including for-profit and non-profit organizations in order to provide for: the production and operation of affordable housing; a suitable living environment improving the safety and livability of neighborhoods; assistance to homeless persons and persons at risk of becoming homeless to obtain appropriate housing, without discrimination on the basis of race, color, religion, sex, national origin, familial status, or disability; and expand economic opportunities including job creation and retention.

Legal notice as provided to the City Clerk's Office by staff had been published and posted.

Economic Development Consultant, Mike Hennessey presented a PowerPoint slide report titled *Approval of FY 2005/2006 HUD Action Plan Funding Recommendations,* which was included in the agenda packet.

City Administrator Culbreth-Graft thanked Citizen Participation Advisory Board (CPAB) Chairperson Gerald Lipson, Boardmembers and staff for all of their work.

Council discussion ensued regarding unallocated funds and potential uses for such funds. Council requested staff report any unallocated funds on a regular basis. Councilmembers voiced interest in increasing future funding for the Community Care Health Centers.

Mayor Hardy declared the public hearing open.

Dr. Gerald Lipson, Chair of CPAB, spoke regarding relationship building between the CPAB board and staff. He stated the board's primary goal is to spread limited funds as widely as possible taking into account health and safety issues.

Dr. Miles Matsasuga, Medical Director for Community Care Health Centers, spoke regarding the health needs of the community. He stated that the health center turns people away every day due to lack of funding, and thanked Council for their support.

Shirley Dettloff, on behalf of Community Care Health Centers, thanked Council for their support and spoke regarding the clients and the services provided by the health centers.

There being no persons present to speak further on the matter and there being no further protests filed, either written or oral, the Mayor declared the public hearing closed.

A motion was made by Coerper, second Bohr to approve the recommended action.

Councilmember Green suggested amending the recommended action to include the provision that any unallocated funds be designated for the Community Care Health Centers.

Further Council discussion ensued relative to funding of Project Self Sufficiency and Community Care Health Centers.

A **substitute** motion was made by Hansen, second Sullivan to:

1. Approve the Fiscal Year 2005/2006 Recommended Funding Action Plan **as amended, moving $25,000 from Project Self Sufficiency (P.S.S.) to Community Care Health Centers and to fund P.S.S. shortage at budget time** (Attachment 1*) for the CDBG Program in the amount of $1,591,169 and the HOME Program in the amount of $823,233 and the American Dream Downpayment Initiative Program in the amount of $28,222; Authorize the City Administrator to execute the required certifications;

and

2. Authorize submission of the Action Plan to the U.S. Department of Housing and Urban Development. The motion carried by the following roll call vote:

AYES: Hansen, Coerper, Sullivan, Green, Bohr
NOES: Hardy, Cook
ABSENT: None

(See next page for Attachment 1)

Rest of page not used

ATTACHMENT 1*

Applicant	Current Year Funding	Requested Amount	CPAB and Staff Recommendation	City Council Approved Amount
Administration				
Administration	297,032	281,081	281,081	281,081
Fair Housing Council	39,768	37,152	37,152	37,152
Public Services				
Adult Day Services	10,000	10,000	10,000	10,000
Community Services Program	27,000	27,000	27,000	27,000
Community Care Health Centers	22,500	75,000	22,500	47,500
Oak View Community Ctr	53,000	55,444	53,004	53,004
Oak View Library Literacy	30,000	35,000	17,500	17,500
Proj Self Sufficiency	48,231	107,366	46,802	21,802
Seniors Outreach	61,869	61,869	61,869	61,869
Code Enforcement	169,573	173,831	173,831	173,831
Public Improvements				
City Gym & Pool Loan Payments		257,057	257,057	257,057
ADA Ramps		200,000	110,000	110,000
Beach Wheelchairs		14,130	14,130	14,130
Curb & Gutter Construction		150,000	150,000	150,000
Fire Station Facilities		125,760	125,760	125,760
Oak View Community Park Lighting		50,000	40,000	40,000
Rehabilitation				
Housing Rehab Loan Program	160,000	170,099	163,482	163,482
TOTAL			1,591,168	1,591,168

(City Council) Administrative Public Hearing Held - Adopted Resolution No. 2005-44 Approving Certification of Special Assessments for Delinquent Civil Fines for Municipal Code Violations (570.60)

Mayor Hardy announced that this was the time noticed for an administrative public hearing to consider the adoption of proposed Resolution 2005-44 entitled *"A Resolution of the City Council of the City of Huntington Beach Certifying Special Assessments for Collecting Delinquent Civil Fines for Municipal Code Violations."* The public hearing is held pursuant to California Government Code Section 38773.5 and Huntington Beach Municipal Code 1.18.150.

Legal notice as provided to the City Clerk's Office by staff had been mailed, published and posted.

City Attorney Jennifer McGrath gave an oral report.

Mayor Hardy declared the administrative public hearing open.

There being no persons present to speak on the matter and there being no protests filed, either written or oral, the Mayor declared the public hearing closed.

A motion was made by Coerper, second Green to adopt **Resolution No. 2005-44** entitled *"A Resolution of the City Council of the City of Huntington Beach Certifying Special Assessments for Collecting Delinquent Civil Fines for Municipal Code Violations."* The motion carried by the following roll call vote:

AYES: Hansen, Coerper, Sullivan, Hardy, Green, Bohr, Cook
NOES: None
ABSENT: None

Consent Calendar – Items Removed for Separate Discussion

The following items were removed from the Consent Calendar for separate discussion:

(City Council) Lease Agreement between Rex and Larry Gilmore, DBA Monroe Pacific Wholesale Nursery, a California Partnership and the City of Huntington Beach (Site Location 10449 East Adams Avenue at the Santa Ana River)

(City Council) Professional Services Contract with Tatum CIO Partners, LLP for Information Services (IS) Master Plan Project

Consent Calendar – Items Approved

On motion by Sullivan, second Green Council approved the following Consent Calendar items, as recommended. The motion carried by the following roll call vote:

AYES: Hansen, Coerper, Sullivan, Hardy, Green, Bohr, Cook (Cook – No on Professional Services Contract with Rosenow Spevacek Group (RSG) Inc.)
NOES: None
ABSENT: None

(City Council/Redevelopment Agency) Approved and Adopted Minutes (120.65) - Approved and adopted the minutes of the City Council/Redevelopment Agency Special Meeting of June 27, 2005 as written and on file in the Office of the City Clerk. Submitted by the City Clerk.

(Redevelopment Agency) Approved the Assignment and Assumption Agreement between Bridges America Sher Lane, L.P., VPM Sher Lane L.P., and the Redevelopment Agency for the Sale of Sher Lane Apartments (66-unit apartment complex located at 16112 Sher Lane) (600.30) – Approved the *Assignment and Assumption Agreement* and authorized its execution by the Executive Director, Agency Secretary and Agency Counsel. Submitted by the Acting Assistant Executive Director of the Redevelopment Agency. Funding Source: Not Applicable.

(City Council) Accepted the State of California Standard Agreement of a Department of Boating and Waterways Grant for $23,000 for Replacement of Boat Pumpout/Dump Station Facility at the Warner Public Dock in Huntington Harbour (600.20) – **1.** Accepted the grant award of $23,000 from the Department of Boating and Waterways for replacement of the boat pumpout/dump station facility in Huntington Harbour; and **2.** Authorized transfer of $23,000 from the designated grant fund into Beach Maintenance Account No. 10045206.64570 after said funds have been reimbursed by the State Department of Boating and Waterways. Submitted by the Community Services Director. Funding Source: New grant revenue not anticipated in the original budget.

(City Council) Adopted Resolution 2005-45 for Capital Improvement Programs for the Years 2005/2006 through 2011/2012 for Compliance with Measure M and Proposition 111 Requirements (320.40) – Adopted **Resolution No. 2005-45** - "*A Resolution of the City Council of the City of Huntington Beach Adopting Capital Improvement Programs for the Years 2005/2006 through 2011/2012 for Compliance with Measure M and Proposition 111 Requirements.* Submitted by the Acting Public Works Director. Funding Source: No funding is required for the resolution. Annual Measure M turnback allocation is approximately $2 million.

(City Council) Continued from July 5, 2005 - Approved Final Tract Map Number 16406 - The Strand at Downtown Huntington Beach 1 Lot Subdivision (Located at blocks 104 and 105 Bounded by Pacific Coast Highway, Sixth Street, Walnut Avenue and the alley between Fifth Street and Main Street) – Approved Subdivision Agreement between the City and CIM/Huntington, LLC (420.60) - **1.** Approved Final Tract Map No. 16406 and accepted the offer of dedication, improvements, and bonds pursuant to findings and requirements (ATTACHMENT NO. 1); and **2.** Approved the *Subdivision Agreement By and Between the City of Huntington Beach and CIM/Huntington, LLC for Tract No. 16406* and authorized execution by the Mayor and City Clerk. **Attachment No. 1 Findings for Acceptance of Final Map (1)** Final Tract Map No. 16406 is in conformance with the California Subdivision Map Act, the City of Huntington Beach Subdivision Ordinance and Tentative Tract Map No. 16406 Conditions of Approval, as approved by the City Council. **Requirements: (1.)** Acceptance of offer of dedication shall be subject to completion of improvements and requirements shown on the final map. **(2.)** The City Clerk shall file the following bonds with the City Treasurer: (a) Faithful Performance Bond No. SU5008087 (Attachment No. 7); (b) Labor and Material Bond No. SU5008087; (Attachment No. 7); and (c) Monument Bond No. SU5008088 (Attachment No. 7). **(3.)** The City Clerk shall affix her signature to the map and release it for recordation by the County of Orange. Submitted by the Planning Director. Funding Source: Not Applicable.

(City Council) Approved Professional Services Contract with Rosenow Spevacek Group (RSG) Inc. for Fiscal Analysis of Annexation of Bolsa Chica Warner Mesa (600.10) – Approved and authorized the Mayor and City Clerk to execute the *Professional Services Contract Between the City of Huntington Beach and Rosenow Spevacek Group (RSG) Inc. For Fiscal Analysis for Annexation of Bolsa Chica Warner Mesa* in the amount of $30,655. Submitted by the Planning Director. Funding Source: $30,655 is available from the Planning Department's Professional Services account 10060201.69365.

(City Council) Deferred to a Date Uncertain - Lease Agreement between Rex and Larry Gilmore, DBA Monroe Pacific Wholesale Nursery, a California Partnership and the City of Huntington Beach (Site Location 10449 East Adams Avenue at the Santa Ana River) (600.10)

The City Council considered a communication from the Acting Economic Development Director transmitting the following **Statement of Issue:** Should City Council approve a Lease Agreement between Rex and Larry Gilmore, DBA Monroe Pacific Wholesale Nursery, a California partnership and the City?

Mayor Hardy requested this agenda item be removed from the Consent Calendar to announce that it would be deferred to a date uncertain on request of the City Administrator.

(City Council) Deferred to a Date Uncertain - Professional Services Contract with Tatum CIO Partners, LLP for Information Services (IS) Master Plan Project (600.10)

The City Council considered a communication from the Acting Director of Information Services transmitting the following **Statement of Issue:** To develop a master technology plan for the City, staff is recommending a contract with Tatum CIO Partners, LLP.

Mayor Hardy requested this agenda item be removed from the Consent Calendar to announce that it would be deferred to a date uncertain on request of the City Administrator.

(City Council) 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) (640.90)

The City Council considered a communication from Mayor Jill Hardy, Chair, Intergovernmental Relations Committee, on behalf of members, Councilmember Gil Coerper and Councilmember Keith Bohr transmitting the following **Statement of Issue:** Approve a City Council position as recommended by the City Council Intergovernmental Relations Committee on legislation pending before the Federal, State or Regional Governments or to be put on a ballot for approval by the voters, and authorize the Mayor to communicate the City of Huntington Beach's position to the elected members of the State or Federal Legislatures, Governmental Task Force, or regional body.

Councilmember Green stated reasons for opposing SB1 (Murray), including the expenses involved and the lack of choices given.

Councilmembers Cook, Coerper, Bohr and Mayor Hardy stated support for SB1 (Murray).

A motion was made by Coerper, second Bohr to:

1. **OPPOSE – HR 2726 (Sessions)** Preserving Innovation in Telecom Act of 2005 as Introduced

and

2. **OPPOSE – SB 399 (Escutia)** Health Services – 3rd Party Liability as amended on 06/21/05

and

3. **OPPOSE – SB 1059 (Escutia)** Electric Transmission Corridors – as amended on 05/27/05

The motion carried by the following roll call vote:

AYES: Hansen, Coerper, Sullivan, Hardy, Green, Bohr, Cook
NOES: None
ABSENT: None

A motion was made by Cook, second Bohr to **SUPPORT – SB 1 (Murray)** Energy: Renewable Sources (the Million Solar Roofs Initiative as amended on 06/23/05.) The motion carried by the following roll call vote:

AYES: Hansen, Coerper, Hardy, Bohr, Cook
NOES: Sullivan, Green
ABSENT: None

(City Council) Directed Staff to Prepare an Ordinance Amending Chapters 204 and 212 of the Huntington Beach Zoning and Subdivision Ordinance to Prohibit Medical Marijuana Dispensaries (Ordinance 3703 was Adopted March 21, 2005) (120.90)

The City Council considered a communication from Councilmember Coerper transmitting the following **Statement of Issue:** Earlier this year there were several meetings with city staff and members of the City Council exploring whether or not the city of Huntington Beach should permit medical marijuana dispensaries in the city of Huntington Beach consistent with the Compassionate Use Act (Proposition 215). In March of this year, Council adopted Ordinance No. 3703, which permits medical marijuana dispensaries in specified locations. At the time of adoption of the ordinance, a Supreme Court decision was still pending in a case that challenged the applicability of Proposition 215 as it relates to the Federal Controlled Substances Act.

In June 2005, the Supreme Court of the United States issued its opinion in *Gonzalez v. Raich*, which upholds enforcement of the Federal Controlled Substances Act. In other words, possession of marijuana is still a federal crime.

In view of this decision of the Supreme Court, the city should process a zoning text amendment to disallow for uses that are in violation of federal law. For the city to continue to allow medical marijuana dispensaries could be viewed by federal authorities as aiding or abetting the commission of a felony or conspiracy to violate the law.

Councilmember Coerper reported orally and asked for an update on the ordinance. City Attorney Jennifer McGrath and Police Chief Ken Small reported on the local ordinance as it relates to state and federal legislation.

Council discussion followed regarding the state initiative process and the process of modifying the City's zoning code by ordinance.

Councilmember Cook stated reasons for opposing the recommended action, including the benefits offered by the medicine and faulty reasoning to prohibit its use.

Councilmember Hansen stated his support for the recommended action, citing unintended results of Proposition 215.

Councilmember Bohr inquired if any applications for dispensaries were currently in process. Planning Director Howard Zelefsky responded, stating that there are currently no applications pending, and that one application was denied.

Mayor Hardy stated reasons for opposing the recommended action, including the uses of marijuana as a medicine and her opposition to banning of medicines in Huntington Beach.

A motion was made by Coerper, second Green to direct staff to prepare an ordinance amending Chapters 204.10 and 212.04 to prohibit medical marijuana dispensaries in the city of Huntington Beach. The motion carried by the following roll call vote:

AYES: Hansen, Coerper, Sullivan, Green
NOES: Hardy, Bohr, Cook
ABSENT: None

Adjournment – City Council/Redevelopment Agency

Mayor Hardy adjourned the regular meetings of the City Council/Redevelopment Agency of the City of Huntington Beach at 8:55 p.m. to Monday, August 1, 2005, at 4:00 p.m., in Room B-8 Civic Center, 2000 Main Street Huntington Beach, California.

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