

**Minutes
City Council/Redevelopment Agency
City of Huntington Beach**

Monday, November 17, 2008
4:00 PM - Room B-8
6:00 PM - Council Chambers
Civic Center, 2000 Main Street
Huntington Beach, California 92648

**An audio recording of the 4:00 PM portion of this meeting
and a video recording of the 6:00 PM portion of this meeting
is on file in the Office of the City Clerk and is archived at
www.surfcity-hb.org/government/agendas/**

4:00 PM - ROOM B-8

CALL TO ORDER

Mayor Cook called the joint study session between the Huntington Beach City Council and the Investment Advisory Board (IAB) to order at 4:04 p.m. in Room B-8.

ROLL CALL

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

IAB ROLL CALL

Christopher Palmer, Chair, and Joe Foye - Present

ANNOUNCEMENT OF LATE COMMUNICATION

Pursuant to the Brown "Open Meetings" Act, City Clerk Joan Flynn announced one late communication relating to the Study Session portion of the meeting:

PowerPoint communication submitted by the City Treasurer's office, entitled *Joint Study Session IAB/City Council*.

PUBLIC COMMENTS PERTAINING TO STUDY SESSION / CLOSED SESSION ITEMS (3 Minute Time Limit) - None.

STUDY SESSION

1. (City Council) Joint Study Session Held Between the City Council of Huntington Beach and the Investment Advisory Board (IAB) - Annual Report provided on Investments to the City Council (October 1, 2007 to September 30, 2008) and Economic Update.

City Treasurer Shari Freidenrich introduced Joyce Zacks, Deputy City Treasurer, and members present from Investment Advisory Board (IAB), thanking them for their service and activity

during this past year.

Chris Palmer, Chair, and Joe Foye began a PowerPoint presentation that overviewed the IAB Annual Report including investment policy compliance, legislation impacting investments/treasury operations, cash management, and monthly/quarterly investment report.

Treasurer Freidenrich introduced Bill Blackwell, Citigroup Global Markets, Inc., and discussed his associations, accomplishments and experience. Mr. Blackwell continued the PowerPoint presentation that addressed investment outlook, market overview in 2008, and impact on capital markets. The presentation also provided information on action at state and federal levels, including programs such as Troubled Asset Relief Program (TARP), Term Auction Facility (TAF), US Treasury Capital Purchase Program, Commercial Paper Funding Facility (CPFF), FDIC insurance limits, and Fannie Mae and Freddie Mac Conservatorship.

Discussion ensued about market rates, interest rate yield curve, the economy, and investment strategies for the city. Mayor Cook asked Mr. Blackwell about the cities his firm represents, expressing concerns related to the number of cities filing for bankruptcy, the municipal bond market, unemployment rates, and the likelihood of a major financial institution failing. Joe Foye discussed taxes and yield curve.

Discussion continued on current legislation for bail out bills in the Bush Administration, versus what may be proposed by President Elect Obama. City Administrator Fred Wilson addressed concerns about how the City budget is impacted by a recessed economy including process and strategies, cost cutting, and the status of Public Employee Retirement System (PERS).

RECESS TO CLOSED SESSION

A motion was made by Coerper, second Bohr to recess at 4:40 PM to Closed Session. The motion carried by the following roll call vote:

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

2. Pursuant to Government Code Section 54956.9, the City Council recessed into Closed Session to confer with the City Attorney regarding the following potential lawsuit: Whether the City Attorney should be directed to file a lawsuit.

3. Pursuant to Government Code Section 54956.8, the City Council recessed to Closed Session to give instructions concerning price and terms of payment to the City's Negotiator, Deputy City Administrator Bob Hall, regarding negotiations with the Huntington Beach City School District for the purchase or exchange of up to 10.12 acres of real property located at 20451 Craimer Lane in Huntington Beach and the purchase, sale or exchange of APN 114-150-94 in the City of Huntington Beach.

4. Pursuant to Government Code Section 54956.9, the City Council recessed into Closed Session to confer with the City Attorney regarding the following lawsuit: Parks Legal Defense Fund, et al. v. City of Huntington Beach, et al; Orange County Superior Court Case No. 30-2008 00051261. A public interest advocacy organization alleges the City did not comply with CEQA, City Charter Section 612 and the City's General Plan and is misusing park in lieu fees in

approving the Senior Center, located along Golden West Avenue adjacent to the Shipley Nature Center.

5. Pursuant to Government Code Section 54957, the City Council recessed into Closed Session to discuss the following personnel matter: Appointment of Director of Library Services.

6:00 PM - COUNCIL CHAMBERS

RECONVENE CITY COUNCIL/REDEVELOPMENT AGENCY MEETING

Mayor Cook reconvened the regular meeting of the City Council/Redevelopment Agency at 6:05 p.m. in the City Council Chambers.

CLOSED SESSION REPORT BY CITY ATTORNEY - None.

ROLL CALL

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

PLEDGE OF ALLEGIANCE - Led by Girl Scout Troop #960.

INVOCATION - Led by Maria Conne from the Huntington Beach Interfaith Council.

ANNOUNCEMENT OF LATE COMMUNICATIONS

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

Communication submitted for agenda item #11 by Tom Andrusky, dated November 14, 2008, entitled *Support for The Village at Bella Terra and a Recommendation to Pursue the Formulation of a Transportation Strategic Plan for the Edinger Corridor*.

Communication submitted for agenda item #11 by Dave Harris, dated November 17, 2008, entitled *Bella Terra approval along with associated zoning change approval, supporting EIR as well as General Plan Amendment*.

Communication submitted for agenda item #11 by Diane Ryan, dated November 10, 2008, entitled *The Village and Ripcurl*.

Communication submitted for agenda item #11 by the Summers Family, dated November 12, 2008, regarding the Village at Bella Terra proposed development.

Communication submitted for agenda item #11 by Diana Birdsall, dated November 11, 2008, entitled *Ripcurl and The Village at Bella Terra Projects*.

Communication submitted for agenda item #11 by Michael Hill, dated November 13, 2008, regarding the Village at Bella Terra.

Communication submitted for agenda item #11 by Laura Peters, Community Manager, Via

Verde Luxury Apartment Homes, dated November 17, 2008, untitled.

Communication submitted for agenda item #11 by Karen Jackle, dated November 16, 2008, entitled *Village at Bella Terra*.

Communication submitted for agenda item #11 by Dave Mootchnik dated November 17, 2008, entitled *Substantiation of the Remarks by the Huntington Beach Environmental Board regarding the Ripcurl EIR*.

Communication submitted for agenda item #15 by Jim Engle, Director of Community Services, dated November 17, 2008, entitled *Adopt Resolution Amending the Comprehensive Fee Schedule for The Strand parking structure interim fee*.

Communication submitted for agenda item #18 by Michele Carr, Director of Human Resources, dated November 17, 2008, entitled *Modification/Replacement – RCA Exhibits Submitted*.

Communication submitted for agenda item #21 by Scott Hess, Director of Planning, dated November 17, 2008, entitled *Typing Error in Exhibit "A" of Ordinance No. 3819 for the Ripcurl Project*.

AWARDS AND PRESENTATIONS

6. PRESENTATION: Mayor Cook called on Fire Chief Duane Olson to make a special presentation of the Diamond Award from the California Emergency Services Association to Emergency Services Coordinator Gloria Morrison.

Chief Olson was joined by Gloria Morrison, her family, members of the Community Emergency Response Teams (CERT), members of Radio Amateur Civil Emergency Service (RACES), and Fire Division Chiefs Eric Engberg and Bill Reardon. Chief Olson discussed Gloria's 31 years of service with the City and her contributions through management and building the Emergency Operations Center (EOC). He also discussed her teaching responsibilities at Cal State Fullerton and Long Beach, and her support efforts on emergency management with other cities. He described outstanding services worthy of receiving a Diamond Award, and described similar awards Gloria has received in the past. Gloria introduced her family and thanked Mayor Cook, the Council and Fire Department personnel for 31 years of service.

7. PRESENTATION: Mayor Cook called on the Chair of the Environmental Board Dave Guido to present the annual Environmental Awards.

Dave Guido joined the Mayor to present an Environmental Board award to City Treasurer Shari Freidenrich. Treasurer Freidenrich thanked the Board and her staff, and provided statistics for the amount of paper saved annually by instituting an online payment system for City water bills.

8. PRESENTATION: *ITEM 8 OF THE AGENDA WAS NOT CONDUCTED.*

9. PRESENTATION: Mayor Cook called on the Director of Huntington Beach Community Service Program, Elisa Greenfield, to present thankyou's to major donors for the purchase of snowflakes for the Pier and Strand area, with funds benefiting the Huntington Beach Youth Shelter.

Elsa Greenfield described how funds raised for the "Light a Light of Love" Pier Lighting Ceremony and Downtown Holiday Parade event benefit the Huntington Beach Youth Shelter. She recognized four main sponsors including The Gas Company, a bronze sponsor represented by Jennifer Gonzales; Chevron; the Hyatt Regency Resort and Spa, a platinum sponsor represented by Cheryl Phelps; and the Repas Family and Pacific Contours, diamond sponsors.

10. MAYOR'S AWARD: Mayor Cook recognized a community member who provided outstanding service this past year.

Mayor Cook recognized community member Chris MacDonald for his commitment to attending and reporting on special events in the city. Mr. MacDonald thanked Mayor Cook and the City Council for their commendation.

PUBLIC COMMENTS (3 Minute Time Limit)

(The numbers following speakers' comments reflect the approximate point in time in the archived video the speaker appears at <http://www.surfcity-hb.org/government/agendas>)

Dave Sullivan, long time city resident and former Mayor, spoke in favor of Councilmember Coerper's agenda item #24 - the ad hoc committee for downtown issues. Mr. Sullivan discussed concerns voiced by members of the Police Department and surrounding hotel staff related to undesirable activity that takes place during late night hours on weekend's downtown. Mr. Sullivan compared problems to past 4th of July events downtown, discussed scarce police resources during late hours on weekends, and the potential damage to revenue (tourism) destructive activity will bring. (00:29:55)

Paul Cross provided support for former Mayor Sullivan's comments on addressing downtown issues, and addressed Council about agenda item #21, voicing concerns related to establishing a mixed-use transit center district. He discussed other bus stop locations within the City, the California Coastal Commission's past establishment of a public transportation system on Pacific Coast Highway, and a public transportation center downtown. He urged Council to provide clarification that the ordinance does not apply to the Downtown Specific Plan. (00:32:55)

Matthew "Clint" Orr, congratulated Chris MacDonald for receiving a commendation by Mayor Cook, and proposed a feasibility study be done that would provide for a new international surf museum and multi-theater complex downtown. He also discussed the possibility of a tribal theater and Golden Bear Concert Hall. (00:36:55)

Hannelore Palmer, Cape Ann resident, voiced concerns related to affordable homeownership at Cape Ann. She discussed the problem economy, property taxes, not being able to receive credit in home equity, and refinancing her home loan that extends the property's affordability period. (00:39:10)

Allen Baylis, Huntington Beach resident, spoke in favor of agenda item #24 establishing an ad hoc committee to manage issues downtown. He expressed concerns that the committee needs to be formed of a diverse group of individuals, requesting that Council consider his participation. (00:41:09)

Dr. Les Mittleman thanked Councilmember Hardy for voting against the Ripcurl project, and expressed disappointment with Councilmembers who approved the project that in his

opinion is environmentally flawed and lacks self-supporting environmental elements. He also voiced disappointment with Council's decision to vote against the instructions of Tom Livengood and recommendations made by the City's Planning Commission. (00:42:40)

Steve Daniel, representing the Downtown BID, spoke in support of agenda item #24 and establishing a downtown ad hoc committee. He discussed how the committee will address certain late night issues and what rules can be put into effect that will make positive changes. He also discussed the success of Surf City nights. (00:46:10)

Mayor Cook asked how this committee will be different from the existing Economic Development Committee (EDC) that handles downtown issues. Mr. Daniel explained how a subcommittee can be formed to support Chief Small's efforts to maintain the area after 10:00 p.m. Discussion ensued regarding options to reformulate the EDC and include other members.

Richardson Gray, Townsquare Condominium resident, spoke in support of agenda item #24 to establish an ad hoc committee to address downtown issues that occur after 10:00 p.m. He described problems associated with noise from bar patrons, and favors the committee including six at-large members who live in the downtown area. (00:49:52)

COUNCIL COMMITTEE / APPOINTMENTS / LIAISON REPORTS AND ALL AB 1234 DISCLOSURE REPORTING

Mayor Pro Tem Bohr submitted a report that will be on file in the City Clerk's Office.

Councilmember Green announced *The Kid's From Nowhere* as the publication chosen for the HB Reads One Book program by the Human Relations Task Force and Library Board. She also announced a family event sponsored by the Greater Huntington Beach Interfaith Council on November 23 at 7:00 p.m. requesting those in attendance bring a non-perishable food item as a donation.

CITY ADMINISTRATOR'S REPORT - None.

PUBLIC HEARING

(The numbers following speakers' comments reflect the approximate point in time in the archived video the speaker appears at <http://www.surfcity-hb.org/government/agendas>)

11. (City Council) Public Hearing held to consider the adoption of Resolution No. 2008-69 approving General Plan Amendment (GPA) No. 07-001; Approved Resolution No. 2008-70 to amend Specific Plan No. 13 (Zoning Text Amendment (ZTA) No. 07-002); and, Approved CEQA Findings of Fact with a Statement of Overriding Considerations (Environmental Impact Report (EIR) No. 07-003) for The Village at Bella Terra (the former Montgomery Ward retail store and associated auto repair facility located between Edinger Avenue and Center Avenue, just west of the Bella Terra development.)

Scott Hess, Director of Planning, provided a brief history of establishing Specific Plan No. 13, and introduced Transportation Manager Bob Stachelski and Associate Planner Jane James. Planner James provided a PowerPoint presentation that outlined the project's background and site history, elements relating to requests for a general plan amendment (GPA) and zoning text amendment (ZMA), GPA options and limitations, comparative matrix to current general plan

guidelines, information on Environmental Impact Report No. 07-003 certified by the Planning Commission and not part of this request, Planning Commission action taken on October 14, 2008, significant issues and mitigation measures identified in EIR 07-003, GPA analysis, ZTA analysis, and staff and Planning Commission recommendation.

Councilmember Hardy questioned the Planning Commission's recommendation for Option 1 only due to less air quality emissions than identified in Option 2, and maximum building height of six stories. Councilmember Green suggested that the proposal reference green building practices instead of LEED certified.

Mayor Cook opened the public hearing.

City Clerk Flynn read into the record the following late communications received on the item:

Communication submitted for agenda item #11 by Tom Andrusky, dated November 14, 2008, entitled *Support for The Village at Bella Terra and a Recommendation to Pursue the Formulation of a Transportation Strategic Plan for the Edinger Corridor.*

Communication submitted for agenda item #11 by Dave Harris, dated November 17, 2008, entitled *Bella Terra approval along with associated zoning change approval, supporting EIR as well as General Plan Amendment.*

Communication submitted for agenda item #11 by Diane Ryan, dated November 10, 2008, entitled *The Village and Ripcurl.*

Communication submitted for agenda item #11 by the Summers Family, dated November 12, 2008, regarding the Village at Bella Terra proposed development.

Communication submitted for agenda item #11 by Diana Birdsall, dated November 11, 2008, entitled *Ripcurl and The Village at Bella Terra Projects.*

Communication submitted for agenda item #11 by Michael Hill, dated November 13, 2008, regarding the Village at Bella Terra.

Communication submitted for agenda item #11 by Laura Peters, Community Manager, Via Verde Luxury Apartment Homes, dated November 17, 2008, untitled.

Communication submitted for agenda item #11 by Scott Hess, Director of Planning, undated, entitled *The Village At Bella Terra.*

Communication submitted for agenda item #11 by Karen Jackle, dated November 16, 2009, entitled *Village at Bella Terra.*

Communication submitted for agenda item #11 by Dave Mootchnik dated November 17, 2008, entitled *Substantiation of the Remarks by the Huntington Beach Environmental Board regarding the Ripcurl EIR.*

Elizabeth Shier Burnett, representing the Planning Commission, spoke of the Commission's unanimous vote to approve EIR 07-003. She discussed two areas of concern including

pedestrian connection to the west creating walkability and reduced vehicular traffic, and the applicant's proposed parking space dimensions. (01:14:00)

Lindsay Parton, applicant with DJM Capital, thanked staff and discussed DJM's history of development in the City that began with Bella Terra in 2004, and subsequent property acquisition that will be included as part of the live-work-play village proposed. He showed a brief video entitled, "Bella Terra," followed by a PowerPoint presentation that outlined Bella Terra merchandizing and tenancy, and acquisition of the towers and the Montgomery Ward property. Mr. Parton focused on DJM's long standing commitment; vision for a 24-hour community to live, work, shop and play in; conceptual plan for a mixed-use development with 1,500 residential units @ 25 units per square acre; green design, construction and operation; retail streetscape, plaza view, and village green; Bella Terra walkability, quality context for tenants, and synergy between retail; community and economic benefits; and traffic mitigation. (01:17:15)

Dave Guido, Environmental Board Chair, discussed the Board's primary function to review all aspects for environmental issues related to this project. He explained that the Board has concerns in general for the Specific Plan area and looking at each project individually, rather than collectively. He identified issues related to density, police resources, park space and traffic. (01:39:43)

Mike Marshall, Environmental Board Member, stated his opinion that the developer's presentation depicted a "cool" development, but in reality is seeking to maximize financial return without considering all surrounding projects in perpetuity. He suggested that Council require the developer to work collectively with other surrounding projects, and condition walkability, park space and LEED certification. He stated his support for staff's recommendation and a longer review period overall. (01:42:56)

Dave Mootchnik, past member of the Environmental Board, informed Council of his resignation following Council questioning the Board's disagreement with staff's position on the Ripcurl project's cumulative analysis, and traffic street analysis. He suggested that the issues apply to the proposed Village project as well, and discussed findings that support inadequate analysis. (01:46:00)

Councilmember Green clarified that only one member of the Council questioned the opinion of the Board. Councilmember Hansen explained his reasons for questioning the Board's allegations about deficient analysis by staff relative to EIR analysis. Mayor Cook stated how the Council appreciates the work of the Environmental Board, and values their unbiased assessment for city residents.

Ralph Bauer, 44-year resident and past Mayor, discussed his support of Mayor Cook's closing comments on the Ripcurl project, and competing philosophies among environmental and business agencies that in this case are somewhat parallel in trying to get people out of their cars and walk. He provided support for the Village project, stating that the Orange County Transportation Authority (OCTA) will respond by providing better transportation or mass transit. Former Mayor Bauer also discussed the City's high proportion of residential, transit occupancy tax (TOT), notoriety, and how he now shops at the Bella Terra instead of other venues such as the Westminster Mall or Fashion Island. Mayor Cook commented on the regional challenges discussed frequently at Southern California Association of Governments (SCAG) meetings. (01:53:15)

Joyce Riddell, Huntington Beach Chamber of Commerce President, voiced support for the Village at Bella Terra, describing the Downtown as the City's southern anchor, and the Village at Bella Terra as the northern anchor. She stressed the importance of completing the retail/residential/urban campus that will create retail tax revenue, jobs, TOT, green components, and a 1-acre park. She described her work in Huntington Beach since 1981, and commended the developer for putting together a great project during stressful economic times. (01:57:07)

Aaron Pai, 34-year resident and owner of Huntington Surf & Sport, discussed his frequent visits to the Bella Terra to shop and dine. He discussed tough economic times that have yet to affect the center, described the applicant's reputation for quality development, and urged Council to approve the Village at Bella Terra. He concluded by thanking Mayor Cook for her years of service. (02:00:00)

Pete Citrano, REI manager in Bella Terra, spoke to Council about his work in the industry, and his positive opinion of the proposed project as a business man living in other areas for the past 18 years. He described his excitement in becoming reacquainted with Southern California, his vision of the Bella Terra as a gateway into the City, and his pride in now being a Huntington Beach resident. (02:01:35)

Todd LaPlante, resident and business owner in Huntington Beach, spoke in support of the proposed project and discussed how cities compete to attract business, and that projects in key areas are complex and diverse in the real estate market. He urged Council not to "over-broker" conditions of approval on the project, stating such decisions should be handled by staff and the developer. (02:04:50)

William Dawson spoke in opposition to the item and voiced concerns related to traffic and impacted intersections on Edinger and Goldenwest and Gothard streets. He also feels that future Ripcurl tenants will park in the mass transit station near Goldenwest College that already experiences a parking shortage, and described a need for the City to be motivated by common sense, not personal interests for a return on investment. He also discussed his view of insufficient open space and strained public resources without mitigation addressed in the EIR. (02:07:00)

Steve Dodge with Huntington Executive Park, a longtime property owner in the City, spoke in support of the item as an exciting, new core center in the northern part of town. He discussed his hopes that the mixed-use development will connect to surrounding developments, and his support of DJM as a qualified developer and long term stakeholder, urging Council to approve the project. (02:10:20)

Tom Murrin, resident near the Bella Terra, spoke in favor of the project and described how he and his sons visit the center often. He discussed Beach Boulevard improvements, new streets, and having meetings at Peet's Coffee House. He also stated his opinion that the project will increase property values and the quality of living, and his pride in being a resident of Huntington Beach, with Bella Terra as a focal point to enliven the City with a sense of civic pride and belonging. (02:11:30)

Pamela Alagata, resident since 1967 and representing Oldworld German Restaurant and the Bischoff family spoke in support of project and the concept of residential above retail. (02:14:05)

Jerrold Clarke, nearby homeowner, spoke in support of the project to revitalize the area and set precedence for surrounding development. He discussed the developer's good standing in the business community, widening of Beach Boulevard, efficient use of land, adequate parking structures, significant economic benefits through taxes, new jobs, spending and consumption, and sewer and storm drain enhancements. (02:14:50)

Pat Dawson, resident since 1987, spoke in support of development but voiced concerns about the size and scope of the project. She is concerned about Council approving projects individually rather than collectively, and discussed how area projects will bring traffic congestion. She urged Council to postpone approval and look at all projects as a whole to address traffic concerns sufficiently. (02:16:50)

Tom Andrusky, long time resident, spoke in support of the project for its economic benefits and enhanced quality of life. He discussed how the area's revitalization needs to be completed, and urged Council to move forward and approve the request. He also discussed the importance of establishing a strategic transportation plan for the Edinger Corridor. (02:19:50)

Dr. Les Mittleman spoke regarding the Planning Commission's decision to recommend a six-story building, the importance of the terms mitigation and overriding, conditions that are mandated, and his opinion the project will increase population in northern Huntington Beach and rental units will house more than one low-income family. (02:16:34)

John Stern, resident near the Bella Terra, described his engineering experience and spoke in opposition to the proposed project, stating his opinion that the project and its connecting developments (Ripcurl, Murdy Commons and the Bella Terra) should be considered collectively, not individually. He discussed the process of measuring true density and voiced concerns related to parking, railroad tracks and high electrical towers. He urged Council to request that an EIR be completed on the entire area. (02:24:51)

Robert Sternberg, President of the Goldenwest Neighborhood Association, discussed the Planning Commission's previous approval of the Ripcurl project, and his respect for the developer, DJM Capital. He stressed the importance to take action to develop the center, but voiced concerns for how the project will negatively affect surrounding neighborhoods, e.g. increased traffic and decreased public safety services. He requested that the Council not consider a ten-story structure, and consider adding additional park space. (02:28:23)

Karen Jackle, resident, business owner and former real estate developer, discussed written comments she submitted to Council on August 27 that addressed concerns within the environmental impact report related to parking, density, traffic, open space, walkability and affordable housing. She requested that parking spaces remain regulation size, stressed the importance of reciprocal access, and the developer's responsibility to pay its fair share of public transportation access. (02:31:32)

Richard Harlow, Bella Terra business associate and 38-year resident, discussed his experience on the General Plan Advisory Committee and why the project is consistent with the vision of the General Plan but requires a General Plan Amendment. He discussed the window of opportunity with a good-standing developer and urged Council to move the project forward. (02:34:48)

With no one else present to speak on the item, Mayor Cook closed the public hearing.

Councilmember Green and Director Hess discussed differences in development standards should the project be LEED certified versus a green standard established by the City, including associated costs. Mayor Cook spoke in support of requiring one building to be LEED certified, and Councilmember Hardy voiced concerns about establishing green standards without an in-house expert to guide the process, suggesting that a menu of choices be available.

Councilmember Hardy and staff discussed use of in-lieu fees to enhance park space and how park space requirements are established, based on rental/ownership status, unit square footage, land value, etc.

Councilmember Coerper asked if any City staff member is LEED certified. Director Hess responded "no," but explained that staff members have, and will continue to attend LEED workshops, and also explained the two-step process to build LEED certified and how the Specific Plan recommends one building in Phase II be LEED certified. Mayor Cook discussed financial savings on both sides of LEED certification.

Councilmember Coerper and the applicant, Mr. Parton, discussed the \$22 million dollar cost associated with the development of The Village at Bella Terra, statements of support and faith in the development and the developer, and the project's ability to draw people from other shopping venues in the area. Councilmember Coerper voiced concerns related to liability associated with walkable connections to surrounding projects. Mr. Parton discussed the complexities of the details and uncertainty of future conditions (i.e., railroad, channel crossing).

A motion was made by Coerper, second Green to approve General Plan Amendment No. 07-001 for Option 1 by adopting City Council Resolution No. 2008-69, "A Resolution of the City Council of the City of Huntington Beach, California, Approving General Plan Amendment No. 07-001;" and, approve Zoning Text Amendment No. 07-002 with findings for approval by adopting City Council Resolution No. 2008-70, "A Resolution of the City Council of the City of Huntington Beach Approving an Amendment to Specific Plan No. 13 (Zoning Text Amendment No. 07-002);" and, approve CEQA Findings of Fact with a Statement of Overriding Considerations - EIR 07-003, **as amended to include staff and Planning Commission recommendations for one (1) LEED certified building, pedestrian and bicycle reciprocal access, reference bike rack code language in its entirety within the Specific Plan, additional cost analysis by staff on above-grade connectivity, modification of Section 3.15 language to read: "As a supplement to an onsite pedestrian walkway system potential future pedestrian access such as an at-grade crossing or an above-ground crossing shall be pursued across the existing rail line on the western boundary of the site. Funding mechanisms including a fair share analysis for the Edinger Corridor shall be pursued by the City in conjunction with affected property owners;" and require an Irrevocable Offer within the development standards that makes the developer aware of the City's wishes for reciprocal access to adjacent properties.** Vote to follow.

Mayor Pro Tem Bohr voiced support for mixed-use development and suggested amending the motion to include a bicycle rack standard in Phase One. He also asked the City Attorney to confirm the Council's authority to appeal the Planning Director's decision of final site plan analysis through direct public hearing at the City Council level. City Attorney McGrath confirmed.

Councilmember Hardy discussed her support of mixed-use development, and the Council's legal abilities to evaluate and approve projects one by one and how the Specific Plan will evaluate the entire area. She addressed concerns related to traffic and density, discussed proposed shuttle service and walkability, and provided support for the project.

Councilmember Green questioned if green standards could be incorporated into the motion and remove the LEED certified commitment. Councilmember Coerper questioned the applicant for costs associated with building one structure as LEED certified. Mr. Parton questioned the intent of language changes related to reciprocal access proposed in late communication, suggesting it assumes open-ended conditions involving adjacent property owners. Mayor Pro Tem Bohr explained the language places a fair share of burden on all property owners. Mr. Parton and Manager Stachelski discussed including an "at-grade crossing if feasible" stipulation for reciprocal access across the existing rail road tracks. Director Hess referred to Specific Plan Section 3.1.5 for policy information related to reciprocal access, but explained that the language modification proposed by late communication should be located within the site plan review and simply eliminate the terms "if feasible" from the language proposed. Mr. Parton and Councilmember Bohr discussed identifying a cost cap for above-grade expenses.

Councilmember Hansen voiced support for language that protects all agencies on the reciprocal access issue. Director Smalewitz explained how many ideas factor into a bridge configuration such as design that compliments the project, suggesting that more due diligence, or possibly a Memorandum of Understanding (MOU) between Ripcurl, Bella Terra and the Agency be established. Councilmember Hansen stated his opinion that the existing reciprocal crossing language is not limiting. Planner Broeren suggested that the issue of sharing costs for reciprocal access might be addressed through a system-wide approach involving traffic analysis in both the Beach/Edinger and Crossing at Bella Terra Specific Plans. She also explained that the information included in Section 3.1.5 is a policy statement, not a development standard that limits the solutions, that conditions will be identified when the project comes through, and recommended keeping both options on the table with an open policy statement.

Director Smalewitz stated that Council may consider directing staff to research costs associated with considering above-grade access.

Councilmember Carchio discussed how he enjoys visiting Bella Terra, and his opinion that the next phase will be successful. He voiced concerns about placing unrealistic conditions on the developer, stated his support, and made reference to comments of support provided by Joyce Riddel, Aaron Pai and Ralph Bauer.

Councilmember Green stressed the importance of walkability in a mixed-use transit district, and developers sharing costs associated with providing reciprocal access between adjacent properties.

Councilmember Hansen discussed his support for the issues that reached consensus, the additional work required to evaluate alternatives and costs, and LEED certification.

Mayor Cook expressed appreciation for the City's exhibited care to build sustainable projects and pedestrian connectivity.

The motion carried by the following vote:

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

NOES: None

FINDINGS FOR APPROVAL – ZONING TEXT AMENDMENT NO. 07-002:

1. Zoning Text Amendment No. 07-002 amends the HBZSO by amending Specific Plan No. 13 to establish residential uses and design and development standards for the Bella Terra site. The proposed change will be consistent with the objectives, policies, general land uses and programs specified in the City's General Plan and the adopted Land Use Element of the General Plan because it allows mixed use development at a density and intensity appropriate for the site. The amended Specific Plan No. 13 is also compatible with surrounding development because the development standards ensure a transition in height from the lower buildings along Edinger Avenue to the highest structures on the northern portion of the site. This height is compatible with and not out of character with the Towers at Bella Terra across Center Avenue and the recently approved The Ripcurl to the west. Other development standards, also contribute to the project's compatibility by ensuring adequate common and private open space, setbacks, and landscaping for a combination residential and commercial development in an urban setting.
2. The amended Specific Plan No. 13 will enhance potential for superior urban design in comparison with development under the base district provisions that would apply if the Plan were not approved because along with the typical development standards for the overall building design, Specific Plan No. 13 also includes general goals and policies designed to implement the General Plan vision for Subarea 5A, particularly a highly articulated architecture, pedestrian oriented, shopping experience with open space plazas, and synergy between the residential and commercial uses.
3. Deviations from the base district provisions that otherwise would apply, such as maximum building height, front setbacks along Edinger Avenue, minimum unit size, and minimum common and residential open space, are justified by compensating benefits of the Specific Plan. Overall the Specific Plan Design Guidelines and Development Standards facilitate development of a high quality mixed use project with enough open space, air, light, ventilation, pedestrian connections, interesting architecture, well designed circulation, and landscaping for an enjoyable environment in which to live, work, and play. Specifically, implementation of a future mixed use project in compliance with the amended Specific Plan No. 13 will promote transformation of the Bella Terra lifestyle center into a vital Town Center Core.
4. The amended Specific Plan No. 13 includes adequate provisions for utilities, services, and emergency vehicle access; and public service demands will not exceed the capacity of existing and planned systems. Specific Plan No. 13 describes and depicts adequate provisions for the utilities and public services described above. Additionally, EIR No. 07-003 contains a complete analysis of the project's expected demands for utilities and public services and demonstrates adequate provisions to meet the project's need.

CONSENT CALENDAR

12. (City Council/Redevelopment Agency) Approved Minutes.

A motion was made by Green, second Coerper to Approve and adopt the minutes of the City Council/Redevelopment Agency Special meeting of October 30, 2008, and the City Council/Redevelopment Agency Regular meeting of November 3, 2008, as written and on file in the Office of the City Clerk. The motion carried by the following roll call vote:

AYES: Hansen, Hardy, Bohr, Cook, Coerper, and Green
NOES: None
ABSENT/OUT OF ROOM: Carchio

13. (City Council) Approved and Authorized the City Attorney to execute a retainer agreement with the law firms of Kiesel Boucher Larson, LLP, and Baron and Budd, P. C. (collectively, "Kiesel Boucher") to represent the City in collecting the unpaid transient occupancy taxes ("TOT" or "tax") from online travel companies.

Mayor Pro Tem Bohr voiced concerns related to the contingency fee base formula identified in the staff report. City Attorney McGrath explained the firm's specialized services for surrounding agencies, why the formula is a non-negotiable deal point, and that no agencies, including ours, will be responsible to pay upfront attorneys' fees. Discussion ensued on Transient Occupancy Tax (TOT) collection, future action that will create a position for a Hearing Officer, and the consultant's contingency fees if successful in collecting unpaid TOT.

A motion was made by Coerper, second Carchio to authorize the City Attorney to execute a retainer "Legal Services Agreement" with the law firms of Kiesel Boucher Larson, LLP and Baron and Budd, P. C. (collectively, "Kiesel Boucher") to represent the City in collecting the unpaid tax from the online companies. The motion carried by the following roll call vote:

AYES: Hansen, Cook, Coerper, Green, and Carchio
NOES: Bohr
ABSENT/OUT OF ROOM: Hardy

14. (City Council) Approved and Authorized the Mayor and City Clerk to execute Professional Services Contracts with: 1) AKM Consulting Engineers in an amount not to exceed \$2 Million over a three-year period, 2) Boyle Engineering Corporation in an amount not to exceed \$2 Million over a three-year period, 3) Harris and Associates in an amount not to exceed \$2 Million over a three-year period, and 4) Lee and RO, Inc. in an amount not to exceed \$2 Million over a three-year period, 5) PSOMAS in an amount not to exceed \$2 Million over a three-year period, and 6) VA Consulting, Inc. in an amount not to exceed \$2 Million over a three-year period, for "As-Needed" Engineering Services.

A motion was made by Green, second Coerper to approve and authorize the Mayor and City Clerk to execute "Professional Services Contract Between the City of Huntington Beach and AKM Consulting Engineers for As Needed Engineering Services;" and, approve and authorize the Mayor and City Clerk to execute "Professional Services Contract Between the City of Huntington Beach and Boyle Engineering Corporation for As Needed Engineering Services;" and, approve and authorize the Mayor and City Clerk to execute "Professional Services Contract Between the City of Huntington Beach and Harris and Associates for As Needed

Engineering Services;" and, approve and authorize the Mayor and City Clerk to execute "Professional Services Contract Between the City of Huntington Beach and Lee and RO, Inc. for As Needed Engineering Services;" and, approve and authorize the Mayor and City Clerk to execute "Professional Services Contract Between the City of Huntington Beach and PSOMAS for As Needed Engineering Services;" and, approve and authorize the Mayor and City Clerk to execute "Professional Services Contract Between the City of Huntington Beach and VA Consulting, Inc. for As Needed Engineering Services." The motion carried by the following roll call vote:

AYES: Hansen, Hardy, Bohr, Cook, Coerper, and Green
NOES: None
ABSENT/OUT OF ROOM: Carchio

15. (City Council) Adopted Resolution No. 2008-71 Amending the Comprehensive Fee Schedule to establish interim parking fees for use at the Strand Parking Structure until the Strand is officially fully operational in April, 2009.

A motion was made by Green, second Coerper to adopt Resolution No. 2008-71, "A Resolution of the City Council of the City of Huntington Beach Amending Resolution No. 2007-60 Entitled, 'A Resolution of the City Council of the City of Huntington Beach Establishing a Citywide Schedule for Charges for Facility Rentals and Recreation Services and Repealing Resolution 2005-76 and all Supplemental Resolutions Thereto' (Supplemental Fee Resolution No. 3);" **as amended by late communication to amend the comprehensive fee schedule for the Strand Parking Structure interim fee.** The motion carried by the following roll call vote:

AYES: Hansen, Hardy, Bohr, Cook, Coerper, and Green
NOES: None
ABSENT/OUT OF ROOM: Carchio

16. (City Council) Considered increasing in the change order limit to twenty six percent (26%), or \$1,050,000 for the Newland Avenue Widening Project; considered approving a revised scope of work to omit the underground component of utility poles along the east side of Newland Avenue, excluding the area at the flood control channel; considered approving the reallocation of \$100,000 from the approved Gas Tax unappropriated fund balance to the project account Traffic Impact Fund; and considered reallocating \$350,000 from the approved supplemental expenses balance to the change orders budget.

Councilmember Hansen pulled the item to express concerns related to the Newland Avenue widening project and undergrounding of utility. He moved the alternative motion, and also recommended direction that staff negotiate with utilities to pay their fair share towards the burden of the change order.

Councilmember Green and Travis Hopkins, Director of Public Works, discussed cost estimates and the City's responsibility to pay the contractor for additional costs for services not originally identified in the original bid. He also identified time constraints if the City decides to negotiate change order costs with utility companies.

A motion was made by Hansen, second Hardy to approve **alternative action**, approving the expanded project scope to include additional underground dry utilities for electric and communication services. This would increase the approved change order amount to 48% and

require the allocation of \$1,000,000 of Gas Tax funds from fiscal year 08/09 Arterial Rehabilitation Project to the Newland Avenue Widening, Account No. 20690002.82300. In addition, funds in the amount of \$350,000 would need to be reallocated from the project supplement expenses balance to change orders. The motion carried by the following roll call vote:

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

17. (City Council) Adopted Resolution No. 2008-68 amending user fees by creating an initial fee and an annual renewal fee for news racks in the Downtown Specific Plan.

A motion was made by Green, second Coerper to adopt Resolution No. 2008-68, "A Resolution of the City Council of the City of Huntington Beach Amending Resolution No. 2007-58 Entitled, 'A Resolution of the City Council of the City of Huntington Beach Establishing a Citywide User Fees Schedule and Repealing Resolution No. 2005-74 and All Supplemental Resolutions Thereto' and Establishing a New User Fee for Newsracks in the Downtown Specific Plan Boundary." The motion carried by the following roll call vote:

AYES: Hansen, Hardy, Bohr, Cook, Coerper, and Green
NOES: None
ABSENT/OUT OF ROOM: Carchio

18. (City Council) Adopt Resolution No. 2008-72 Approving and Implementing the Memorandum of Understanding (MOU) Between the City and the Huntington Beach Fire Management Association (FMA) Covering the Period July 1, 2008 Through June 30, 2012.

A motion was made by Green, second Coerper to adopt Resolution No. 2008-72, "A Resolution of the City Council of the City of Huntington Beach Approving and Implementing the Memorandum of Understanding Between the Huntington Beach Fire Management Association and the City of Huntington Beach for July 1, 2008 through June 30, 2012;" **as amended by late communication to correct errors identified within the MOU on page 2, Article IV, page 8, Article VII, page 11, Article IX (3) B, and pages 14 and 15, Article IX (6) C.** The motion carried by the following roll call vote:

AYES: Hansen, Hardy, Bohr, Cook, Coerper, and Green
NOES: None
ABSENT/OUT OF ROOM: Carchio

19. (City Council) Received and filed the City Attorney's Quarterly Report of activity for July 1, 2008 through September 30, 2008.

A motion was made by Green, second Coerper to receive and file the City Attorney's Quarterly Report for July 1, 2008 through September 30, 2008. The motion carried by the following roll call vote:

AYES: Hansen, Hardy, Bohr, Cook, Coerper, and Green
NOES: None
ABSENT/OUT OF ROOM: Carchio

ORDINANCES FOR INTRODUCTION

20. (City Council) Approved for Introduction Ordinance No. 3818 amending Huntington Beach Municipal Code (HBMC) Chapter 2.97 relating to the Citizens Participation Advisory Board (CPAB) by aligning the activities of the board to the grant year, and to revise the text to simplify the code.

A motion was made by Coerper, second Green to after City Clerk reads by title, approve for introduction Ordinance No. 3818, "An Ordinance of the City of Huntington Beach Amending Chapter 2.97 of the Huntington Beach Municipal Code Relating to the Citizens Participation Advisory Board (CPAB)." The motion carried by the following roll call vote:

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

ORDINANCES FOR ADOPTION

21. (City Council) Adopted Ordinance No. 3819 Amending the Huntington Beach Zoning and Subdivision Ordinance by Adding Chapter 218, Mixed Use-Transit Center District (Zoning Text Amendment No. 07-004.) Approved for Introduction November 10, 2008.

Councilmember Hansen addressed concerns by Mr. Cross during public comments about transit centers off of Pacific Coast Highway.

A motion was made by Green, second Coerper to after City Clerk reads by title, adopt Ordinance No. 3819, "An Ordinance of the City of Huntington Beach Amending the Huntington Beach Zoning and Subdivision Ordinance by Adding Chapter 218, Mixed Use-Transit Center District (Zoning Text Amendment No. 07-004);" **as amended by late communication to correct a typographical error in Exhibit A of Ordinance No. 3819.** The motion carried by the following roll call vote:

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

22. (City Council) Adopted Ordinance No. 3820 Amending District Map 15 (Sectional District Map 14-5-11) to rezone the real property generally located at the southeast corner of Gothard Street and Center Avenue from CG (Commercial General) to MU-TCD (Mixed Use-Transit Center District) (Zoning Map Amendment No. 07-001. Approved for Introduction November 10, 2008.

A motion was made by Green, second Carchio to after City Clerk reads by title, adopt Ordinance No. 3820, "An Ordinance of the City of Huntington Beach Amending District Map 15 (Sectional District Map 14-5-11) to Rezone the Real Property Generally Located at the Southeast Corner of Gothard Street and Center Avenue from CG (Commercial General to MU-TCD (Mixed Use-Transit Center District) (Zoning Map Amendment No. 07-001.)" The motion carried by the following roll call vote:

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

COUNCILMEMBER ITEMS

23. (City Council) Request submitted by Councilmember Cathy Green and Councilmember Gil Coerper approved requesting the City Attorney to prepare an ordinance revising the Municipal Code to discourage door-to-door solicitation at the discretion of the homeowner.

Councilmember Green explained how a citizen had approached Council to request assistance in enforcing solicitation of door-to-door materials at private residents. The request evolved into a request to revise the municipal code language to discourage solicitation at the discretion of the property owner, and revised solicitation sign language that informs solicitors of illegal placement of materials on private property.

Mayor Pro Tem Bohr asked for clarification. Councilmember Green explained that the request will allow someone to place a sign on their private residence that prohibits public solicitation practices.

A motion was made by Green, second Coerper to direct the City Attorney to prepare an ordinance revising the solicitation sign language. The motion carried by the following roll call vote:

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

24. (City Council) Submitted by Councilmember Gil Coerper requesting that Council establish an ad-hoc committee to focus on improving the environment in the downtown area during the summer months, holidays, and weekend nights.

Councilmember Coerper discussed establishing a Downtown Ad Hoc Committee to address nightlife issues involving noise and disorderly conduct after 10:00 p.m., and whether to consider involving the Economic Development Committee (EDC).

Mayor Cook voiced concerns related to utilizing additional staff and Council time to form a committee similar to the EDC, stating it would make more sense to use the EDC, or disband it and form a different committee dedicated to the issues identified. Councilmember Coerper stated that the committee would be temporarily formed for a 9-month to one-year period.

Councilmember Hansen opposed formation of a second committee, recommending that the issues be addressed by the EDC. However, he volunteered to participate if Council approves the formation. Councilmember Hardy discussed how subcommittees formed through the EDC did not include members of the Council, citing past committee work on Surf City Nights. Councilmember Carchio stated his opinion that issues brought before the EDC remain unresolved, and voiced support for a new ad hoc committee. Mayor Cook described action taken by the EDC, and how decisions can be stalled before any committee.

Mayor Pro Tem Bohr discussed downtown businesses receiving more education of existing regulations that address the issues identified, with the City responsible for enforcement. He supports a committee to provide awareness, and volunteered his participation.

Councilmember Coerper asked Chief Small to provide his opinion of whether an ad hoc committee would benefit the Police Department. Chief Small stated the downtown is in a better position today than it was in 2002, explaining that when Police items are individually communicated, follow-up is slow. He stated his support for Council collaboration on Police Department ideas, stating they have more credibility if endorsed by the Council.

Councilmember Coerper recommended appointing Councilmembers Hansen, Carchio and Green to the ad hoc committee.

A motion was made by Coerper, second Green to establish an ad-hoc committee consisting of three Council Members, six members at large from the community, and six BID members fairly representing each of the first three blocks of Main Street (retail and restaurant), to focus on improving the environment in the downtown area during the summer months, holidays, and weekend nights, **Coerper appointing Councilmembers Hansen, Carchio and Bohr.**

A substitute motion was made by Cook, second Hansen to eliminate the Downtown EDC and establish a standing committee consisting of three Council Members, six members at large from the community appointed by Council as a whole, and six BID members fairly representing each of the first three blocks of Main Street (retail and restaurant), to focus on improving the environment in the downtown area during the summer months, holidays, and weekend nights, and meet at a time convenient to everyone. Vote to follow.

Councilmember Hansen agrees with addressing issues downtown by committee action, and supports the Mayor Cook's substitute motion.

Mayor Pro Tem Bohr voiced opposition to disbanding the Downtown EDC Committee.

Councilmember Coerper clarified that newly formed committee should be considered a standing committee if it replaces the Downtown EDC.

The substitute motion carried by the following vote:

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

COUNCILMEMBER COMMENTS (Not Agenized)

Councilmember Carchio recognized Huntington Beach Fire Fighters Don Bolen and Police Officers Jason Lewis and Kreg Muller who practiced life-saving techniques on General William Lyons during a medical crisis he experienced at a recent social function in Irvine.

Councilmember Green thanked Veteran's groups for Veterans' Day ceremonies.

ADJOURNMENT - 10:30 p.m.

Mayor Cook adjourned at 10:30 PM to Monday, December 1, 2008, at 6:00 PM in Council Chambers, 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-Clerk