

**MINUTES
CITY COUNCIL OF THE CITY OF LA HABRA
ADJOURNED REGULAR MEETING**

**&
REGULAR MEETING**

Monday, March 02, 2020

APPROVED: These Minutes were approved on March 16, 2020.

ADJOURNED REGULAR MEETING 4:00 P.M.:

CALL TO ORDER: Mayor Pro Tem Espinoza called the Adjourned Regular Meeting of the City Council of the City of La Habra to order at 4:00 p.m. in the Administrative Conference Room 210, 2nd Floor, 110 East La Habra Boulevard, La Habra, California.

COUNCILMEMBERS PRESENT: Mayor Pro Tem Espinoza
Councilmember Gomez
Councilmember Medrano
Councilmember Shaw

COUNCILMEMBERS ABSENT: Mayor Beamish (excused)

OTHER OFFICIALS PRESENT: City Manager Sadro
City Clerk Swindell

- I. Conduct interviews for annual expiring terms on the Planning Commission and the Community Services Commission, one unscheduled vacancy on the Community Services Commission, and two alternates each for the Community Services Commission and the Planning Commission.

Interviews were conducted with the following applicants: Marie Laveaga, Gary Martinez, Michelle Bernier, Jimmy Andreoli II, Jose Gomez, Esther Rojas, and Kathy Felix.

- II. **ADJOURNMENT:** Mayor Pro Tem Espinoza adjourned the Adjourned Regular Meeting at 5:15 p.m.

REGULAR MEETING 6:30 P.M.:

CALL TO ORDER: Mayor Beamish called the Regular Meeting of the City Council of the City of La Habra to order at 6:30 p.m. in the City Council Chamber, 100 East La Habra Boulevard, La Habra, California.

INVOCATION: City Attorney Jones

PLEDGE OF ALLEGIANCE: Councilmember Medrano

COUNCILMEMBERS PRESENT: Mayor Beamish
Mayor Pro Tem Espinoza

Councilmember Gomez
Councilmember Medrano
Councilmember Shaw
COUNCILMEMBERS ABSENT: None
OTHER OFFICIALS PRESENT: City Manager Sadro
City Attorney Jones
City Clerk Swindell
Assistant City Clerk Barone

CLOSED SESSION ANNOUNCEMENT: None

I. PROCLAMATIONS/PRESENTATIONS:

- a. Proclaim March 2020 as “Women’s History Month” in the City of La Habra.

Mayor Beamish invited the City Council and representatives of the La Habra Women’s Club to join him at the front of the dais. Natalie Skullr-White, La Habra Women’s Club, spoke regarding community services done by the Club, and she accepted the proclamation.

Mayor Beamish delivered a public service announcement regarding the Novel Coronavirus (COVID-19) to provide La Habra residents accurate information against what social media is advertising. Mayor Beamish provided the website addresses to the following agencies: Orange County Health Care Agency, Centers for Disease Control, and the World Health Organization and encouraged residents to visit these sites in order to obtain up-to-date information about this infectious virus and preventative tips.

II. PUBLIC COMMENTS:

Cherise Wiessner, La Habra Council Parent Teacher Association (PTA), made an announcement that Mayor Pro Tem Espinoza was chosen to receive the “You Are a Star” award, an honorary service award in recognition of her outstanding service and dedication to the children, youth, and community. Cherise Wiessner, on behalf of the La Habra Council PTA, congratulated Mayor Pro Tem Espinoza.

III. CONSENT CALENDAR:

Moved by Mayor Pro Tem Espinoza, seconded by Councilmember Shaw, and CARRIED UNANIMOUSLY (5-0) TO APPROVE CONSENT CALENDAR ITEMS III.1 THROUGH III.5.

Said motion CARRIED by the following roll call vote:

AYES: Mayor Beamish, Mayor Pro Tem Espinoza, Councilmember Gomez,
Councilmember Medrano, Councilmember Shaw
NOES: NONE
ABSENT: NONE
ABSTAIN: NONE

A. PROPOSED ITEMS:

1. PROCEDURAL WAIVER: Waive reading in full of resolutions and ordinances and approval and adoption of same by reading title only.
2. Approve City Council Minutes of:
 - a. December 16, 2019
 - b. January 21, 2020
 - c. February 3, 2020
3. Approve denial of claim for Deborah Lopez for Bodily Injury.
4. Approve and authorize City Manager to renew the City's excess Workers' Compensation reinsurance with Safety National Casualty with a policy limit of \$50 million and a Self-Insured Retention (SIR) of \$1 million for all employees, including police employees, at an annual premium cost of \$109,896 for the period of March 20, 2020 through March 20, 2021.
5. WARRANTS: Approve Nos. 00124795 through 00124953 totaling \$3,311,101.76.

IV. CONSENT CALENDAR ITEMS REMOVED FOR SEPARATE DISCUSSION: None

Mayor Beamish stated that Consideration Item No. VI. 2 would be considered prior to the Public Hearing.

V. PUBLIC HEARINGS:

1. Duly noticed public hearing to consider Zone Change 19-03 for an ordinance modifying La Habra Municipal Code Title 18 ("Zoning"), Chapter 18.22 ("Commercial Cannabis Activity") to allow for commercial non-storefront retailer cannabis facilities and modifications to existing development standards. The proposed modifications to Chapter 18.22 are exempt from the California Environmental Quality Act pursuant to Business and Professional Code Section 26055(h), "Without limiting any other statutory exemption or categorical exemption, Division 13 (commencing with Section 21000) of the Public Resources Code does not apply to the adoption of an Ordinance, rule, or regulation by a local jurisdiction that requires discretionary review and approval of permits, licenses, or other authorizations to engage in commercial cannabis activity. To qualify for this exemption, the discretionary review in any such law, ordinance, rule, or regulation shall include any applicable environmental review pursuant to Division 13 (commencing with Section 21000) of the Public Resources Code. This subdivision shall become inoperative to July 1, 2021."

Community and Economic Development Deputy Director Jaramillo presented the staff report. He noted a correction to Page 3, Paragraph 4 of Attachment 9, the draft ordinance included with the staff report, which incorrectly reflected a unanimous (5-0) vote by the Planning Commission in favor to recommend that City Council approve the zone change; and that it should be corrected to a vote of three ayes and one no (3-1).

City Council discussion included: confirmation of revenues received from the existing cannabis distribution center in the city; verification of two other companies, Canna America and Pinnacle Wellness, that were currently interested in opening cannabis distribution centers in the city;

potential revenues from proposed non-storefront cannabis retailer cannabis facilities; number of testing facilities; public safety concerns; federal government tax enforcement of state-licensed cannabis operators; confirmation of the number vehicles currently making deliveries to the City from non-storefront cannabis retail distribution companies located outside of La Habra; recent police activity for cannabis related crimes in the City of Irvine and the City of Santa Ana; illegal cannabis product content concerns; and review of the number of distribution and testing facilities and permits in the city.

Mayor Beamish invited the public to testify at 7:06 p.m.

Dana Cisneros, Cannabis Corporate Law Firm, spoke in support of this item. She requested that the proposed number of licenses be increased from two to four. She noted that federal legalization of cannabis is expected within the next two to five years. She stated that the state enforces cannabis operators without a license.

Rick Casas, Chief Executive Officer of Medical Cannabis Education Center (MCEC), spoke regarding his interest in establishing a business in the City. He noted past and projected revenues from the current MCEC locations. He stated that his company does 80-120 deliveries per day south of the City of Fontana.

Marty Simonoff, Ad Hoc Fiscal Review Committee Member, Mayor of the City of Brea, and former police officer, spoke regarding City of Brea study session regarding commercial cannabis manufacturing activity discussions, and indicated the City had not taken any action.

City Attorney Jones confirmed that based on prior and current practices, the city had limited legal exposure if City Council approved this proposed item; even though it was considered illegal by the federal government.

Mayor Beamish closed the public hearing at 7:19 p.m.

Moved by Councilmember Shaw, seconded by Councilmember Beamish, AND FAILED (2-3) TO APPROVE FIRST READING OF THE ORDINANCE ENTITLED: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LA HABRA, COUNTY OF ORANGE, CALIFORNIA, APPROVING ZONE CHANGE 19-03 MODIFYING LA HABRA MUNICIPAL CODE TITLE 18 ("ZONING"), CHAPTER 18.22 ("COMMERCIAL CANNABIS ACTIVITY") TO ALLOW FOR COMMERCIAL NON-STOREFRONT RETAILER CANNABIS FACILITIES AND MODIFICATIONS TO EXISTING DEVELOPMENT STANDARDS WITH A LIMIT OF FOUR LICENSES.

Said motion FAILED by the following roll call vote:

AYES: Mayor Beamish, Councilmember Shaw

NOES: Mayor Pro Tem Espinoza, Councilmember Gomez, Councilmember Medrano

ABSENT: NONE

ABSTAIN: NONE

Moved by Councilmember Shaw, seconded by Councilmember Beamish, AND FAILED (2-3) TO APPROVE FIRST READING OF THE ORDINANCE ENTITLED: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LA HABRA, COUNTY OF ORANGE, CALIFORNIA, APPROVING ZONE CHANGE 19-03 MODIFYING LA HABRA MUNICIPAL CODE TITLE 18 ("ZONING"), CHAPTER 18.22 ("COMMERCIAL CANNABIS ACTIVITY") TO ALLOW FOR COMMERCIAL

NON-STOREFRONT RETAILER CANNABIS FACILITIES AND MODIFICATIONS TO EXISTING DEVELOPMENT STANDARDS WITH A LIMIT OF TWO LICENSES.

Said motion FAILED by the following roll call vote:

AYES: Mayor Beamish, Councilmember Shaw
NOES: Mayor Pro Tem Espinoza, Councilmember Gomez, Councilmember Medrano
ABSENT: NONE
ABSTAIN: NONE

VI. CONSIDERATION ITEMS:

1. Consider the Annual Report on the City of La Habra General Plan for Calendar Year 2019.

Senior Planner Schaefer provided the staff report and a brief PowerPoint presentation regarding City accomplishments in Calendar Year 2019.

City Council discussion included: opposition to Section B11 Inclusionary Housing Ordinance of the Annual Report on the City of La Habra General Plan 2019, an explanation of Inclusionary Housing; confirmation that if the item was approved that staff would return to the City Council at a later date with an ordinance that contains Inclusionary Housing for consideration; clarification that there was no requirement to adopt inclusionary housing.

Mayor Beamish invited the public to testify at 7:57 p.m. There was no testimony so the Mayor Beamish closed public testimony at 7:58 p.m.

Moved by Mayor Beamish, seconded by Councilmember Shaw, and CARRIED UNANIMOUSLY (5-0) TO RECEIVE AND FILE THE ANNUAL REPORT ON THE CITY OF LA HABRA GENERAL PLAN FOR CALENDAR YEAR 2019; AND AUTHORIZE THE DIRECTOR OF COMMUNITY AND ECONOMIC DEVELOPMENT TO FORWARD THE DOCUMENT TO THE GOVERNOR'S OFFICE OF PLANNING AND RESEARCH AND THE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT PER GOVERNMENT CODE SECTION 65400(b)(1).

Said motion CARRIED unanimously by the following roll call vote:

AYES: Mayor Beamish, Mayor Pro Tem Espinoza, Councilmember Gomez,
Councilmember Medrano, Councilmember Shaw
NOES: NONE
ABSENT: NONE
ABSTAIN: NONE

Mayor Beamish stated that Consideration Item No. VI. 2 would be considered prior to the Public Hearing.

2. Consider the Ad Hoc Fiscal Review Committee Report.

Assistant to the City Manager Ferrier provided the staff report. He thanked Committee members and staff for their participation in this process.

Mayor Beamish invited the public to testify at 6:50 p.m.

Steve Simonian, Chair of the Ad Hoc Fiscal Review Committee, on behalf of Vice Chair Dr. Michael Blazey and himself, thanked City Council for appointing them to the Ad Hoc Fiscal Review Committee. He spoke regarding his service on the Ad Hoc Fiscal Review Committee. He thanked the City Council, staff, and Committee members for their support and efforts.

Councilmember Shaw stated that Ad Hoc Fiscal Review Committee Member and Vice Chair Dr. Michael Blazey was unable to attend tonight's meeting. Councilmember Shaw noted that he had received, and was asked to read, a letter from Dr. Blazey thanking the City Council for his appointment, declaring his support of the Committees suggestions, and thanking Committee members and staff for their support.

Mayor Beamish spoke regarding potential new revenue sources, and the primary and secondary recommendations made by the Committee.

Mayor Beamish closed public testimony at 6:55 p.m.

Moved by Councilmember Gomez, seconded by Mayor Pro Tem Espinoza, and UNANIMOUSLY CARRIED (5-0) TO RECEIVE AND FILE THE AD HOC FISCAL REVIEW COMMITTEE REPORT AND DIRECT STAFF TO LOOK INTO THE AD HOC FISCAL REVIEW COMMITTEE REPORT AND THE RECOMMENDATIONS FOR REVENUE ENHANCEMENTS TO ADDRESS THE CITY'S FINANCIAL CRISIS, TO INVESTIGATE ALL POLICY SUGGESTIONS, PROVIDE FURTHER STUDY, AND BRING BACK TO CITY COUNCIL.

Said motion CARRIED unanimously by the following roll call vote:

AYES: Mayor Beamish, Mayor Pro Tem Espinoza, Councilmember Gomez,
Councilmember Medrano, Councilmember Shaw

NOES: NONE

ABSENT: NONE

ABSTAIN: NONE

3. Consider the proposed City of La Habra Goals and Objectives for Fiscal Year 2020-2021.

Assistant to the City Manager Ferrier provided the staff report.

Mayor Beamish invited the public to testify at 8:00 p.m. There was no testimony so Mayor Beamish closed public testimony at 8:00 p.m.

City Council discussion included: relevancy of the proposed La Habra Goals and Objectives with regards to the Ad Hoc Fiscal Review Committee recommendations.

Moved by Mayor Pro Tem Espinoza, seconded by Mayor Beamish, and CARRIED UNANIMOUSLY (5-0) TO APPROVE THE PROPOSED CITY OF LA HABRA GOALS AND OBJECTIVES FOR FISCAL YEAR 2020-2021.

Said motion CARRIED unanimously by the following roll call vote:

AYES: Mayor Beamish, Mayor Pro Tem Espinoza, Councilmember Gomez,
Councilmember Medrano, Councilmember Shaw

NOES: NONE

ABSENT: NONE

ABSTAIN: NONE

VII. MAYOR'S COMMUNITY CALENDAR:

Mayor Beamish made the following announcements:

- Walk for Water, in support of the Thirst Project, sponsored by the Washington Middle School Water Guardians – Saturday, March 7, 9:00 a.m. – 1:00 p.m. at Downey High School.
- La Habra Races - Saturday, March 16, beginning at 7:00 a.m. The event will feature a 5K, 1K Kiddy Run, and 50-Yard “Diaper Dash.”
- La Habra Spring Family Eggstravaganza – Saturday, April 11, 8:00 a.m. – 12:00 p.m. at La Bonita Park.
- La Habra Community Survey for residents to provide service priorities in preparation for the Fiscal Year 2020-2021 City of La Habra Budget.

VIII. COMMENTS FROM STAFF: None

IX. COMMENTS FROM COUNCILMEMBERS:

Mayor Beamish and all City Councilmembers reported that they attended the La Habra Chamber of Commerce “State of the Community” held on Friday, February 21, 2020, at City Hall.

Councilmember Medrano stated he would be participating in the La Habra Races and that he attended the La Habra High School Boys Soccer CIF Championships. He directed staff to report back to the City Council at a future meeting to consider the elimination of the need for cannabis testing, and limit warehousing licenses to three, in consideration of the two existing applicants. Councilmember Gomez concurred with Councilmember Medrano on his staff direction regarding cannabis.

Councilmember Shaw thanked staff and others who were involved in the recent dedication ceremony for the Steven Anderson Place street sign.

Mayor Pro Tem Espinoza thanked the Ad Hoc Fiscal Review Committee Members for their dedication and hard work. She thanked the La Habra Council Parent Teacher Association (PTA) for surprising her with the upcoming “You Are a Star” Award recognition.

Mayor Beamish stated that he attended the La Habra High School Boys Soccer CIF Championships. He thanked the Ad Hoc Fiscal Review Committee Members for their dedication and hard work. He announced that a local emergency was declared by the Orange County Board of Supervisors on Wednesday, February 26, 2020, as part of the County’s broader preparedness efforts related to the Novel Coronavirus, or COVID-19, and every day prevention tips and web site outreach resources were provided.

- X. ADJOURNMENT:** Mayor Beamish adjourned the meeting at 8:15 p.m. to Monday, March 16, 2020, at 4:00 p.m. in the Administrative Conference Room 210, 2nd Floor, 110 East La Habra Boulevard, La Habra, California for Commission Interviews, followed by the Adjourned Regular Meeting in the Closed Session Room, 112C, 110 East La Habra Boulevard at 5:30 p.m., followed by City Council meeting at 6:30 p.m. in City Council Chamber.

Respectfully submitted,

Laurie Swindell, CMC
City Clerk