

MINUTES
LA HABRA UTILITY AUTHORITY
ADJOURNED REGULAR MEETING
&
REGULAR MEETING
&
REGULAR JOINT MEETING WITH THE
CITY COUNCIL OF THE CITY OF LA HABRA,
SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY
OF THE CITY OF LA HABRA,
LA HABRA CIVIC IMPROVEMENT AUTHORITY, AND
CITY OF LA HABRA HOUSING AUTHORITY

Monday, March 15, 2021

PRELIMINARY: These Minutes to be considered for approval on June 21, 2021.

REGULAR MEETING 6:30 P.M.:

CALL TO ORDER: Mayor/Director Espinoza called the Regular Meeting of the City Council of the City of La Habra and Regular Joint Meeting with the Successor Agency to the Redevelopment Agency of the City of La Habra, La Habra Civic Improvement Authority, City of La Habra Housing Authority, and La Habra Utility Authority to order at 6:30 p.m. in the City Council Chamber, located at 100 East La Habra Boulevard, La Habra, California.

INVOCATION: City Attorney/Legal Counsel Jones

PLEDGE OF ALLEGIANCE: Mayor/Director Espinoza

COUNCILMEMBERS PRESENT: Mayor/Director Espinoza
Mayor Pro Tem/Director Medrano
Councilmember/Director Gomez
Councilmember/Director Shaw
Councilmember/Director Simonian

COUNCILMEMBERS ABSENT: None

OTHER OFFICIALS PRESENT: City Manager/Executive Director Sadro
City Attorney/Legal Counsel Jones
City Clerk/Secretary Swindell
Assistant City Clerk Barone

CLOSED SESSION ANNOUNCEMENT: None

PROCLAMATIONS/PRESENTATIONS: None at this time.

PUBLIC COMMENTS: None

CONSENT CALENDAR:

Moved by Councilmember/Director Gomez, seconded by Councilmember/Director Simonian, and CARRIED UNANIMOUSLY (5-0) TO APPROVE CONSENT CALENDAR ITEMS 1 THROUGH 8; SUCCESSOR AGENCY ITEM 1; CIVIC IMPROVEMENT AUTHORITY ITEM 1; HOUSING AUTHORITY ITEM 1; UTILITY AUTHORITY ITEM 1; AND CITY COUNCIL, AGENCY & AUTHORITIES ITEM 1.

Said motion CARRIED by the following roll call vote:

AYES: Mayor/Director Espinoza, Mayor Pro Tem/Director Medrano,
Councilmember/Director Gomez, Councilmember/Director Shaw,
Councilmember/Director Simonian
NOES: NONE
ABSENT: NONE
ABSTAIN: NONE

CITY COUNCIL, AGENCY & AUTHORITIES:

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 MEETING MINUTES

That the City Council approve City Council Meeting Minutes of:

- August 17, 2020
- January 4, 2021

3. RECEIVE AND FILE PLANNING COMMISSION MEETING MINUTES

That the City Council receive and file the Planning Commission Meeting Minutes of:

- January 11, 2021
- January 25, 2021

4. APPROVE COMMUNITY SERVICES COMMISSION MEETING MINUTES

That the City Council approve Community Services Commission Meeting Minutes of:

- July 8, 2020
- August 12, 2020
- September 9, 2020
- October 14, 2020
- November 18, 2020
- December 9, 2020
- January 13, 2021

5. APPROVE THE CITY'S EXCESS WORKERS' COMPENSATION INSURANCE POLICY RENEWAL WITH SAFETY NATIONAL CASUALTY FOR A ONE-YEAR TERM FROM MARCH 20, 2021 THROUGH MARCH 20, 2022

That the City Council authorize the 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), or deductible, of \$1 million per claim for all employees at an annual premium cost of \$187,988 for the period of March 20, 2021 through March 20, 2022.

6. APPROVE THE SECOND READING AND ADOPTION OF **ORDINANCE NO. 1832** ENTITLED: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LA HABRA, COUNTY OF ORANGE, CALIFORNIA, APPROVING ZONE CHANGE 21-01 AMENDING LA HABRA MUNICIPAL CODE TITLE 18 ("ZONING"), CHAPTER 18.22 ("COMMERCIAL CANNABIS ACTIVITY") TO MODIFY EXISTING DEVELOPMENT STANDARDS

7. APPROVE THE LA HABRA HOST LIONS CLUB LEASE AGREEMENT

That the City Council approve and authorize the City Manager to execute a lease agreement with the La Habra Host Lions Club for the use of the City-owned Veteran's Hall, located at 209 North Orange Street for a period of one year from March 15, 2021 through March 14, 2022, with the option of five additional one-year renewals.

8. WARRANTS: APPROVE NOS. 00129018 THROUGH 00129226 TOTALING \$694,001.07; AND WIRE TRANSFERS: APPROVE WIRE TRANSFER DATES 3/31/21 TOTALING \$335,779.77

Approve Nos.00129018 through 00129226 totaling \$694,001.07; and Approve Wire Transfers Dates 3/31/21 totaling \$335,779.77.

SUCCESSOR AGENCY:

1. APPROVE SUCCESSOR AGENCY MEETING MINUTES

That the Successor Agency approve Successor Agency to the Redevelopment Agency of the City of La Habra Meeting Minutes of:

- January 4, 2021
- January 19, 2021
- February 1, 2021
- February 16, 2021
- March 1, 2021

CIVIC IMPROVEMENT AUTHORITY:

1. APPROVE CIVIC IMPROVEMENT AUTHORITY MEETING MINUTES

That the Civic Improvement Authority approve the La Habra Civic Improvement Authority Meeting Minutes of:

- January 4, 2021
- January 19, 2021
- February 1, 2021
- February 16, 2021
- March 1, 2021

HOUSING AUTHORITY:

1. APPROVE HOUSING AUTHORITY MEETING MINUTES

That the Housing Authority approve the City of La Habra Housing Authority Meeting Minutes of:

- January 4, 2021
- January 19, 2021
- February 1, 2021
- February 16, 2021

UTILITY AUTHORITY:

1. APPROVE UTILITY AUTHORITY MEETING MINUTES

That the Utility Authority approve La Habra Utility Authority Meeting Minutes of:

- January 4, 2021
- January 19, 2021
- February 1, 2021
- February 16, 2021
- March 1, 2021

CITY COUNCIL, AGENCY & AUTHORITIES:

1. RECEIVE AND FILE THE FISCAL YEAR 2019-2020 AUDITED ANNUAL FINANCIAL REPORTS

That the City Council, Agency and Authorities:

- A. Receive and file the audited Fiscal Year 2019-2020 Comprehensive Annual Financial Report (CAFR) for the City of La Habra; and
- B. Receive and file the audited Fiscal Year 2019-2020 Annual Financial Report for the La Habra Utility Authority.

CONSENT CALENDAR ITEMS REMOVED FOR SEPARATE DISCUSSION: None.

PUBLIC HEARINGS:

CITY COUNCIL:

1. DULY NOTICED PUBLIC HEARING TO CONSIDER ZONE CHANGE 20-03 AMENDING TITLE 18 ("ZONING") OF THE LA HABRA MUNICIPAL CODE (LHMC) BY ADDING CHAPTER 18.82 ("INCLUSIONARY HOUSING UNITS")

Director of Community & Economic Development Ho introduced Senior Planner Schaefer who presented the staff report.

Director of Community & Economic Development Ho stated that Scott Porter, Deputy City Attorney with the Law Offices of Jones & Mayer, was available to answer questions. Mr. Ho gave an update that the City of La Habra Regional Housing Needs Assessment (RHNA) affordable units increased from 803 to 804 due to the above moderate-income level increase from 365 to 366 affordable units. He clarified that City Council was considering the establishment of a City-wide housing policy. He noted that if the proposed ordinance was adopted it communicates supporting providing more affordable housing for the community and establishing a tool to meet RHNA numbers. He confirmed that an Inclusionary Housing ordinance was not needed for the City to meet RHNA numbers. He added that historically it had been difficult to meet all of the RHNA numbers that Southern California Association of Governments (SCAG) has allotted and categorized for each community. He stated that the proposed Inclusionary Housing ordinance would provide reassurances that for any type of development above 10-units, that it would be guaranteed that at least 15 percent of those units would be attributed towards meeting RHNA numbers.

City Council discussion included: impacts to surrounding cities that have adopted the Inclusionary Housing ordinance and project in-lieu fees per square foot charged by those cities; potential reduction of in-lieu of fees; clarification of RHNA compliance; potential litigation should the City not achieve its RHNA numbers; potential benefits to developers and the community; possible equity for the City and developers; collaboration and negotiation with builders for an agreed-upon number of affordable units; potential impacts of the proposed ordinance that could cause an affordable housing shortage and/or a decrease in property values; request for additional data and studies; and ability for the City to comply with RHNA with or without an Inclusionary Housing ordinance at this time.

Deputy City Attorney Scott Porter confirmed that if the proposed ordinance was not approved and the City does not achieve its numbers in the RHNA cycle then in the next cycle there could be long-term impacts such as: a shortened cycle to redo the Housing Element; loss of grant funding; or a number of enforcement actions that could occur. He concurred with Councilmember Shaw regarding the fact that the City needs to zone to meet RHNA numbers and have met the requirements now, but would they be met in the future. He stated that this item was not urgent and could be addressed at a future City Council meeting. He confirmed that there were other mechanisms to achieve RHNA numbers.

Mayor Espinoza opening the public hearing at 6:51 p.m.

Steve LaMotte, Executive Officer of the Building Industry Association of Orange County (BIAOC), submitted a public comment/letter via email from BIAOC and on behalf of: California Apartment Association, Orange County Business Council, Orange County Taxpayers Association, and the Manufactured Housing Educations Trust. He spoke in opposition to this item.

Mayor Espinoza closed the public hearing at 7:05 p.m.

Councilmember Shaw stated that he would vote in opposition to this item.

Moved by Councilmember Simonian, Seconded by Mayor Pro Tem Medrano, AND CARRIED (3-1) THAT THE CITY COUNCIL APPROVE THE FIRST READING OF **ORDINANCE NO. 1833** ENTITLED: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LA HABRA APPROVING ZONE CHANGE 20-03 AMENDING TITLE 18 ("ZONING") OF THE LA HABRA MUNICIPAL CODE (LHMC) BY ADDING CHAPTER 18.82 ("INCLUSIONARY HOUSING

UNITS") AS PER EXHIBIT "A," AMENDED TO MODIFY THE ORDINANCE TO APPLY TO RESIDENTIAL DEVELOPMENTS OF 10 UNITS OR MORE FOR WHICH A PLANNING APPLICATION HAS BEEN FORMALLY SUBMITTED AND ACCEPTED BY THE CITY OF LA HABRA PRIOR TO THE ENACTMENT OF THIS ORDINANCE, TO BE EFFECTIVE JULY 1, 2021; AND TO MODIFY THE ORDINANCE TO REMOVE THE IN-LIEU OF FEE TO BE EQUIVILANT TO THE COST TO CONSTRUCT THE UNIT AND REPLACE WITH AN IN-LIEU PAYMENT CALCULATED AT \$6.50 PER SQUARE FOOT OF THE ENTIRE FLOOR AREA OF THE PROJECT AND OTHER TEXTURAL CHANGES TO ENSURE CONSISTENCY.

Said motion CARRIED by the following roll call vote:

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

CONSIDERATION ITEMS:

CITY COUNCIL:

1. CONSIDER THE ANNUAL REPORT ON THE CITY OF LA HABRA GENERAL PLAN FOR CALENDAR YEAR 2020

Director of Community & Economic Development introduced Senior Planner Schaefer who presented the staff report.

There was no City Council discussion.

Mayor Espinoza invited the public to testify at 7:29 p.m. There was no public testimony.

Moved by Councilmember Gomez, Seconded by Mayor Pro Tem Medrano, AND CARRIED UNANIMOUSLY (5-0) THAT THE CITY COUNCIL RECEIVE AND FILE THE ANNUAL REPORT ON THE CITY OF LA HABRA GENERAL PLAN ACCOMPLISHMENTS FOR CALENDAR YEAR 2020, 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 by the following roll call vote:

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

2. CONSIDER FISCAL YEAR 2020-2021 MID-YEAR BUDGET UPDATE

Director of Finance Shannon presented the Fiscal Year 2020-2021 Mid-Year Budget PowerPoint presentation. He identified staff's recommendations as follows:

Director of Finance Shannon stated that staff's recommendations are to receive and file the Fiscal Year 2020-2021 Mid-Year Budget Update and approve recruitment of the following previously frozen positions: Senior Civil Engineer in the Public Works Department; Police Sergeant, Police Corporal, Police Officer, Community Services Officer II, Crime Analyst, Communication Operator, and two Police Trainee positions in the Police Department; and a reclassification of a Community Service Officer in the Police Department to a Court Liaison Specialist at Pay Range P19 which is only a title change. He reported that in a year of unprecedented uncertainty stemming from the Coronavirus pandemic the Finance Department prepared the Fiscal Year 2020-2021 Mid-Year Budget Update. He stated that the General Fund was projected to end Fiscal Year 2020-2021 with revenues over expenditures of approximately \$4,100,000. He noted that staff estimated General Fund revenues would conservatively close approximately \$2,500,000 to \$5,000,000 less than the adopted budget, but that did not occur due to the big box stores in La Habra (Target, Costco, Sam's Club, both Walmart stores, Home Depot) performing better than projected, so the use of reserves was not needed as previously forecasted. He reviewed the General Fund Budget Performance by Revenue Type and by Department. He reviewed the 18-year Full-Time Employee Staffing Levels and Enacted and Potential Solutions to pension cost issues.

Finance Manager Ponvanit presented the Capital Projects Fiscal Year 2020-2021 completed and in progress projects; upcoming major projects for Fiscal Year 2021-2022; General Fund 15-Year Forecast and General Fund 15-Year Forecast with Unfunded Pension Liability challenges.

City Council discussion included: clarification on whether or not the Police Department positions had been frozen in past budget years; expiration and renegotiation of the Los Angeles County Fire Department contract; and Principal Engineer responsibilities.

Mayor Espinoza invited the public to testify at 7:46 p.m. There was no public testimony.

Moved by Councilmember Simonian, Seconded by Councilmember Gomez, AND CARRIED UNANIMOUSLY (5-0) THAT THE CITY COUNCIL:

- A. RECEIVE AND FILE THE FISCAL YEAR 2020-2021 MID-YEAR BUDGET UPDATE; AND
- B. APPROVE THE RECRUITMENT OF A SENIOR CIVIL ENGINEER POSITION IN THE PUBLIC WORKS DEPARTMENT; AND
- C. APPROVE THE RECRUITMENT OF A POLICE SERGEANT, POLICE CORPORAL, POLICE OFFICER, COMMUNITY SERVICES OFFICER II, CRIME ANALYST, COMMUNICATION OPERATOR, AND TWO POLICE TRAINEE POSITIONS IN THE POLICE DEPARTMENT; AND
- D. APPROVE THE RECLASSIFICATION OF A COMMUNITY SERVICE OFFICER IN THE POLICE DEPARTMENT TO A COURT LIAISON SPECIALIST AT PAY RANGE P19.

Said motion CARRIED by the following roll call vote:

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

NOES: NONE

ABSENT: NONE

ABSTAIN: NONE

MAYOR'S COMMUNITY CALENDAR:

Mayor Espinoza made the following announcements:

- Blueprint for a Safer Economy.
- COVID-19 Vaccination Distribution.
- Wear a Mask and Slow the Spread of COVID-19.
- La Habra General Plan Advisory Committee Housing Element Meeting to be held on Tuesday, March 23, 2021, 6:30 p.m. – 8:30 p.m., via Zoom.
- OCTA Bus Service Changes Survey and Community Meetings.
- Street Sweeping Enforcement to resume on Monday, April 12, 2021.
- Community Blood Drives will be held on Thursday, April 15, 2021, and Thursday, April 29, 2021, at Veterans Memorial Hall.

COMMENTS FROM STAFF:

City Manager Sadro wished Director of Finance Shannon a Happy Birthday.

COMMENTS FROM COUNCILMEMBERS:

Councilmember Gomez congratulated Allison Goettman on being selected Imperial Middle School Classified Employee of the Year, and Alison Bento on being selected Sierra Vista School Teacher of the Year. He acknowledged La Habra High School graduate Josh Staumont as pitcher of the Kansas City Royals Baseball team. He spoke regarding his attendance to the 100th birthday celebration for Melvin Askanas.

Mayor Pro Tem Medrano thanked City staff for their hard work. He thanked Director of Finance Shannon for preparation of the Fiscal Year 2020-2021 Mid-Year Budget report. He thanked the Gonzalez family of Northgate Market for their innovation of allowing early shopping hours for seniors. He offered his condolences to the family of Mexican Consul General Mario Zamora Cuevas due to his passing.

Councilmember Simonian thanked the Community Services Department staff for their COVID-19 vaccination outreach effort. He thanked Director of Finance Shannon for preparation of the Fiscal Year 2020-2021 Mid-Year Budget report. He thanked City staff and the La Habra Police Department for their good work on a daily basis. He spoke regarding his attendance to the 100th birthday celebration for Melvin Askanas.

Mayor Espinoza spoke regarding her attendance to the 100th birthday celebration for Melvin Askanas.

ADJOURNMENT: Mayor/Director Espinoza adjourned the City Council meeting in memory of Jose Casillas, father of Building and Safety Senior Clerk Nayaly Casillas, and Mexican Consul General Mario Zamora Cuevas, at 8:00 p.m. All other meetings were adjourned at 8:00 p.m.

Respectfully submitted,

Laurie Swindell, CMC
City Clerk/Secretary