

MINUTES

CITY COUNCIL OF THE CITY OF LA HABRA REGULAR MEETING

Monday, October 15, 2018

APPROVED: These Minutes were approved on December 3, 2018.

CALL TO ORDER: Mayor Shaw called the Regular Meeting of the City Council of the City of La Habra to order at 6:31 p.m. in the Council Chamber, located at 100 East La Habra Boulevard, La Habra, California.

INVOCATION: Deputy City Attorney Collins

PLEDGE OF ALLEGIANCE: Mayor Shaw

COUNCILMEMBERS PRESENT: Mayor Shaw
Mayor Pro Tem Blazey
Councilmember Gomez
Councilmember Espinoza
Councilmember Beamish

COUNCILMEMBERS ABSENT: None

OTHER OFFICIALS PRESENT: City Manager Sadro
Deputy City Attorney Collins
City Clerk Mason
Deputy City Clerk Swindell

CLOSED SESSION ANNOUNCEMENT: None

I. PROCLAMATIONS/PRESENTATIONS:

Mayor Shaw invited City Council to join him in front of the dais.

- a. Recognition of Mark Sturdevant for his outstanding service and commitment to the Economic Development Ad Hoc Committee.

Mayor Shaw invited Community and Economic Development Director Ho and Mark Sturdevant to the front of the dais. Mayor Shaw announced that Mark Sturdevant was retiring from the La Habra Chamber of Commerce and thanked him for his work. Mark Sturdevant recognized his fellow Chamber employees and those in the community who helped him. He announced that Marie Laveaga would be taking his place and invited her to join him at the front of the dais. Mark Sturdevant wished everyone the best, invited the community to his retirement party, introduced his wife Melodie Sturdevant, thanked the community and the Council, and accepted the certificate. Councilmember Gomez invited those in the audience from the La Habra Chamber of Commerce Board to the front of the dais for a picture.

City Manager Jim Sadro stated that he had been one of five Orange County City Managers invited to participate in the California State Fullerton Graduate Fellowship Program for Public Administration. He introduced Amanda Aguilar, who had been in the program for a month and recently accepted an internship in the City's Administration office through June 2019. Amanda Aguilar stated that she was in her final year of the Masters of Business Administration Program at California State University Fullerton majoring in Finance, and was looking forward to gaining experience in city government.

II. PUBLIC COMMENTS:

David Pillman, 301 East Whittier Boulevard, spoke regarding assisting the City with American Disability Act (ADA) improvements in La Habra.

Alice Burnett, 8321 Portulaca Way, 2019 Event Chair for the Relay for Life of Now event representing the North Orange County cities of Anaheim, Buena Park, Fullerton, La Habra, and La Palma, invited the community to participate in the Relay for Life event on June 1 through June 2, 2019, at the Buena Park Junior High track. She reviewed services provided to cancer patients by the American Cancer Society staff. She invited those interested to participate in the following: Relay for Life meetings the first Monday of each month, the Relay for Life Kick-off event on January 17, 2019, at the Ehlers Event Center, Heritage Hall in Buena Park, and the Survivors event on April 1, 2019. She thanked the City of La Habra for their support, supplied flyers, and the website address for the Relay for Life event – www.relayforlife.org/nowca.

Jose Medrano, 9402 Mikinda Avenue, announced he was running for City Council, and gave a brief history of his life and work experience. He thanked Council for their time.

III. CONSENT CALENDAR:

Moved by Councilmember Gomez, seconded by Councilmember Espinoza, and CARRIED UNANIMOUSLY (5-0) TO APPROVE CONSENT CALENDAR ITEMS III.1 THROUGH III.6.

Said motion CARRIED by the following roll call vote:

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

NOES: NONE

ABSTAIN: NONE

ABSENT: 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 SECOND READING AND ADOPTION OF **ORDINANCE NO. 1795** ENTITLED: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LA HABRA AMENDING CHAPTER 12.28 OF TITLE 12 (STREETS, SIDEWALKS AND PUBLIC PLACES) OF THE LA HABRA MUNICIPAL CODE RELATING TO DOGS IN PUBLIC PARKS AND PLAYGROUNDS.

3. Approve City Council Minutes of:
 - a. September 17, 2018
 - b. October 1, 2018
4. Denial of Claim for Evelyn Molina for Bodily Injury.
5. Denial of Claim for Gustavo Vergara for Property Damage.
6. WARRANTS: Approve Nos. 00118433 through 00118555 totaling \$756,624.39; and WIRE TRANSFER: Approve Wire Date 10/9/18 for a total of \$500,000.00.

IV. CONSENT CALENDAR ITEMS REMOVED FOR SEPARATE DISCUSSION: None

V. PUBLIC HEARINGS:

1. Duly noticed public hearing to consider a request for Mitigated Negative Declaration of Environmental Impacts 17-02, Planned Unit Development Master Plan 17-01, and Development Agreement 18-01 for a commercial center at 701 through 751 East Imperial Highway. An Initial Study resulting in a Mitigated Negative Declaration of Environmental Impacts (MND 17-02 (SCH#2018071057)), was prepared for this project pursuant to Sections 15070 to 15075 of the California Environmental Quality Act (CEQA) Guidelines. Potential impacts identified were Aesthetics, Air Quality, Cultural Resources, Greenhouse Gas, Noise, Public Services, Transportation and Circulation, and Utilities. Mitigation Measures have been identified and are included in the Mitigation Monitoring Program to minimize these impacts to Less than a Significant Impact.

Staff's recommendation was as follows:

- a. Mitigated Negative Declaration 17-02 - APPROVE AND ADOPT **RESOLUTION NO. XXXX** ENTITLED: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LA HABRA CERTIFYING MITIGATED NEGATIVE DECLARATION OF ENVIRONMENTAL IMPACTS 17-02 (SCH2018071057) FOR A COMMERCIAL CENTER AT 701 THROUGH 751 EAST IMPERIAL HIGHWAY SUBJECT TO THE MITIGATION MONITORING AND REPORTING PROGRAM AND THE STATEMENT OF FINDINGS OF FACT HERETO ATTACHED AS EXHIBITS "A" & "B."
- b. Planned Unit Development 17-01 - APPROVE FIRST READING OF **ORDINANCE NO. XXXX** ENTITLED: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LA HABRA ADOPTING PLANNED UNIT DEVELOPMENT MASTER PLAN 17-01 FOR THE PROPERTY AT 701 THROUGH 751 EAST IMPERIAL HIGHWAY, MAKING THE APPROPRIATE FINDINGS, AS PER THE APPROVED PLANS, AND SUBJECT TO CONDITIONS.
- c. Development Agreement 18-01 - APPROVE FIRST READING OF **ORDINANCE NO. XXXX** ENTITLED: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LA HABRA ADOPTING DEVELOPMENT AGREEMENT 18-01 WITH GREG S. JONES REVOCABLE TRUST AND SUNNY INVESTMENTS, LLC FOR THE DEVELOPMENT OF THE IMPERIAL HIGHWAY COMMERCIAL CENTER AT 701 THROUGH 751 EAST IMPERIAL HIGHWAY AS PER ATTACHMENT "A."

Senior Planner Schaefer presented the staff report. He stated that the Mitigated Negative Declaration of Environmental Impacts was circulated and available for public review for a 30-day period. He noted that three comment letters had been received from the California Department of Transportation, Mr. and Mrs. Herb, and the Public Utilities Commission; to which responses were sent to them by the City. He reviewed the following required mitigation measures: modifying the medians at Imperial Highway, constructing a new four-way signalized intersection at Imperial Highway and Village Drive, and providing for a future bike path. He stated that all items in the report had been reduced to a level of "Less than Significant" impact. He noted that the applicant's consultant Brian Hamilton, with Blodgett Baylosis Environmental Planning, who prepared the report, was available for questions.

Senior Planner Schaefer reported the following regarding the subject property/proposed project: zoned PC-1 Planned Commercial Industrial; per La Habra Municipal Code, any development in the zone requires the approval of a Planned Unit Development (PUD) Master Plan; it would consist of four parcels with Parcel one to have a La Quinta Inn and Suites, Parcels two and three would have a Taco Bell and a Popeye's Louisiana Kitchen respectively, and Parcel four currently had no proposed use; on September 24, 2018, the Planning Commission held a public hearing regarding the proposed project where it was approved for a final decision by City Council; review of the elevations, design features, and the architect's drawings; the market study and economic analysis that were prepared to support the necessary findings in the PUD; prediction of the City's annual costs to provide services, and potential revenue, and net income; proposed Development Agreement (DA) requirement that the developer build or provide for a bicycle path on the east side of the property; proposed hotel operator to provide a hotel user fee (deferred compensation) of 12 percent to the City; allow the City to review a replacement hotel with a minimum rating of three stars should the current hotel operator decide to leave the site; a community benefit of the creation of new jobs; and that the Planning Commission had recommended approval for each of the proposed actions.

Council discussion included: confirmation that the hotel would have a banquet room; identified that the project included a proposed four-way traffic light installation at Village Drive and Imperial Highway; concerns regarding the traffic study results and potential impact on traffic from the new Beckman campus; clarification that the legal distance between traffic lights was one-quarter of a mile; timeline for the Imperial Highway Traffic Signal Synchronization project; concerns regarding the Planned Unit Development in relation to potential traffic flows and congestion; review of conditions of the proposed development agreement, potential in-lieu fee in place of the bicycle trail requirement; basis of the recommended 12 percent hotel user fee/deferred compensation and its relation to hotel viability; potential room rates for La Quinta Inn compared to Days Inn located in Fullerton; hotel study conducted and average hotel occupancy rates in the area; confirmation the proposed hotel would have 91 rooms and 144 parking spaces; clarification the proposed hotel would create approximately 35 jobs; verification that the applicant was not under any time constraints to have the proposed project approved by Council; analysis regarding the choice of fast food versus higher end restaurants; location and size of Parcel 4 and possibility of combining with another parcel to market to a different brand of restaurant; confirmation Council was being asked to approve a PUD and was not deciding on the tenants who would be leasing the parcels.

Senior Planner Schaefer stated that the results of the analysis that the traffic consultant conducted for the proposed intersection of Village Drive and Imperial Highway was presented to

the California Department of Transportation, was reviewed, and approved for the construction of a four-way intersection.

Traffic Manager Plotnik confirmed that the traffic at the proposed four-way traffic intersection at Village Drive and Imperial Highway would move more efficiently based on conservative studies and input received. He noted that the City was currently working with the California Department of Transportation on the traffic signal synchronization of Imperial Highway. He confirmed that the traffic study had been projected above the level of service "D" for state highways; which was considered acceptable.

City Manager Sadro stated that he had received confirmation from Community and Economic Development Director Ho that the developer's traffic consultant utilized the traffic study the City of Fullerton had conducted for the Beckman project.

Community and Economic Development Director Ho stated that the anticipated trip generation rates of 800 in the morning peak hours and 800 in the evening peak hours had been calculated based on the type of use that would go into the Beckman facility from Lambert Road and Harbor Boulevard and on the amount of square footage built at the facility. He confirmed that the Planning Commission had concerns regarding the bicycle trail in regards to the proposed development agreement.

Mayor Shaw opened the public hearing at 7:24 p.m.

Applicant Kamlesh Patel spoke in support of the proposed project. He requested that Council approve the project. He reviewed the potential revenue for the City from the proposed project and clarified that the 12 percent hotel user fee/deferred compensation would be paid quarterly. He noted that the hotel room rate would start at \$133 per night with the stabilized rate of \$145 per night to be reached within approximately six months. He stated that La Quinta Hotels are in support of the project, have accepted their application, and entered into a 20-year agreement with the applicant. He confirmed that La Quinta Hotels had been purchased by Windham Hotels group and that they included higher quality hotels and a rewards program. He noted that his partner Jay Patel, who owns and manages the Beach La Habra Motel, was available to speak. He confirmed that the proposed meeting room in the hotel would be 1,070 square feet in size with a maximum allowable occupancy of 70 to 100 people.

Councilmember Gomez stated that Jay Patel runs the finest of the independent motels in La Habra, was active in the community, and active in the La Habra Chamber of Commerce. He confirmed that Greg Jones was active in marketing restaurants/businesses for La Habra.

Matthew Jones, on behalf of Greg Jones of Jones Real Estate, spoke in support of the proposed project. He noted that Taco Bell had agreed to close their location at Beach Boulevard and Imperial Highway to open at the proposed project's location. He stated that La Quinta Inn and Suites would add a great source of revenue for the City, and Popeye's Louisiana Kitchen would be a great addition to the project. He stated that they would be agreeable to pay the in-lieu fee to the City for the bicycle path, but would need to discuss the cost with City staff. He noted that he hoped for approval of the project with the condition that staff and the developer agreed on the in-lieu fee cost prior to pulling building permits, or at their option being able to install the bicycle path if it was at a lesser cost. He thanked Councilmember Gomez for his kind words.

John Lee, Architect for the proposed project, stated that he had been working on this project with Greg Jones for four years. He spoke regarding the interest and requirements of several fast food and bigger restaurants; such as Golden Corral.

Ken Pansuria, with Fine Hospitality Group in Brea, California, stated that La Quinta Inns and Suites was a limited service and good performing brand of hotel. He noted that the applicant would hire a professional management company to run the hotel. He stated that a hotel user fee/deferred compensation of 10 to 12 percent was reasonable, was a good marketing tool, guaranteed a higher room occupancy rate, and more revenue for the City. He confirmed that when staffing the hotel the General Manager would be chosen from qualifying applicants who preferably lived nearby, and that they were willing to work with the City regarding the hiring of the remainder of the staff locally.

There being no further testimony, Mayor Shaw closed the public hearing at 7:46 p.m.

Council comments included: request to review the traffic study analysis from the City of Fullerton regarding the Beckman property; more information regarding the proposed traffic signal at Village Way and Imperial Highway; a preference to receive an in-lieu fee for the bike path rather than dedicating the property from the property owner; amendment of Development Agreement language regarding requirement of a minimum of a three-star hotel; confirmation the developer had done the analysis of potential restaurants for the proposed project; request for average hotel room rates for the Days Inn, Embassy Suites, and other comparable surrounding hotels; staff to negotiate potential in-lieu fee and percentage of hotel user fee/deferred compensation with the developer; concern regarding potential traffic congestion issues; and appreciation to applicant for their work on this project.

Moved by Councilmember Beamish, seconded by Mayor Pro Tem Blazey, and CARRIED UNANIMOUSLY (5-0) TO APPROVE TO CONTINUE TO DECEMBER 3, 2018, AT 6:30 P.M. IN THE COUNCIL CHAMBERS.

Said motion CARRIED by the following roll call vote:

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

NOES: NONE

ABSTAIN: NONE

ABSENT: NONE

VI. CONSIDERATION ITEMS:

1. Consider a resolution approving applications for specified grant funds and to execute an agreement with the recommended consultant for design services of the Splash Pads Parks Improvement Project

Cesar Rangel presented the staff report. He explained that in July of 2018, the State of California, Department of Parks and Recreation, Office of Grants and Local Services (OGALS) informed the City that \$1.2 million in grant funds to construct two Splash Pads in La Habra had been awarded, and that the funds needed to be secured through their guidelines. He gave a

brief PowerPoint presentation, which included conceptual drawings of potential splash pad designs in Oeste Park, Portola Park, and El Centro Park; and potential water features and themes. He reviewed the grant guidelines, key tasks, and due dates as follows: a resolution by November 1, 2018; project application packets by December 1, 2018; grant contract by January 1, 2019; project completion by December 31, 2010; and project closeout and final report by March 31, 2021. He emphasized the importance of working with the Health Department, the need for parking, and the location of the proposed splash pads. He reviewed square footage of the splash pad areas of each design. He noted that there would be input through stakeholder outreach, community outreach, and from the Planning and Community Services Commissions.

City Manager Sadro clarified that staff had identified potential parks in the City for splash pads, but no park had been determined yet due to additional studies needed. He explained that the challenge was to find the best location in the City, to serve as many children as possible, with the least impact to other uses at the park. He stated that the Orange County Health Department required restroom facilities and showers to be placed within 300 feet of the proposed splash pads. He noted that the budget would determine the size of the proposed splash pads. He added that splash pads were fenced in to provide safety and security.

Council discussion included: opposed placing splash pads at Portola Park and disrupting any of the sports programs/leagues; clarification that the proposal was to approve to proceed with the grant application and to award a contract for an architectural firm to do a study and create a design, not to decide on a location; request to look at Las Lomas Park as a possible location; challenge regarding parking where the splash pads would eventually be installed; confirmation that the total square footage of designs would be finalized by design contractor; location of proposed splash pads to be visible from the street and/or parking lot; confirmation that the surface of the proposed splash pads would be rough installed concrete to prevent slipping; potential dates and hours of operation, staffing and cost to the public; and confirmation that the splash pads would be opened simultaneously sometime following the summer of 2019.

Councilmember Espinoza thanked staff for speaking with former Senator Josh Newman regarding this project.

Mayor Shaw invited the public to testify at 8:16 p.m. There was no testimony.

Moved by Councilmember Gomez, seconded by Councilmember Espinoza, and CARRIED UNANIMOUSLY (5-0) TO:

- a. APPROVE AND ADOPT **RESOLUTION NO. 5872** ENTITLED: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LA HABRA APPROVING APPLICATIONS FOR SPECIFIED GRANT FUNDS;
- b. AUTHORIZE CITY MANAGER TO EXECUTE AGREEMENT WITH DAVID VOLZ DESIGN LANDSCAPE ARCHITECTS, INC. FOR DESIGN SERVICES OF THE SPLASH PAD PARK IMPROVEMENTS PROJECTS;
- c. AUTHORIZE STAFF TO ISSUE A PURCHASE ORDER TO DAVID VOLZ DESIGN LANDSCAPE ARCHITECTS, INC. FOR DESIGN SERVICES OF THE SPLASH PAD PARK IMPROVEMENT PROJECTS IN THE AMOUNT NOT TO EXCEED \$165,471, WHICH INCLUDES A 10 PERCENT CONTINGENCY;
- d. AMEND THE APPROVED FISCAL YEAR 2018-2019 MUNICIPAL BUDGET AND THE APPROVED FISCAL YEAR 2018-2019 CAPITAL IMPROVEMENT PROGRAM TO INCLUDE THE SPLASH PAD PARK IMPROVEMENT PROJECTS; AND

e. APPROPRIATION OF \$165,471 FROM GENERAL FUNDS FOR THIS PROJECT.

Said motion CARRIED by the following roll call vote:

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

VII. MAYOR'S COMMUNITY CALENDAR:

Mayor Shaw made the following announcements:

- La Habra Children's Museum "Gourmet Guys" – Sunday, October 21, from 12:00 p.m. – 3:00 p.m. at the La Habra Community Center.
- 2018 City of La Habra "Harvest Spooktacular" home decorating - Nominations are now open and will be accepted through Friday, October 26. Judging by the La Habra Beautification Committee will take place the evening of Monday, October 29, and winning entrants will be recognized at a November City Council meeting.
- La Habra Children's Museum's "Sensory Sensitive Sunday," exclusively for families with children on the autism spectrum – Sunday, November 4, from 11:00 a.m. – 1:00 p.m.
- 4th Annual La Habra Tamale Festival - Sunday, November 25, starting at 10:00 a.m. at Portola Park and Brio Park in downtown La Habra.

VIII. COMMENTS FROM STAFF: None

IX. COMMENTS FROM COUNCILMEMBERS:

Councilmember Beamish invited the public to come out and watch/support the American Youth Soccer Organization.

Mayor Pro Tem Blazey stated that he would be attending and participating in the Gourmet Guys event on the City team.

Councilmember Espinoza stated she would be attending the Gourmet Guys event. She encouraged the public to attend to help raise money for the La Habra Children's Museum.

Councilmember Gomez stated that he would be attending and participating in the Gourmet Guys event on the La Habra Chamber of Commerce team. He announced that vendors were still needed for the 4th Annual La Habra Tamale Festival. He noted that Umberto Luna, who had a star on the Hollywood Walk of Fame, and Henry DiCarlo will be attending the 4th Annual La Habra Tamale Festival. He reported that he attended the La Habra Boys and Girls Club Gala where he presented a proclamation on behalf of the City.

Mayor Shaw reported that he attended the Orange County Fire Service Memorial in Santa Ana and the City of Fullerton Mayor's Prayer Breakfast.

X. ADJOURNMENT: Mayor Shaw adjourned the Regular Meeting of the La Habra City Council at 8:23 p.m. to Monday, November 5, 2018, at 5:30 p.m. in the Council Closed

Session Room 112c, 100 E. La Habra Boulevard, followed by the Regular Meeting at 6:30 p.m. in the City Council Chambers. He announced that he would chair the La Habra Utility Authority Meeting.

Respectfully submitted,

Tamara D. Mason, MMC
City Clerk