

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

**Monday, November 19, 2018**

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

**ADJOURNED REGULAR MEETING 5:30 P.M.:**

**CALL TO ORDER:** Mayor Shaw called the Adjourned Regular Meeting of the City Council of the City of La Habra to order at 5:30 p.m. in the Council Chamber, Closed Session Room 112c, located at 100 East La Habra Boulevard in La Habra, California.

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

**COUNCILMEMBERS ABSENT:** None

**OTHER OFFICIALS PRESENT:** Acting City Manager Failla  
City Attorney Jones  
City Clerk Mason

**I. ORAL COMMUNICATIONS FROM THE PUBLIC FOR CLOSED SESSION MATTERS:**  
None

**II. CLOSED SESSION:**

- a. Conference with Legal Counsel - Existing Litigation, Government Code Section 54956.9(d)(1): Elisa Ponce/Isabel Araiza vs. City of La Habra, Superior Court Case No. 30-2017-00911720-CU-PA-CJC.

Human Resources Director Balderrama and Human Resources Manager Coelho-LaFreniere were present for this item.

**III. ADJOURNMENT:** The City Council reconvened at 5:40 p.m. There were no Closed Session announcements. Mayor Shaw adjourned the Adjourned Regular Meeting at 5:40 p.m.

**REGULAR MEETING 6:30 P.M.:**

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

**INVOCATION:** City Attorney Jones

**PLEDGE OF ALLEGIANCE:** Councilmember Espinoza

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

**COUNCILMEMBERS ABSENT:** None

**OTHER OFFICIALS PRESENT:** Acting City Manager Failla  
City Attorney Jones  
City Clerk Mason  
Deputy City Clerk Swindell

Mayor Shaw noted that City Manager Sadro was on vacation.

**CLOSED SESSION ANNOUNCEMENT:** None

**I. PROCLAMATIONS/PRESENTATIONS:** None at this time.

**II. PUBLIC COMMENTS:**

Erik Chan, Managing Editor of the 10/10 Group, expressed that he was happy that City Council had embraced effective regulations regarding cannabis distribution and testing. He stated that he would be presenting a proposal that had been given to the Cannabis Task Force regarding cannabis retail. Mayor Shaw instructed Mr. Chan to speak regarding this topic when it would be discussed under the Consideration portion of the Council meeting.

**III. CONSENT CALENDAR:**

City Attorney Jones declared a conflict of interest regarding Item III.3.

Moved by Councilmember Gomez, seconded by Councilmember Espinoza, 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 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. Receive and file Planning Commission Minutes of:
  - a. August 13, 2018
  - b. August 27, 2018
  - c. September 10, 2018
  - d. September 24, 2018
3. Approve Amendment No. 2 to the Agreement for City Attorney Services with the law firm of Jones & Mayer effective December 1, 2018.
4. Authorize City Manager to execute Cooperative Agreement No. C-8-2015 with the Orange County Transportation Authority for the administration of the Orange County Taxi Administration Program, effective January 1, 2019, through December 31, 2020, for a total cost of \$9,578.78.
5. WARRANTS: Approve Nos. 00118831 through 00119066 totaling \$2,138,948.82.
- IV. CONSENT CALENDAR ITEMS REMOVED FOR SEPARATE DISCUSSION:** None
- V. PUBLIC HEARINGS:** None at this time.
- VI. CONSIDERATION ITEMS:**
  1. Consider to receive and file the Status Update Report on Cannabis Dispensaries - Medical Delivery Only Facilities staff report.

Deputy Director of Community and Economic Development Jaramillo presented the staff report. He reviewed that staff was directed to investigate cannabis warehouse/distribution facilities, testing laboratories, and medical dispensaries via delivery service (no walk up sales) in La Habra. He stated that the Cannabis Task Force (Task Force) reviewed ordinances for other communities, conducted on-site visits to operating dispensaries, had discussions with city staff and business operators of facilities visited, and with interested dispensary operators to understand the challenges faced by each of them. He noted that Council had previously approved no more than four distribution facilities and four testing laboratories for La Habra. He stated that staff is currently processing two applications for distribution facilities. He reported that the State of California recently adopted new regulations creating a non-store front cannabis limited license that allows for delivery of cannabis products to consumers exclusively. He stated that the Task Force would conduct on-site visits to the non-store front cannabis operations in the spring of 2019 after they have been in operation for a time. He explained that this would allow staff to identify any unexpected challenges. He reported that the Task Force had visited three adult-use dispensaries in Santa Ana, and had presentations made to them by the 10/10 Group and the Respectful Choice Group. He stated that the Task Force remains on task and would report back to Council in 2019 on its findings regarding medical cannabis dispensaries, delivery only operations.

Council discussion included: identified that there are representatives from the La Habra Police, City Manager, Finance, and Public Works Departments who make up the Cannabis Task Force; verification that the City of Santa Ana is the only Orange County city to allow store front dispensaries; potential sales tax revenue realized from one store front cannabis dispensary in La Habra, based on the City of Santa Ana's revenues; and the number of cannabis dispensaries and additional cannabis licenses the City of Santa Ana recently released.

Mayor Shaw invited the public to testify at 6:40 p.m.

Erik Chan, Managing Editor of the 10/10 Group spoke regarding the presentation given to the Cannabis Task Force. He stated that they have conducted research over the past five years and had designed their business platform with the community in mind, with deliberate movement, to provide actionable data, and to involve the community.

Mayor Shaw closed public testimony at 6:42 p.m.

Moved by Councilmember Beamish, seconded by Mayor Shaw, and CARRIED (3-2) TO APPROVE TO RECEIVE AND FILE THE STATUS UPDATE REPORT ON CANNABIS DISPENSARIES - MEDICAL DELIVERY ONLY FACILITIES STAFF REPORT, AND DIRECT STAFF TO CONTINUE IT EVALUATION OF SUCH FACILITIES AND REPORT BACK TO CITY COUNCIL IN 2019.

Said motion CARRIED by the following roll call vote:

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

#### **VII. MAYOR'S COMMUNITY CALENDAR:**

Mayor Shaw made the following announcements:

- 4<sup>th</sup> Annual La Habra Tamale Festival - Sunday, November 25, from 10:00 a.m. – 6:00 p.m., at Portola Park and Brio Park in Downtown La Habra.
- City of La Habra's "Holiday Wishes" Toy and Food Drive - Help local families in need and donate unwrapped toys, non-perishable food, gift cards, and financial donations that are being accepted now through Friday, December 8.

#### **VIII. COMMENTS FROM STAFF: None**

#### **IX. COMMENTS FROM COUNCILMEMBERS:**

Councilmember Gomez thanked Community Services Director Failla for his work through the years and for all of the programs added to the City. Councilmember Gomez welcomed Director Failla's wife Sue Failla and daughter Annie Failla who were present in the audience and thanked them for sharing him with the City. He reminded the community regarding the 4<sup>th</sup> Annual La Habra Tamale Festival and asked them to watch the promotion for the event on KTLA Chanel 5 News at 6:00 a.m. this Friday.

Councilmember Espinoza thanked Community Services Director Failla for all of the services he has provided to the City of La Habra over the years. She wished the community a Happy Thanksgiving.

Councilmember Beamish congratulated Jose Medrano and James Gomez for their election onto La Habra City Council. He stated that he appreciated the positive campaigning conducted by the

candidates. Councilmember Beamish thanked Councilmember Blazey for his eight years of service and his contributions to the City. He expressed best wishes to Mayor Shaw and that he would remain on the La Habra City Council.

Mayor Pro Tem Blazey congratulated Jose Medrano on his election to City Council and on his campaign. He stated that he has enjoyed working with Council the last eight years. He thanked and congratulated Community Services Director Failla for his service.

Mayor Shaw expressed his appreciation for working with Community Services Director Failla when he was on the Planning Commission and while on City Council, and for all of his contributions to the City. He thanked and recognized Los Angeles County Fire Chief Jimenez and all of the firefighters for their hard work and dedication fighting the recent fires.

**X. ADJOURNMENT:** Mayor Shaw adjourned the Regular Meeting of the City Council at 6:50 p.m. to Monday, December 3, 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 Chamber.

Respectfully submitted,

Tamara D. Mason, MMC  
City Clerk