

MINUTES

CUDAHY CITY COUNCIL REGUAR MEETING and CITY OF CUDAHY AS SUCCESSOR AGENCY and HOUSING SUCCESSOR AGENCY TO THE CUDAHY DEVELOPMENT COMMISSION JOINT MEETING

November 6, 2018 6:30 P.M.

1. CALL TO ORDER

Mayor / Chair Garcia called the meeting to order at 6:32 p.m.

2. ROLL CALL

PRESENT: Council Member Gonzalez
Council / Agency Member Sanchez (left at 7:51 p.m.)
Vice Mayor / Vice Chair Hernandez
Mayor / Chair Garcia

ABSENT: Council / Agency Member Markovich

ALSO PRESENT: City Manager Jose E. Pulido, Deputy Attorney Martin de los Angeles,
Deputy City Clerk Richard Iglesias, and Administrative Aide, Andres Rangel.

3. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Council Member Sanchez.

4. PRESENTATIONS – NONE

5. PUBLIC COMMENTS - NONE

MAYOR GARCIA DIRECTED TO MOVE CITY COUNCIL COMMENTS TO THE END OF THE MEETING AGENDA WITH NO OPPOSITION

6. CITY COUNCIL COMMENTS - NONE

7. CITY MANAGER REPORT (information only)

8. REPORTS REGARDING AD HOC, ADVISORY, STANDING OR OTHER COMMITTEE MEETINGS - NONE

9. WAIVER OF FULL READING OF RESOLUTIONS AND ORDINANCES

Recommendation: Approve the Waiver of Full Reading of Resolutions and Ordinances.

Motion: It was moved by Vice Mayor Hernandez, and seconded by Mayor Garcia to waive full text reading of all Resolutions and Ordinances by single motion.

10. CONSENT CALENDAR (Items 10A through 10C)

COUNCIL MEMBER SANCHEZ PULLED ITEM 10C

- A.** Consideration to Review and Approve the Draft Minutes of October 16, 2018, for the Regular Meeting of the City Council and the Joint Meeting of the City of Cudahy as Successor Agency and Housing Successor Agency to the Cudahy Development Commission

Presented by the Deputy City Clerk

The City Council is requested to review and approve the City Council / Agency Draft Minutes for October 16, 2018.

Motion: It was moved by Mayor Garcia, and seconded by Vice Mayor Hernandez to review and approve the City Council / Agency Draft Minutes for October 16, 2018. The motion carried (4-0-1) by the following roll call vote.

AYES: Gonzalez, Sanchez, Hernandez, and Garcia
NOES: None
ABSENT: Markovich
ABSTAIN: None

- B.** Consideration to Review and Approve the Draft Minutes of April 10, 2017, for the Regular Meeting of the City Council and the Joint Meeting of the City of Cudahy as Successor Agency and Housing Successor Agency to the Cudahy Development Commission

Presented by the Deputy City Clerk

The City Council is requested to review and approve the City Council / Agency Draft Minutes for April 10, 2017.

Motion: It was moved by Mayor Garcia, and seconded by Vice Mayor Hernandez to approve the City Council / Agency Draft Minutes for April 10, 2017. The motion carried (4-0-1) by the following roll call vote.

AYES: Gonzalez, Sanchez, Hernandez, and Garcia
NOES: None
ABSENT: Markovich
ABSTAIN: None

- C.** Approval of Confidentiality Agreement between the City of Cudahy and R3 Consulting Group Inc., in the furtherance of City's Internal Solid Waste Audit

Presented by the City Attorney

The City Council is requested to approve a Confidentiality Agreement between the City of Cudahy and R3 Consulting Group, Inc.

Motion: It was moved by Vice Mayor Hernandez, and seconded by Mayor Garcia to approve a Confidentiality Agreement between the City of Cudahy and R3 Consulting Group, Inc. The motion carried (4-0-1) by the following roll call vote.

AYES: Gonzalez, Sanchez, Hernandez, and Garcia
NOES: None
ABSENT: Markovich
ABSTAIN: None

11. PUBLIC HEARING

- A. A Public Hearing to Consider the Appeal of Applicant 420 Realty (Location: 4311 Santa Ana Street) of the Cudahy Planning Commission's Denial of Commercial Cannabis Permit (CCP) No. CCP18-0002 and Ordinance No. 696, approving Development Agreement (DA) No. DA18-002C

Presented by the Interim Community Development Manager

It is Recommended that the City Council:

- a. Open the Public Hearing;
- b. Receive a presentation from staff;
- c. Pose questions to staff;
- d. Receive comment from interested members of the public;
- e. Pose closing questions to staff; and
- f. Close the Public Hearing and commence deliberations

If the City Council desires, it may:

- a. Uphold the Planning Commission's decision based on the record on appeal and the testimony of City staff, the applicant, and interested members of the public; or
- b. Overturn the Planning Commission's decision based on the record on appeal and the testimony of City staff, the applicant, and interested members of the public, and:
 1. Adopt Resolution No. 18-48, approving the issuance of Commercial Cannabis Permit No. CCP18-0002 to allow a Commercial Cannabis Facility for the Site located at 4311 Santa Ana Street;
 2. Authorize the City Manager to allow a payment plan, if requested, for the Community Benefit Program as outlined in the Development Agreement (DA);
 3. Allow the City Manager to select the alternative terms of payment of the Operating Fees, if requested, to begin accruing 90 days after the Effective Date of the DA rather than accrue beginning the month of the Effective Date of the DA;
 4. Provide direction to City staff on whether to modify or not modify the DA to bind the operator to any future Cannabis Tax that may be imposed by the City and/or by a voter approved Cannabis Tax;

5. Approve DA No. DA18-002C publicly noticed November 6, 2018 City Council meeting and authorize the Mayor to execute said Agreements on behalf of the City; and
6. Introduce Ordinance No. 696 by First Reading by title only, approving the DA by and between the City and 420 Realty, LLC.

MAYOR GARCIA OPENED PUBLIC COMMENT AT 6:45 P.M.

Sandra Gonzalez, spoke against item 11A. She mentioned drugs can destroy youth lives. She went on to say residents will not benefit from the company's profits. She concluded her comments by warning of all the negative side effects cannabis has to the body, as well as focusing on other issues like rising rents.

Felix Reyes, spoke against item 11A. He went on to speak against council for the excessive cannabis development approvals, as well as asking how residents are going to benefit from the profits, citing limited park and youth services.

MAYOR GARCIA CLOSED PUBLIC COMMENT AT 6:52 P.M.

Motion: It was moved by Vice Mayor Hernandez, and seconded by Council Member Gonzalez to Consider the Appeal of Applicant 420 Realty (Location: 4311 Santa Ana Street) and overturn the Cudahy Planning Commission's Denial of Commercial Cannabis Permit (CCP) No. CCP18-0002 and Ordinance No. 696, approving Development Agreement (DA) No. DA18-002C. The motion carried (3-1-1) by the following roll call vote.

AYES: Gonzalez, Hernandez, and Garcia
NOES: Sanchez
ABSENT: Markovich
ABSTAIN: None

- B.** A Public Hearing to Consider the Appeal of Applicant Aqua Tergere, LLC (Location: 8210 Atlantic Avenue) and overturn the Cudahy Planning Commission's Denial of Commercial Cannabis Permit (CCP) No. CCP18-0011 and Ordinance No. 697, approving Development Agreement (DA) No. DA18-011C

Presented by the Interim Community Development Manager

It is Recommended that the City Council:

- a. Open the Public Hearing;
- b. Receive a presentation from staff;
- c. Pose questions to staff;
- d. Receive comment from interested members of the public;
- e. Pose closing questions to staff; and
- f. Close the Public Hearing and commence deliberations

If the City Council desires, it may:

- a. Uphold the Planning Commission’s decision based on the record on appeal and the testimony of City staff, the applicant, and interested members of the public; or
- b. Overturn the Planning Commission’s decision based on the record on appeal and the testimony of City staff, the applicant, and interested members of the public, and:
 1. Adopt Resolution No. 18-49, approving the issuance of Commercial Cannabis Permit No. CCP18-0011 to allow a Commercial Cannabis Facility for the Site located at 8210 Atlantic Avenue;
 2. Authorize the City Manager to allow a payment plan, if requested, for the Community Benefit Program as outlined in the Development Agreement (DA);
 3. Allow the City Manager to select the alternative terms of payment of the Operating Fees, if requested, to begin accruing 90 days after the Effective Date of the DA rather than accrue beginning the month of the Effective Date of the DA;
 4. Provide direction to City staff on whether to modify or not modify the DA to bind the operator to any future Cannabis Tax that may be imposed by the City and/or by a voter approved Cannabis Tax;
 5. Approve DA No. DA18-011C publicly noticed November 6, 2018 City Council meeting and authorize the Mayor to execute said Agreements on behalf of the City; and
 6. Introduce Ordinance No. 697 by First Reading by title only, approving the DA by and between the City and Aqua Tergere, LLC.

MAYOR GARCIA OPENED PUBLIC COMMENT AT 7:11 P.M.

Sandra Gonzalez, commented that there are many desolate lots as well as deteriorating parks that need maintenance. She went on to express her concerns in regards to cannabis distribution among the youth if the item 11B is passed.

Ian Bogdanoff, reminded the City’s small size and how the small proximity will negatively affect residents. He also mentioned the City should do a better job advertising itself to attract more businesses, not just cannabis businesses.

MAYOR GARCIA CLOSED PUBLIC COMMENT AT 7:16 P.M.

Motion: It was moved by Vice Mayor Hernandez, and seconded by Council Member Gonzalez to Consider the Appeal of Applicant Aqua Tergere, LLC (Location: 8210 Atlantic Avenue) of the Cudahy Planning Commission’s Denial of Commercial Cannabis Permit (CCP) No. CCP18-0011 and Ordinance No. 697, approving Development Agreement (DA) No. DA18-011C. The motion carried (3-1-1) by the following roll call vote.

AYES: Gonzalez, Hernandez, and Garcia
 NOES: Sanchez
 ABSENT: Markovich
 ABSTAIN: None

12. BUSINESS SESSION

A. Adoption of Ordinance No. 694, by First Reading Adding Chapter 8.40 (“Second-Hand Smoke Control”) of Title 8 (“Health & Safety”) of the Cudahy Municipal Code

Presented by the City Prosecutor

The City Council is requested to:

1. Introduce Ordinance No. 694, by First Reading by title only, adding Chapter 8.40 (“Second-Hand Smoke Control”) of Title 8 (“Health & Safety”) of the Cudahy Municipal Code; and
2. Waive further reading of Ordinance No. 694.

Motion: It was moved by Vice Mayor Hernandez and seconded by Mayor Garcia to introduce Ordinance No. 694, and waive it for further reading. The motion carried (4-0-1) by the following roll call vote.

AYES: Gonzalez, Sanchez, Hernandez, and Garcia
NOES: None
ABSENT: Markovich
ABSTAIN: None

13. COUNCIL DISCUSSION – NONE

RECESS TO CLOSED SESSION

City Attorney, Martin de los Angeles recessed the meeting to close session at 7:35 p.m.

14. CLOSED SESSION

CUDAHY SUCCESSOR AGENCY CLOSED SESSION ITEM

Closed Session Pursuant to Government Code Section 54956.9(d)(4) – Conference with Legal Counsel to discuss facts and circumstances that may form the basis of initiating litigation on behalf of the Successor Agency and/or City – [One (1) Matter]

RECONVENE TO OPEN SESSION

City Attorney Martin de los Angeles reconvened the Regular Meeting in Open Session at 7:57 p.m.

15. CLOSED SESSION ANNOUNCEMENT

City Attorney Martin de los Angeles announced that with respect to item 14, direction was given, but no final action was taken.

16. ADJOURNMENT

The City Council / Agency meeting was adjourned at 7:58 p.m.

Chris Garcia
Mayor

ATTEST:

Richard Iglesias
Deputy City Clerk