

MINUTES

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

December 4, 2018 6:30 P.M.

1. CALL TO ORDER

Mayor / Chair Garcia called the meeting to order at 6:30 p.m.

2. ROLL CALL

PRESENT: Council Member Gonzalez (Arrived at 6:39 p.m.)
Council / Agency Member Markovich
Council / Agency Member Sanchez
Vice Mayor / Vice Chair Hernandez (Arrived at 6:33 p.m.)
Mayor / Chair Garcia

ABSENT: None

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

3. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Council Member Markovich.

4. PRESENTATIONS – NONE

5. PUBLIC COMMENTS

Arthur Schaper, spoke against the Council reminding four Council Members they lost in their elections. He spoke against Council Member elections for smearing his name throughout the election campaigns.

Susie de Santiago, thanked Council Member Sanchez for his service as Council Member. She went on to ask Council to respect the process and allow the Planning Commission to vote on the public hearing items.

Sonia Markovich, thanked the Council for its service throughout the years, citing it's the first time the Council is comprised of college educated Hispanics. She asked for more youth education, specifically in civics.

WALKED ON RESOLUTION NO. 18-60 TO BE CONSIDERED AT THE END OF THE AGENDA

A RESOLUTION OF THE CITY OF CUDAHY CALIFORNIA, CLOSING PUBLIC OFFICES OF THE CITY ON DECEMBER 5, 2018 IN MOURNING OF THE PASSING OF FORMER PRESIDENT GEORGE HERBERT WALKER BUSH

Motion: It was moved by Vice Mayor Hernandez, and seconded by Mayor Garcia to take immediate action to walk on Resolution 18-60. The motion carried (5-0-0) by the following roll call vote.

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

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

6. CITY COUNCIL COMMENTS

Vice Mayor Hernandez, asked for status on RFP in regards to city properties coinciding with the General Plan including the Long Range Property Plan.

Council Member Markovich, explained why he voted no on walk on item 12B, and concluded his comments by expressing his honor to serve the Council throughout the years.

Council Member Sanchez, thanked city staff for successfully coordinating the 5K Run, Susie de Santiago for being active in the community, and expressed his pleasure serving as Council Member throughout the years.

Mayor Garcia, directed staff to notify other cities of next Council Meetings reorganization event.

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 Council Member Markovich to waive full text reading of all Resolutions and Ordinances by single motion.

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

- A.** Adoption of Ordinance No. 694, by Second 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:

The City Council is requested to:

1. Adopt Ordinance No. 694, by Second 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 Mayor Garcia, and seconded by Council Member Markovich to Adopt Ordinance No. 694, by Second Reading Adding Chapter 8.40 (“Second-Hand Smoke Control”) of Title 8 (“Health & Safety”) of the Cudahy Municipal Code. The motion carried (4-0-0) by the following roll call vote.

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

- B.** Adoption of Proposed Resolution No. 18-52 Replacing and Superseding Resolution No. 17-22, Designating Holidays on which City Offices Shall be Closed for Calendar Year 2019

Presented by the City Manager

The City Council is requested to adopt proposed Resolution No. 18-52 replacing and superseding Resolution No. 17-22, designating on which holidays City offices would be closed for Calendar Year 2019.

Motion: It was moved by Mayor Garcia, and seconded by Council Member Markovich to adopt proposed Resolution No. 18-52 replacing and superseding Resolution No. 17-22, designating on which holidays City offices would be closed for Calendar Year 2019. The motion carried (4-0-0) by the following roll call vote.

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

- C.** Consideration to Review and Approve the Draft Minutes of November 20, 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 November 20, 2018.

Motion: It was moved by Mayor Garcia, and seconded by Council Member Markovich to review and approve the City Council / Agency Draft Minutes for November 20, 2018. The motion carried (4-0-0) by the following roll call vote.

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

11. PUBLIC HEARING

A. Commercial Cannabis Permit (CCP) No. CCP18-0013 and Development Agreement (DA) No. DA18-013C (Location: 4915 Cecilia Street, Applicant: Old and Rusty)

Presented by the Interim Community Development Manager

Special Legal Counsel, Vince Sarmiento provided copies of the land lord consent form.

The City Council is requested to:

1. Consider the Planning Commission's recommendation to approve Commercial Cannabis Permit No. CCP18-0013 to allow commercial cannabis activities including cultivation within a currently vacant approximately 16,183 square foot building located at 4915 Cecilia Street, pursuant to the findings presented in this staff report;
2. Adopt Resolution No. 18-53, approving the issuance of Commercial Cannabis Permit No. CCP18-0013 to allow a Commercial Cannabis Facility for the Site located at 4915 Cecelia Street;
3. Authorize the City Manager to allow a payment plan, if requested, for the Community Benefit Program as outlined in the Development Agreement (DA);
4. 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;
5. 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;
6. Approve DA No. DA18-013C publicly noticed December 4, 2018 City Council meeting and authorize the Mayor to execute said Agreements on behalf of the City; and
7. Introduce Ordinance No. 699 by First Reading by title only, approving the DA by and between the City and Old and Rusty.

MAYOR GARCIA OPENED PUBLIC COMMENT AT 7:10 P.M.

Marcos Oliva, spoke against Council Member Sanchez for taking too long to speak against the items. He argued that the item must first be taken to the Planning Commission before the Council can vote on it.

Marcos Covarrubias, spoke against item 11A lamenting poor resident turnout in the Council Meeting. He went on to speak against Council Members Gonzalez, Markovich, and Hernandez, for approving these items as well as speaking against Council Member Sanchez for speaking against item 11A.

Susie de Santiago, asked Council to look for alternative sources of revenue, arguing there are too many cannabis sites.

Patricia Covarrubias, thanked Council Member Sanchez. She asked the Council to bring the item back to the Planning Commission.

MAYOR GARCIA CLOSED PUBLIC COMMENT AT 7:15 P.M.

Motion: It was moved by Mayor Garcia, and seconded by Vice Mayor Hernandez to approve Commercial Cannabis Permit (CCP) No. CCP18-0013 and Ordinance No. 699 by First Reading approving Development Agreement (DA) No. DA18-013C (Location: 4915 Cecilia Street, Applicant: Old and Rusty). The motion carried (3-1-0) by the following roll call vote.

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

B. Commercial Cannabis Permit (CCP) No. CCP18-0001 and Development Agreement (DA) No. DA18-001C (Location: 8222 Atlantic Avenue, Applicant: VM Evergreen, LLC)

Presented by the Interim Community Development Manager

The City Council is requested to:

1. Adopt Resolution No. 18-54 entitled, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CUDAHY, CALIFORNIA, INSTRUCTING THE PLANNING COMMISSION TO IMMEDIATELY COMPLETE ITS PUBLIC MEETING ON AN APPLICATION FOR A DEVELOPMENT AGREEMENT BY AND BETWEEN THE CITY OF CUDAHY AND VM EVERGREEN, LLC, A WYOMING LIMITED LIABILITY COMPANY AND THE ISSUANCE OF A COMMERCIAL CANNABIS PERMIT" OR
2. Adopt Resolution No. 18-55 entitled "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CUDAHY, CALIFORNIA, TO HEAR AN APPLICATION FOR A DEVELOPMENT AGREEMENT BY AND BETWEEN THE CITY OF CUDAHY AND VM EVERGREEN, LLC, A WYOMING LIMITED LIABILITY COMPANY AND THE ISSUANCE OF A COMMERCIAL CANNABIS PERMIT"; AND
3. Adopt Ordinance No. 698, by First Reading, entitled, "AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CUDAHY, CALIFORNIA, APPROVING: (1) A DEVELOPMENT AGREEMENT [NO. DA18-001C] BY AND BETWEEN THE CITY OF CUDAHY AND VM EVERGREEN, LLC, A WYOMING LIMITED LIABILITY COMPANY AND (2) THE ISSUANCE OF A COMMERCIAL CANNABIS PERMIT".

MAYOR GARCIA OPENED PUBLIC COMMENT AT 8:03 P.M.

Marcos Oliva, mentioned reopening Public Commission comments will maintain due process, and spoke against special counsel and other attorneys for allegedly fear mongering the Council into approving items, bypassing the Planning Commission.

Susie de Santiago, asked Council to not be easily persuaded by special counsel, asking the Council not to be afraid about sending it back to Planning Commission.

Marcos Covarrubias, spoke in favor of moving the item back to the Planning Commission and thanked Council Member Sanchez for his comments regarding this item.

MAYOR GARCIA CLOSED PUBLIC COMMENT AT 8:09 P.M.

DURING COUNCIL DISCUSSION OF ITEM 11B, THE MAYOR CALLED FOR A 15 MINUTE RECESS WITH NO OPPOSITION

Motion: It was moved by Council Member Gonzalez, and seconded by Vice Mayor Hernandez to Adopt Resolution No. 18-55 and Adopt Ordinance No. 698, by First Reading, Approving Development Agreement (DA) No. DA18-001C (Location: 8222 Atlantic Avenue, Applicant: VM Evergreen, LLC). The motion carried (3-1-0) by the following roll call vote.

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

C. Commercial Cannabis Permit (CCP) No. CCP18-0014 and Development Agreement (DA) No. DA18-014C (Location: 4925 Cecilia Street, Applicant: Starcraft, LLC).

Presented by the Interim Community Development Manager

The City Council is requested to:

1. Adopt Resolution No. 18-56 entitled, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CUDAHY, CALIFORNIA, INSTRUCTING THE PLANNING COMMISSION TO IMMEDIATELY COMPLETE ITS PUBLIC MEETING ON AN APPLICATION FOR A DEVELOPMENT AGREEMENT BY AND BETWEEN THE CITY OF CUDAHY AND STARCRAFT, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY AND THE ISSUANCE OF A COMMERCIAL CANNABIS PERMIT" OR
2. Adopt Resolution No. 18-57 entitled "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CUDAHY, CALIFORNIA, TO HEAR AN APPLICATION FOR A DEVELOPMENT AGREEMENT BY AND BETWEEN THE CITY OF CUDAHY AND STARCRAFT, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY AND THE ISSUANCE OF A COMMERCIAL CANNABIS PERMIT"; AND
3. Adopt Ordinance No. 701, by First Reading, entitled, "AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CUDAHY, CALIFORNIA, APPROVING: (1) A DEVELOPMENT AGREEMENT [NO. DA18-0014C] BY AND BETWEEN THE CITY OF CUDAHY AND STARCRAFT, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY AND (2) THE ISSUANCE OF A COMMERCIAL CANNABIS PERMIT".

MAYOR GARCIA OPENED PUBLIC COMMENT AT 8:53 P.M.

Susie de Santiago, expressed her aforementioned concerns asking Council to respect the

process and allow the Planning Commission to recommend the ordinances in its totality.

Elizabeth Alcantar, summarized the prior Planning Commission, explaining questions commissioners asked were not answered. She further explained the questions at hand involved the Evergreen item, benefits other Cities were receiving, and outreach efforts in regards to this item.

Daffodil Tyminski, representative of applicant Starcraft explained both items are relatively small units in relation to the first item. She went on to explain that the sites in discussion are relatively small compared to other previously approved similar development agreements. She went on to remind Council that owners of these properties are Cudahy residents trying to adapt to the zoning codes adopted by Cudahy Council earlier this year, explaining retaining employees was the reason application was not submitted earlier.

MAYOR GARCIA CLOSED PUBLIC COMMENT AT 8:58 P.M.

Motion: It was moved by Vice Mayor Hernandez, and seconded by Council Member Gonzalez to Adopt Resolution No. 18-57 and Adopt Ordinance No. 701, by First Reading, Approving Development Agreement (DA) No. DA18-014C (Location: 4925 Cecilia Street, Applicant: Starcraft, LLC). The motion carried (3-1-0) by the following roll call vote.

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

D. Commercial Cannabis Permit (CCP) No. CCP18-0015 and Development Agreement (DA) No. DA18-015C (Location: 4931 Cecilia Street, Applicant: Staple Room LLC)

Presented by the Interim Community Development Manager

The City Council is requested to:

1. Adopt Resolution No. 18-58 entitled, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CUDAHY, CALIFORNIA, INSTRUCTING THE PLANNING COMMISSION TO IMMEDIATELY COMPLETE ITS PUBLIC MEETING ON AN APPLICATION FOR A DEVELOPMENT AGREEMENT BY AND BETWEEN THE CITY OF CUDAHY AND STAPLE ROOM, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY AND THE ISSUANCE OF A COMMERCIAL CANNABIS PERMIT" OR
2. Adopt Resolution No. 18-59 entitled "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CUDAHY, CALIFORNIA, TO HEAR AN APPLICATION FOR A DEVELOPMENT AGREEMENT BY AND BETWEEN THE CITY OF CUDAHY AND STAPLE ROOM, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY AND THE ISSUANCE OF A COMMERCIAL CANNABIS PERMIT"; AND
3. Adopt Ordinance No. 700 entitled, by First Reading, entitled, "AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CUDAHY, CALIFORNIA, APPROVING: (1) A DEVELOPMENT AGREEMENT [NO. DA18-015C] BY AND BETWEEN THE CITY OF CUDAHY AND STAPLE

ROOM, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY AND (2)
THE ISSUANCE OF A COMMERCIAL CANNABIS PERMIT”.

MAYOR GARCIA OPENED PUBLIC COMMENT AT 9:06 P.M.

Susie de Santiago, reminded Council there are too many cannabis companies, asking to seek alternative revenue sources.

Daffodil Tyminski, announced her clients are open for any questions and affirmed her prior comments.

MAYOR GARCIA CLOSED PUBLIC COMMENT AT 9:08 P.M.

Motion: It was moved by Vice Mayor Hernandez, and seconded by Council Member Gonzalez to Adopt Resolution No. 18-59 and Adopt Ordinance No. 701, by First Reading, Approving Development Agreement (DA) No. DA18-015C (Location: 4931 Cecilia Street, Applicant: Staple Room LLC). The motion carried (3-1-0) by the following roll call vote.

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

12. BUSINESS SESSION

A. Appointment of City representative to the Greater Los Angeles County Vector Control District Board of Trustees

Presented by the Deputy City Clerk

The City Council is requested to appoint a representative to the Board of Trustees of the Greater Los Angeles County Vector Control District for a Two or Four Year Term.

Motion: It was moved by Council Member Markovich and seconded Council Member Sanchez to appoint Council Member Sanchez to the Board of Trustees of the Greater Los Angeles County Vector Control District for a Two Year Term. The motion carried (5-0-0) by the following roll call vote.

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

B. Adoption of Resolution No. 18-60 to Close Public Offices of the City on December 5, 2018 in Mourning of the Passing of Former President George Herbert Walker Bush

Presented by the Deputy City Clerk

The City Council is requested to close public offices of the City on December 5, 2018 in the Mourning of the passing of former president George Herbert Walker Bush.

Motion: It was moved by Mayor Garcia and seconded Council Member Gonzalez to approve Resolution No. 18-60, closing public offices of the City on December 5, 2018 in the Mourning of

the passing of former president George Herbert Walker Bush. The motion carried (3-2-0) by the following roll call vote.

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

13. COUNCIL DISCUSSION – NONE

RECESS TO CLOSED SESSION

City Attorney, Richard Padilla recessed the meeting to close session at 9:23 p.m.

14. CLOSED SESSION

Closed Session Pursuant to Government Code section 54956.9(d)(1) - Conference with Legal Counsel to Discuss Existing Litigation - Name of Case: Cudahy Citizens v. City of Cudahy, et al. (Case No. BS174212)

RECONVENE TO OPEN SESSION

City Attorney Richard Padilla reconvened the Regular Meeting in Open Session at 9:40 p.m.

15. CLOSED SESSION ANNOUNCEMENT

City Attorney Richard Padilla announced that with respect to item 14, all members excluding Council Member Markovich and Sanchez being present. Legal Counsel representing the case provided an update. In the status of litigation Council provided feedback, but no final action was taken.

16. ADJOURNMENT

The City Council / Agency meeting was adjourned at 9:41 p.m.

Chris Garcia
Mayor

ATTEST:

Richard Iglesias
Deputy City Clerk