

## MINUTES

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

August 7, 2018 6:30 P.M.

#### 1. CALL TO ORDER

Mayor / Chair Garcia called the meeting to order at 6:33 p.m.

#### 2. ROLL CALL

PRESENT: Council Member Gonzalez  
Council / Agency Member Markovich  
Vice Mayor / Vice Chair Hernandez  
Mayor / Chair Garcia

ABSENT: Council / Agency Member Sanchez

ALSO PRESENT: City Manager Jose E. Pulido, Deputy Attorney Richard Gonzalez, Deputy Attorney Martin de los Angeles, Deputy City Clerk Richard Iglesias, Finance Director Steven Dobrenen, Parks and Recreation Coordinator Victor Santiago, and Administrative Aide Andres Rangel.

#### 3. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Parks and Recreation Commissioner Tevina Quintana.

#### 4. PRESENTATIONS

##### A. Update on Community Choice Aggregation (CCA) Energy Program

Michael Chapin, president of CCA presented on the organization's behalf.

#### 5. PUBLIC COMMENTS

Jack Guerrero, protested the City's effort to bring 22 marijuana development agreements to the heavily concentrated City, arguing the number is excessive, detrimental to property values, and unjust, given the close proximity to schools, churches, and playgrounds. He highlighted those development agreements have alarming clauses undermining the will of the people if they were to disagree on the development agreement. He reminded council that establishments as the ones aforementioned are always present in low income communities of color, which are vulnerable to exploitation. He urged residents not to sell out to cannabis establishments. He continued exposing agenda items placing tax measures on the November ballot, arguing those taxes attack hard working blue color families that struggle to bring food to the table, in an effort to allegedly subsidize Council's financial mismanagement, bloated salaries, and agreements with vendors who funded Council Members' campaigns. He reminded Council about the failures of last year's tax measures, and assured these tax measures will have the same outcome.

Pamela Munquila, spoke against the Council's method in passing the city budget. She continued criticizing the Council's efforts to pass the parcel and sales tax, reminding Council that residents will not tolerate additional taxes. She went on to speak against Council for reducing public comment time to two minutes, as well as Council Member Gonzalez for allegedly occupying a seat that did not belong to him.

Carmen Hernandez, announced and presented court summons documents to Council Members Garcia, Markovich, Hernandez, and Sanchez, and she went on to ask City to receive the court summons during her public comment time.

Maria Guillen, spoke against Mayor Garcia for his treatment of members of the public and urged him to stop speaking against Jack Guerrero. She's argued parks are in bad conditions, and are still being rented out to outside groups. She went on to speak against cannabis sites in the City, arguing Council's decisions are made not considering families. She concluded her comments by criticizing the Council's supermajority.

Patricia Covarrubias, spoke against Council Member Gonzalez for his appointment in the Council replacing Jack Guerrero's seat, questioning his residency in Cudahy. She went on to speak against the Parcel tax, arguing Cudahy residents do not want to pay additional taxes. She further added she believed the intent of cannabis industries in Cudahy were to get Cudahy out of its economic problems. She criticized the Council's alleged financial mismanagement, citing the lack of youth and senior programs as well as poor park maintenance. She emphasized the difference between a degree and an education, alleging the Council is lacking the latter.

Miranda, quoted the constitution of the United States when arguing Ordinance 673 and the recently adopted zoning code infringes Cudahy residents' rights at the expense of the cannabis industry. She went on to speak against the potential residential displacement permitted by ordinance 673 under the Ellis Act, not decided by vote, rather by City Council. She emphasized the needs of the people and the needs of the City are synonymous and as such the government which serves them both cannot separate them. She argued Council is not serving residents' best interests, potentially doing them more harm than good. She cited the Declaration of Independence arguing residents have the right to change its government if they decide it is no longer serving them, and asked council to consider that, come the November Election.

Marcos Oliva, mentioned he has never had a Council meeting warning until this meeting. He brought up Council Member Sanchez's numerous absences to the Council's attention. He criticized the Council for allegedly 'being in a race' with Maywood to have more cannabis sites. He reminded Council Member Gonzalez that every contract enacted by City must be discussed in a public meeting. With that said, he asked during what meeting was attorney Leal's contract discussed. He concluded by speaking against Council for alleged lack of transparency, and receiving a warning when asking to "stop wasting time".

Carmen Beltran, criticized the Council for allegedly focusing more on being authoritative than serving its residents. She reminded the Council it is elected to serve its residents, citing any development projects approved by the Council and/or Planning Commission must first be approved by residents. She further commented that residents have increased its scrutiny over Council; ensuring residents will be informed about Council's development projects. She concluded her comments by urging Council to have some professional ethics.

Stephany Beltran, told Council Member Markovich she attended the City's Planning Commission meeting as advised, and cited responses from the City's consulting principal planner, which she found problematic, such as an acceptance to potential residential

displacement and an alleged lack of city familiarity, citing low levels of residential properties on the overlay zone, when Ms. Beltran argues more than half of the block is high density residential. She went on to criticize the planning consultant for its alleged lack of familiarity with the City, further alleging Council's lack of familiarity with the City for contracting the planning consultant to manage the City's cannabis development agreements.

Edin Enamorado, spoke against Jack Guerrero, alleging he has not done anything for the community. He went on to speak against Mr. Guerrero for allegedly bringing xenophobic groups to the City, lack of interaction with City Hall during his tenure as council member, alleging he has spent over \$20,000 in taxpayer funds for travel and hotels, and alleging he was using his position as council member as a stepping stone for state treasurer. He spoke in favor of cannabis cultivation sites in the City, cannabis's medicinal benefits, it being legal in California, and the economic benefits it will have on the City's sports programs. He concluded his comments by citing the increased revenue the state of Colorado has experienced since legalizing cannabis.

Michele Gessner, spoke in regards to the multiple hit and runs in the City. She asked what steps the City can do to limit hit and runs in the City. She asked if there were any preventative measures the City could take to limit the amounts of hit and runs the City has experienced. She concluded her comments by speaking in favor of cannabis cultivation sites.

## **6. CITY COUNCIL COMMENTS**

Council Member Markovich, commented that he invites differences in opinion among residents and urges to voice those opinions when voting during the November elections. He further wished residents were engaged in cannabis development in the City when it was being discussed in public meetings two and a half years ago. He argued Cudahy constituents overwhelmingly voted in favor of proposition 64. He thanked Michelle Gessner for bringing awareness to the multiple hit and runs the City has experienced, suggesting the City will try to bring a grant or promote more bicycle education and safety to limit occurrences. He concluded his comments by thanking his colleagues for reaching out to him when he was going through his family emergency.

Council Member Gonzalez, thanked the City Council for showing confidence in his abilities to sit on the Council. He assured he will serve Cudahy to the best of his abilities, highlighted his past contributions to the community, and hopes to build long lasting relationships with the City.

Vice Mayor Hernandez, announced the L.A. River Master Plan Event hosted at Clara Park. He invited Cudahy residents to join and voice their opinions in regards to the issue. He directed staff to post the event on the City website and nixle in both English and Spanish. He announced the City's National Night Out event, and directed staff to place a discussion item regarding a just cause eviction ordinance for next meeting's agenda. He further directed staff to research, plan, and analyze if the CCA is a good fit for the City and provide a discussion item on the public safety commission agenda to discuss solutions to limit hit and runs in the City and consider funding the initiative by the cannabis industry.

Mayor Garcia, thanked residents for attending the meeting, reiterated his role as presiding officer, and the Council's responsibility to create policies that will benefit the community as a whole. He asked for respect regardless of opinion. He argued proposition 64 overwhelmingly passed in the City, as well as the City's moratorium on dispensaries. He informed residents that every municipality had until the end of 2017 to implement a local control ordinance, or risk deferring all municipality authority to the state.

**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 Council Member Markovich, and seconded by Vice Mayor Hernandez to waive full text reading of all Resolutions and Ordinances by single motion.

**10. CONSENT CALENDAR (Items 10A through 10E)**

**A. Adoption of Proposed Resolution No. 18-39 Electing the Population and Inflation Factors and Establishing the City's Fiscal Year (FY) 2018-19 Appropriations Limit (Gann Limit)**

Presented by the Finance Director

The City Council is requested to adopt proposed Resolution No. 18-39 confirming the population and inflation factors used to calculate the annual Appropriation Limit (Gann Limit) and establish the City's Gann Limit for Fiscal Year (FY) 2018-19.

**Motion:** It was moved by Council Member Markovich, and seconded by Vice Mayor Hernandez to adopt proposed Resolution No. 18-39 confirming the population and inflation factors used to calculate the annual Appropriation Limit (Gann Limit) and establish the City's Gann Limit for Fiscal Year (FY) 2018-19. The motion carried (4-0-1) by the following roll call vote.

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

**B. Adoption of Ordinance No. 688, by Second Reading Approving Development Agreement (DA) No. DA18-004C (Location: 4933 Cecelia Street, Applicant: Natures Natural Care, Inc.)**

Presented by the City Manager

The City Council is requested to:

1. Authorize the City Manager to allow a payment plan, if requested, for the Community Benefit Program as outlined in the Development Agreement (DA);
2. 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;
3. 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;

4. Approve DA No. DA18-004C publicly noticed July 6, 2018 City Council meeting and authorize the Mayor to execute said Agreements on behalf of the City; and
5. Adopt Ordinance No. 688 by Second Reading, by title only, approving the DA by and between the City and Natures Natural Care, Inc.

**Motion:** It was moved by Council Member Markovich, and seconded by Vice Mayor Hernandez to adopt Ordinance No. 688, by Second Reading Approving Development Agreement (DA) No. DA18-004C (Location: 4933 Cecelia Street, Applicant: Natures Natural Care, Inc.). The motion carried (4-0-1) by the following roll call vote.

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

**C.** Adoption of Ordinance No. 689, by Second Reading Approving Development Agreement (DA) No. DA18-017C (Location: 4907 Cecelia Street, Applicant: NYCE Guys, LLC)

Presented by the City Manager

The City Council is requested to:

1. Authorize the City Manager to allow a payment plan, if requested, for the Community Benefit Program as outlined in the Development Agreement (DA);
2. 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;
3. 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;
4. Approve DA No. DA18-017C publicly noticed July 6, 2018 City Council meeting and authorize the Mayor to execute said Agreements on behalf of the City; and
5. Adopt Ordinance No. 689 by Second Reading, by title only, approving the DA by and between the City and NYCE Guys, LLC.

**Motion:** It was moved by Council Member Markovich, and seconded by Vice Mayor Hernandez to adopt Ordinance No. 689, by Second Reading Approving Development Agreement (DA) No. DA18-017C (Location: 4907 Cecelia Street, Applicant: NYCE Guys, LLC). The motion carried (4-0-1) by the following roll call vote.

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

- D.** Consideration to Review and Approve the Draft Minutes of July 17, 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 July 17, 2018.

**Motion:** It was moved by Council Member Markovich, and seconded by Vice Mayor Hernandez to review and approve the City Council / Agency Draft Minutes for July 17, 2018. The motion carried (4-0-1) by the following roll call vote.

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

- E.** Approval of Co-Sponsorship with Stella Group for the use of Clara Park and Sports Complex to host a Community Senior Health Fair on August 24, 2018

Presented by the Parks and Recreation Coordinator

The City Council is requested to approve the proposed co-sponsorship for a community health fair in partnership with Stella Group Health provider to take place on Friday, August 24, 2018 from 7:00 a.m. to 1:00 p.m. to be held at Clara Park and Sports Complex located at 4835 Clara Street, Cudahy, CA 90201.

**Motion:** It was moved by Council Member Markovich, and seconded by Vice Mayor Hernandez to approve the proposed co-sponsorship for a community health fair in partnership with Stella Group Health provider to take place on Friday, August 24, 2018 from 7:00 a.m. to 1:00 p.m. to be held at Clara Park and Sports Complex located at 4835 Clara Street, Cudahy, CA 90201.. The motion carried (4-0-1) by the following roll call vote.

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

## **11. PUBLIC HEARING**

- A.** A Public Hearing to Consider and Approve Resolution No. 18-40 to Place a Casino Tax Measure on the November 6, 2018 Ballot and Approval of Ordinance Establishing the Same, Subject to Voter Approval

Presented by City Attorney's Office

The City Council is requested to:

1. Adopt Resolution No. 18-40 (Attachment "A"):
  - (i) Giving notice of the submission of a ballot measure question to the voters of the City of Cudahy (City) concerning the increase of a gross gaming revenue tax on the holders of licenses for casinos and other gambling operations to a rate of 15% percent of the license holder's total monthly gross gaming revenues with a required minimum license fee of \$10,000 per month; and
  - (ii) Setting election procedures and priorities for the filing of written arguments and rebuttals regarding the measure and directing the City Attorney to prepare an impartial analysis.
2. Introduce for First Reading, in title only, and waive further reading of Ordinance No. 691 (Attachment "B") "An Ordinance of The City of Cudahy, California Amending Section 5.08.860 of Article XVIII (Casinos – Certain Gambling Games – Bingo) Of Chapter 5.08 (Business License Tax – Particular Businesses) of Title 5 (Business Licenses And Regulations) and Other Related Municipal Code Provisions."

**MAYOR GARCIA OPENED PUBLIC HEARING AT 7:33 P.M.**

Miranda, asked why the City is passing a casino tax if there are currently no operating casinos in the City.

Stephany Beltran, reminded the Council the City is only 1.2 square miles, therefore approving 21 cannabis businesses as well as bringing a casino is not what the City needs. She argued there is no need to build a casino in Cudahy due to its close proximity to the Bicycle Casino in Bell Gardens. She urged Council to contemplate alternative revenue sources that will not pose a threat to the City, reminding Council that \$900,000 in revenue from Cannabis and casino businesses is not sufficient to offset the City Budget's \$2 million deficit.

Carmen Beltran, reminded Council that the original Cudahy casino left because residents did not want it in the City. She went on to remind the Council that the November Elections are nearing and residents do not agree with Council's decisions.

**MAYOR GARCIA CLOSED PUBLIC HEARING AT 7:39 P.M.**

**Motion:** It was moved by Vice Mayor Hernandez, and seconded by Council Member Markovich to Consider and Approve Resolution No. 18-40 to Place a Casino Tax Measure on the November 6, 2018 Ballot and Approval of Ordinance Establishing the Same, Subject to Voter Approval. The motion carried (4-0-1) by the following roll call vote.

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

ABSTAIN: None

**B. A Public Hearing to Consider and Approve Resolution No. 18-41 to Place a Temporary Three-Quarter Percent Local Transactions and Use Tax Measure on the November 6, 2018 Ballot and Approval of Ordinance Establishing the Same, Subject to Voter Approval**

Presented by City Attorney's Office

The City Council is requested to:

1. Adopt Resolution No. 18-41 (Attachment "A"):
  - (i) Giving notice of the submission of a ballot measure question to the voters of the City of Cudahy (City) concerning the enactment of a temporary three-quarter percent (3/4%) transactions and use tax to be implemented as a general use tax; and
  - (ii) Setting election procedures and priorities for the filing of written arguments and rebuttals regarding the measure and directing the City Attorney to prepare an impartial analysis.
2. Introduce for First Reading, in title only, and waive further reading of Ordinance No. 692 (Attachment "B") "An Ordinance of the City of Cudahy imposing a Temporary Three-Quarter Percent (3/4%) Transactions and Use Tax to be Administered by the California Department of Tax and Fee Administration."

**MAYOR GARCIA OPENED PUBLIC HEARING AT 7:54 P.M.**

Pamela Munguila, spoke her opposition to the sales tax appearing on the ballot. She argued the City does not have thriving businesses to merit a sales tax increasing.

Gloria Sandoval, asked the Council how it is possible to pass this sales tax item with such a low resident attendance. She argued there are no businesses in Cudahy, resembling a ghost town. She spoke against the Council's focus on cannabis businesses at the expense of neglecting other businesses in the City. She suggested the Council should have invited City business owners to attend the meeting, assuming the sales tax would affect them. She spoke against Mayor Garcia and the rest of the Council for going back its word.

Tevina Quintana, asked for clarification in regards to the Sales Tax.

Patricia Covarrubias, spoke against Council for its excessive taxing habits. She reminded Council there is a lack of sports, youth, and senior programs, arguing taxes will not be allocated to these programs, rather to City Council. She spoke against all forms of taxes, commenting businesses, such as Kmart, are leaving due to the City's unfriendly business environment, such as a sales tax increase, while cannabis businesses do not get taxed enough.

Carmen Hernandez, spoke against all taxes, arguing a sales tax increase and other unfriendly business habits are what drives businesses away from the City. She reminded Council Kmart no longer operates in the City due to high taxes and cannabis businesses. She further argued cannabis businesses will attract more crime, which will lead to higher costs for public safety.

A speaker, commented that he did not understand the Council's vision for the City. He went on to speak against taxes, commented Cudahy's charter school left due to Elizabeth Learning Center filing a lawsuit against it, for the lack of space in the City to allow both schools to operate. He spoke against the City for its slow response to a broken street light in the City earlier in the morning. He urged Council to use its education to come up with alternate solutions, and concluded his comments by speaking against the City attorneys.

Julia Ruiz, commented that businesses have left because residents decide not to shop in the City's businesses. She urged residents to shop within the City in order to not push businesses away. She concluded her comments by speaking in favor of cannabis businesses, citing the additional revenue it will bring.

Carmen Beltran, spoke against the sales tax. She reminded 90% of residents voted against additional taxes in the City. She further argued additional revenues will go to Council and management salary increases. She urged Council to increase taxes to cannabis businesses, not residents, citing the cannabis business low taxation rate.

A speaker, spoke against the sales tax arguing revenues will go to salary increases for Council and senior management. She argued residents do not shop in the City due to a lack of stores and businesses. She asked Council to focus on bringing businesses such a theater to attract City residents. She concluded her comments by warning Council is shooting itself in the foot with its decisions.

Edin Enamorado, reminded residents that Kmart left Cudahy due to internal issues, irrelevant from sales tax rates. He went on to highlight the progress the City has made in terms of public safety. He cited recent public safety cuts as the reason for recent crimes in the City, as well as the need for a parcel tax.

Miranda, spoke against the sales tax, reminding Council the tax will detrimentally affect the majority of family owned businesses in the City. She concluded her comments by reaffirming the City does not want more taxes.

Tevina Quintana, reminded residents that in order to fund City programs, taxes must fund it. She went on to remind residents the City does have sports programs. She cited South Gate's high tax, and Kmart closing down due to it closing down stores nationwide.

Michele Gessner, argued the sheriff's department must be funded at all costs, citing Cudahy's past and the progress it has made in public safety in recent years.

#### **MAYOR GARCIA CLOSED PUBLIC HEARING AT 8:13 P.M.**

**Motion:** It was moved by Vice Mayor Hernandez, and seconded by Council Member Markovich to Consider and Approve Resolution No. 18-41 to Place a Temporary Three-Quarter Percent Local Transactions and Use Tax Measure on the November 6, 2018 Ballot and Approval of Ordinance Establishing the Same, Subject to Voter Approval. The motion carried (4-0-1) by the following roll call vote.

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

**C. A Public Hearing to Consider and Approve Resolution No. 18-42 to Place a Temporary Parcel Tax Measure on the November 6, 2018 Ballot and Approval of Ordinance Establishing the Same, Subject to Voter Approval**

Presented by the City Attorney's Office

It is recommended:

1. Adopt Resolution No. 18-42 (Attachment "A"):
  - (i) Giving notice of the submission of a ballot measure question to the voters of the City of Cudahy (City) concerning the enactment of a temporary parcel tax to be implemented as a special tax; and
  - (ii) Setting election procedures and priorities for the filing of written arguments and rebuttals regarding the measure and directing the City Attorney to prepare an impartial analysis.
2. Introduce for First Reading, in title only, and waive further reading of Ordinance No. 693 (Attachment "B") "An Ordinance of the City of Cudahy [imposing] a Temporary Public Safety Funding [Parcel Tax]..."

**MAYOR GARCIA OPENED PUBLIC HEARING AT 8:27 P.M.**

Pamela Munguila, commented that the parcel tax will not pass regardless of the Council's efforts, reminding Council of last year's parcel tax results. She spoke against Council for still not coming up with an alternative revenue source. She further spoke against Council for not taxing cannabis sites excessively, but seeing it appropriate to tax residents. She argued L.A. County will not allow Cudahy to lose law enforcement.

Carmen Hernandez, spoke against the parcel tax arguing land owners will pass the tax increase to its renters, a majority of Cudahy residents. She reminded Council residents are low income in the City, rents are high, and further spoke against the Council for being disconnected with the community. She further argued Kmart closed operations in Cudahy due to the alleged high increases in its contract with the City.

Gloria Sandoval, reminded Council that elections are nearing, reminding the Council that the parcel tax did not pass last year. She accused Council of wastefully spending millions of dollars in the General Fund reserve left by the former council. She further accused the Council of shopping outside the City.

A speaker, spoke against the City attorneys, accusing the office of excessively taxing low income residents. He urged the Council to use its education to fight for its constituents, rather than tax them, advising the Mayor to reduce his salary, and speaking against Council Member Gonzalez.

A speaker, spoke against the Council for the projected \$200 rent increase. She further accused Council of not protecting the high volume of low income renters in the City. She argued the Parcel Tax is unnecessary due to the fact L.A. County will not leave the City without law enforcement.

Tevina Quintana, asked if rents will increase due to the parcel tax, explaining it would be difficult for renters to pay.

Samuel Arellano, introduced himself as being a member of the L.A. Sheriff's Department for 34 years, specifically providing police services for the City of Cudahy. He commented taxes are necessary for sustainability, despite its unpopularity. He highlighted the substantial progress the City has had in terms of public safety since 2010, when the L.A. Sheriff's Department came back to Cudahy, going as far as ranking in the top 50 safest Cities in the state. He further highlighted Deputy Moreno's dedication and achievements received when serving the City, specifically citing his dedication to outreach and education in the community. He went on to say he would not like the City to revert back to its crime history, urging residents to prioritize the best public safety service. He concluded his comments by telling residents he is available if anyone has questions about the L.A. Sheriff's Department, and its increased costs.

Miranda, reminded Council residents are underserved and lived in impoverished conditions. She lamented saying residents do not have the luxury to afford the best available security. She expressed her concern in regards to the long term financial consequences the tax could have for residents, worrying it could lead to a number of financial hardships and homelessness. She concluded her comments by reminding Council land owners will push parcel tax increases to rent increases, affecting the high volume renter population in the City.

Edin Enamorado, commented that increased rents are not due to the parcel tax, instead due to a lack of rent control in Los Angeles. He concluded his comments by congratulating residents who attended the Council meeting.

Patricia Covarrubias, affirmed residents do not want tax increases. She accused Council will not use parcel tax revenue for public safety. She argued that any tax increases should be raised on cannabis sites. She reasoned if the City needs increased sheriff's presence due to cannabis sites, then those companies should be responsible for offsetting the costs for increased public safety. She concluded her comments by stating that she will not give one penny to Council.

A speaker, asked Council if additional revenue sources come from its residents. She argued land owners will raise rents due to the parcel tax, and further urged Council to decrease Council salaries and services, rather than tax its residents.

#### **MAYOR GARCIA CLOSED PUBLIC HEARING AT 8:47 P.M.**

**Motion:** It was moved by Vice Mayor Hernandez, and seconded by Council Member Markovich to Consider and Approve Resolution No. 18-42 to Place a Temporary Parcel Tax Measure on the November 6, 2018 Ballot and Approval of Ordinance Establishing the Same, Subject to Voter Approval. The motion carried (4-0-1) by the following roll call vote.

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

#### **MAYOR GARCIA MADE A MAYORAL DECISION TO MOVE ITEM 12, BUSINESS SESSION AFTER ITEM 14, CLOSED SESSION WITH NO OPPOSITION.**

## 12. BUSINESS SESSION

- A.** An Ordinance of the City Council of the City of Cudahy Adding Chapter 8.40 (“Second-Hand Smoke Control”) of Title 8 (“Health & Safety”) of the Cudahy Municipal Code

Presented by City Prosecutor

The City Council is requested to:

1. Introduce Ordinance No. 694 for 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 Council Member Markovich to add Chapter 8.40 (“Second-Hand Smoke Control”) of Title 8 (“Health & Safety”) of the Cudahy Municipal Code. The motion carried (4-1-0) by the following roll call vote.

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

- B.** An Ordinance of the City Council of the City of Cudahy Adding Article XXVI (“Tobacco Retailer”) of Chapter 5.08 (“Business License Tax – Particular Businesses”) of Title 5 (“Business Licenses and Regulations”) of the Cudahy Municipal Code

Presented by the City Prosecutor

The City Council is requested to:

1. Introduce Ordinance No. 695 for First Reading by title only, adding Article XXVI (“Tobacco Retailer”) of Chapter 5.08 (“Business License Tax – Particular Businesses”) of Title 5 (“Business Licenses and Regulations”) of the Cudahy Municipal Code; and
2. Waive further reading of Ordinance No. 695.

**Motion:** It was moved by Vice Mayor Hernandez and seconded by Mayor Garcia to add Article XXVI (“Tobacco Retailer”) of Chapter 5.08 (“Business License Tax – Particular Businesses”) of Title 5 (“Business Licenses and Regulations”) of the Cudahy Municipal Code. The motion carried (4-0-1) by the following roll call vote.

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

## 13. COUNCIL DISCUSSION – NONE

## **RECESS TO CLOSED SESSION**

City Attorney Richard Padilla recessed the Regular Meeting to Closed Session at 9:11 p.m.

### **14. CLOSED SESSION**

- A. Closed Session Pursuant to Government Code Section 54956.9(d)(1) – Conference with Legal Counsel to Discuss Existing Litigation Matter – Cudahy Citizens Challenging Council Corruption v. City of Cudahy, et al., Los Angeles Superior Court Case No. BS174212.

## **RECONVENE TO OPEN SESSION**

City Attorney Richard Padilla reconvened the Regular Meeting in Open Session at 9:31 p.m.

### **15. CLOSED SESSION ANNOUNCEMENT**

City Attorney Richard Padilla reported out that the Law Offices of Glenn Calsada will represent the City in a matter of existing litigation. Council directed staff to bring an agreement between Law Offices of Glenn Calsada and the City by the August 21, 2018 City Council meeting.

### **16. ADJOURNMENT**

The City Council / Agency meeting was adjourned at 10:24 p.m.

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Chris Garcia  
Mayor

ATTEST:

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Richard Iglesias  
Deputy City Clerk