

MINUTES

SPECIAL MEETING OF THE CUDAHY CITY COUNCIL

May 23, 2018 3:00 P.M.

1. CALL TO ORDER

Mayor/Chair Member Garcia called the meeting to order at 3:01 p.m.

2. ROLL CALL

PRESENT: Council / Agency Member Guerrero
Council / Agency Member Markovich
Council / Agency Member Sanchez (arrived at 3:13 p.m.)
Vice Mayor / Vice Chair Hernandez
Mayor / Chair Garcia

ABSENT: None

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

3. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Mayor Garcia.

4. PRESENTATIONS

A. Rules of decorum presented by Mayor Chris Garcia and East Los Angeles County Sheriff's Department

Sergeant Bearse presented the rules of decorum.

5. PUBLIC COMMENTS

Pamela Munquila, reminded the Council that the residents are still keeping track of the Council's track record, and are still against cannabis development in the City. She elaborated there is a difference between proposition 64 and City Ordinance No. 673. She concluded her comments by reminding the Council they have organized and will vote against Ordinance No. 673.

Jack Guerrero, expressed his disappointment with the Council for not reaching out in regards to City Council business or his status on the City Council. He went on to protest any position the City Council has vacating his seat, and argued that he will legally dispute such actions. He justified the reasons for his absences related to health, illness, and professional work conflicts in his schedule. He continued by reminding the Council he still plays an active role as a Council member, attending municipal conferences, meeting with legislatures and filing an initiative

against Ordinance No. 673. He argued that his absences do not relate to Government Code 36513. He concluded his comments by criticizing City Council's serial cancellation of meetings.

MAYOR GARCIA MOVED ITEM 6 – BUSINESS SESSION, TO THE NEXT REGULAR CITY COUNCIL MEETING, THEN PROCEEDED TO CLOSED SESSION WITH NO OPPOSITION.

6. BUSINESS SESSION

A. Adoption of Ordinance Nos. 676-682 by Second Reading, Approving Development Agreement (DA) Nos. DA18-019C, DA18-012C, DA18-016C, DA18-018C, DA18-020C, DA18-021C, and DA18-022C (Location: 4916 Cecelia Street, Applicants: CUPER Development, LLC; The 420 Club, LLC; Genius Distribution, LLC; Go Cudahy, LLC; Daniel & Goliath, LLC; Davina, LLC; and Herbal Dragon, LLC)

Presented by 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 Nos. DA18-019C, DA18-012C, DA18-016C, DA18-018C, DA18-020C, DA18-021C, DA18-022C and authorize the Mayor to execute said Agreements on behalf of the City;
5. Adopt Ordinance No. 676 by Second Reading, approving the DA by and between the City and Cuper Development, a Limited Liability Company;
6. Adopt Ordinance No. 677 by Second Reading, approving the DA by and between the City and The 420 Club, a Limited Liability Company;
7. Adopt Ordinance No. 678 by Second Reading, approving the DA by and between the City and Genius Distribution, a Limited Liability Company;
8. Adopt Ordinance No. 679 by Second Reading, approving the DA by and between the City and Go Cudahy, a Limited Liability Company;
9. Adopt Ordinance No. 680 by Second Reading, approving the DA by and between the City and Daniel & Goliath, a Limited Liability Company;
10. Adopt Ordinance No. 681 by Second Reading, approving the DA by and between the City and Davina, a Limited Liability Company; and
11. Adopt Ordinance No. 682 by Second Reading, approving the DA by and between the City and Herbal Dragon, a Limited Liability Company.

Motion: No action was taken. Item was moved to the next Regular Council Meeting.

B. Adoption of Ordinance No. 683 by Second Reading, Approving Development Agreement No. DA18-008C (Location: 8354-8360 Wilcox Ave., Applicant: Four Star Manufacturing, LLC)

Presented by 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. DA18-008C and authorize the Mayor to execute said Agreements on behalf of the City; and
5. Adopt Ordinance No. 683 by Second Reading, approving the DA by and between the City and Four Star Manufacturing, a Limited Liability Company.

Motion: No action was taken. Item was moved to the next Regular Council Meeting.

C. Adoption of Ordinance No. 684, Approving Development Agreement No. DA18-007C (Location: 8205 Wilcox Ave., Applicant: Leading Grow Solutions, LLC)

Presented by 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. DA18-007C and authorize the Mayor to execute said Agreements on behalf of the City; and
5. Adopt Ordinance No. 684 by Second Reading, approving the DA by and between the City and Leading Grow Solutions, a Limited Liability Company.

Motion: No action was taken. Item was moved to the next Regular Council Meeting.

D. Adoption of Ordinance Nos. 685 and 686, Approving Development Agreement Nos. DA18-003C and DA18-009C (Location: 4959 Patata St., Applicant: NVUS, LLC and E-Labs, LLC)

Presented by 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 Nos. DA18-003C and DA18-009C and authorize the Mayor to execute said Agreements on behalf of the City; and
5. Adopt Ordinance Nos. 685 and 686 by Second Reading, approving the DA by and between the City and NVUS, LLC and E-Labs, a Limited Liability Company.

Motion: No action was taken. Item was moved to the next Regular Council Meeting.

RECESS TO CLOSED SESSION

Deputy City Attorney Martin De Los Angeles recessed the Regular Meeting to Closed Session at 3:07 p.m.

7. CLOSED SESSION

- A. Closed Session Pursuant to Government Code Section 54956.9(d)(2) and 54956.9(e)(1) – Conference with Legal Counsel to discuss facts and circumstances unknown to potential plaintiffs which may create exposure to litigation [One (1) Matter]
- B. Closed Session Pursuant to Government Code Section 54956.8 – Conference with Real Property Negotiator
Location of Property: Successor Agency-owned lands in the City of Cudahy
City's Negotiator(s): City Manager Jose E. Pulido
Party Negotiating With: Joseph Yung (Yung & Co./Colonial Capital Limited)
Under Discussion: Potential disposition of Successor Agency lands

RECONVENE TO OPEN SESSION

Deputy City Attorney Martin De Los Angeles reconvened the Regular Meeting in Open Session at 3:36 p.m.

8. CLOSED SESSION ANNOUNCEMENT

Deputy City Attorney Martin De Los Angeles reported four out of the five members were present, in regards to closed session matter pursuant to Government Code Section 54956.8 – Conference with Real Property Negotiator; the item was held for discussion.

Deputy City Attorney Richard Gonzalez Reported in regards to item 7A. He announced that the City finds that under Government Code Section 36513 there is a vacancy for Council Member Guerrero's seat based upon City Council's view and deliberation of 4-0. City Attorney staff will prepare a resolution to make findings of the vacancy in office for consideration, adopted by June 5, 2018. If Council Member Guerrero seeks to rebut this presumption, the city invites him to provide information to the City Attorney and City Clerk no later than May 25, 2018 by email. This information shall be taken under consideration by the City Council no later than June 5, 2018 at the next scheduled meeting.

9. ADJOURNMENT

The City Council / Agency meeting was adjourned at 3:37 p.m.

Chris Garcia
Mayor

ATTEST:

Richard Iglesias
Deputy City Clerk