

MINUTES OF THE REGULAR MEETING  
OF THE LA PALMA CITY COUNCIL

July 19, 2011

CALL TO ORDER: Mayor Rodriguez called the Regular Meeting of the La Palma City Council to Order at 5:07 p.m. in the Council Chambers of La Palma City Hall, 7822 Walker Street, La Palma, California.

CLOSED SESSION

CONFERENCE WITH LABOR NEGOTIATORS

Agency Designated Representatives: Steve Filarsky, Filarsky & Watt  
Dominic Lazzaretto, City Manager  
Laurie Murray, Administrative Services Manager

Employee Organization: La Palma Police Association

Mayor Rodriguez recessed to Closed Session at 5:08 p.m.

OPEN SESSION

Mayor Rodriguez reconvened the City Council in Open Session at 7:02 p.m. with all members present.

City Manager Lazzaretto stated that there were no reportable actions.

PLEDGE OF ALLEGIANCE: Mayor Pro Tem Charoen

INVOCATION: Pastor Jerry Bennett, Faith Fellowship Church

ROLL CALL: Council and Commission Members

Council/Commission Members present: Mayor Pro Tem/Vice Chairperson Charoen,  
Council/Commission Member Hwangbo,  
Mayor/Chairperson Rodriguez,

Council/Commission Member Shanahan, and  
Council/Commission Member Waldman

Council/Commission Members  
absent:

None

City Officials present:

Dominic Lazzaretto, City Manager/Executive  
Director  
Joel Kuperberg, City Attorney  
Michael Belknap, Recreation & Community  
Services Director  
Douglas Dumhart, Community Development  
Director  
Jeff Moneda, Public Works Director/City  
Engineer  
Keith Neves, Finance Director  
Eric Nuñez, Police Chief  
Laurie Murray, Administrative Services  
Manager/City Clerk  
Kimberly Kenney, Minutes Clerk

## PRESENTATIONS

1. Mayor Rodriguez presented a Proclamation to Korean War Veteran Ron MacIver in honor of National Korean War Veterans Armistice Day.
2. Southern California Edison (SCE) Regional Manager, Janelle Froisland, gave a presentation on the Smart Connect Program.

Discussion ensued regarding future technology allowing customers to connect certain appliances to the smart meter; how SCE accommodates customers on life support devices during the installation of the meters; and that La Palma is at the end of the replacement schedule.

## ORAL COMMUNICATIONS

Jack Amsell, 7892 Barbi Lane, addressed the City Council to thank them and Staff for reinstating the martial arts classes.

Lisa Amsell, 9602 Alwood Avenue, Garden Grove, addressed the City Council to thank them and Staff for reinstating the martial arts class.

Son Dong, 5573 Los Palos Circle, Buena Park, addressed the City Council regarding his support for the martial arts class and thanked the City Council and Staff for reinstating the classes.

Jack and Lisa Amsell presented the City Council with a plaque and a Certificate of Appreciation.

Ted Reina, 8081 Lancashire Circle, addressed the City Council in support of the La Palma Police Department (LPPD) and the Police Interaction with Youth (PIY) program

Paul Bracciodieta, representing the La Palma Police Association (LPPA), addressed the City Council regarding the level of officers' salaries and medical benefits; the level of education obtained by numerous Police Department employees; assuring the public that La Palma Police will continue their exemplary service; and that making a 9% contribution to the California Public Employees Retirement System (CalPERS) without receiving an increase in compensation would mean a loss of income and would result in a decrease in the quality of services.

Jim Engen, representing the LPPA, addressed the City Council regarding salaries; that the LPPD employees want fairness and equity; that the average life expectancy of police officers is 65 years of age; that the LPPD has seen a decrease in staff over the years; and on the arduous process of recruiting police officers.

Dee Vicente, 7931 Ash Lane, addressed the City Council regarding her support of the LPPD. She supports reductions in the City's overall budget but without reductions to Police Officer salaries.

Noella Lew, 5347 Andrew Drive, addressed the City Council regarding her support for the LPPD.

Robert Carruth, 7201 Monterey Lane, addressed the City Council regarding his support for balance, fairness, and transparency citywide; and that every citizen has the right to speak about their community. He stated that La Palma is a safe community because of the Police Department and community members; that employees of other federal and municipal agencies pay their portion of retirement benefits; that the City's current financial model is not sustainable; that the City Council are the City's fiscal police; and that the CalPERS' website states the average life expectancy of a police officer is 81.5 years.

Cheryl Pappas, 5272 Duke Drive, addressed the City Council regarding her opposition to the comments made by members of the Police Department at the July 5, 2011, City Council meeting; her opposition to the efforts of Police Department employees to lobby residents in support of the LPPA; inconsistencies in the statements made by the police officers; that adjacent cities require their police officers to pay their full portion of retirement benefits; and asked that the City Council follow through on its fiduciary duty to protect the City.

Sharon Gutjahr, 5489 Dirk Circle, addressed the City Council regarding her support for the LPPD; that several residents are using the City's information inaccurately; and asked that the City Council not take away benefits that the Police Officers have always been given.

Pat Craig, 7662 Tracey Lane, addressed the City Council regarding her support for Police Officers in general; support for members of the public who spoke regarding pension and benefit reform; her opposition to the previous comments made by LPPD employees; and that no member of the public should ever be made to feel intimidated by speaking openly at a City Council meeting.

Mike Jewell, 5211 Blairwood Drive, addressed the City Council regarding his opposition to the AB1867 Affordable Housing project's "Low Income" qualifications.

Keith Nelson, 5311 La Luna Drive, addressed the City Council regarding his disappointment with the comments made by the Police Officers who spoke at the previous City Council meeting; that Police Officers have received numerous increases in prior years and are compensated very well; that the taxpayers and the City cannot afford to continue to pay the employee portions of their retirement; that the Police Officers have to contribute as the other labor groups have; his support of the hard work by the City Council and Staff during the negotiation process; that the Police Department should consider the financial issues of the City; and that Police Department staff turn-over could be a positive thing.

Kitty Mallet, 5071 Cadiz Circle, addressed the City Council regarding her support for the LPPD.

Larry Herman, 5122 Andrew Drive, addressed the City Council stating that he would be unable able to attend the upcoming Orange County Vector Control District; and he thanked Community Development Director Dumhart for his quick response to a complaint about an adjacent property's pool pump. He also commented that Police Department employees should be fair in accepting the agreements that the other bargaining units have already agreed upon.

Bill Meihl, 8171 Wickam Lane, addressed the City Council regarding his support for the LPPD.

RECESS THE CITY COUNCIL AND CONVENE AS THE COMMUNITY DEVELOPMENT COMMISSION AT 8:50 P.M.

Chairperson Rodriguez requested to take a short recess at 8:50 p.m.

Chairperson Rodriguez reconvened the Community Development Commission at 8:58 p.m. with all members present.

CONSENT CALENDAR

A. Approval of Community Development Commission Minutes

Minutes of the July 5, 2011, Regular Meeting of the La Palma Community Development Commission.

B. Approval of Register of Demands

Resolution No. CDC 2011-20 approving the Register of Demands for July 19, 2011.

Commission Member Waldman made a motion to approve Consent Calendar Items A and B.

The motion was seconded by Vice Chairperson Charoen and carried on the following vote:

AYES: Vice Chairperson Charoen, Commission Member Hwangbo, Chairperson Rodriguez, Commission Member Shanahan, and Commission Member Waldman

NOES: None

PUBLIC HEARINGS

None Scheduled.

REGULAR ITEMS

None Scheduled.

ADJOURN THE COMMUNITY DEVELOPMENT COMMISSION, AND CONVENE AS THE PLANNING COMMISSION AT 8:59 P.M.

CONSENT CALENDAR

PL-1. Approval of Planning Commission Minutes

Minutes of the La Palma July 5, 2011, Regular Meeting of the La Palma Planning Commission.

Commission Member Shanahan made a motion to approve Consent Calendar Item PL-1.

The motion was seconded by Vice Chairperson Charoen and carried on the following vote:

AYES: Vice Chairperson Charoen, Commission Member Hwangbo, Chairperson Rodriguez, Commission Member Shanahan, and Commission Member Waldman

NOES: None

PUBLIC HEARINGS

None Scheduled.

REGULAR ITEMS

None Scheduled.

ADJOURN THE PLANNING COMMISSION, AND RECONVENE THE CITY COUNCIL AT 9:00 P.M.

CONSENT CALENDAR

1. Waive the Reading of All Ordinances

Waive the reading of all Ordinances in their entirety and read by title only.

2. Approval of Council Minutes

Minutes of the July 1, 2011, Special Meeting of the City Council and the July 5, 2011, Regular Meeting of the La Palma City Council.

3. Approval of Register of Demands

Resolution No. 2011-40 approving the Register of Demands for July 19, 2011.

4. Notice of Completion and Acceptance of Work for the ARRA-Energy Efficiency and Conservation Block Grants Project, City Project No. 10-BLDG-03, Federal Grant No. CBG-09-083

Accept the work and authorize the Public Works Director to file Notice of Completion and Acceptance of Work with the Orange County Recorder for the American Recovery and Reinvestment Act (ARRA) Project, Energy Efficiency and Conservation Block Grants (EECBG) Project, City Project No. 10-BLDG-03, Federal Grant No. CBG-09-083.

Council Member Waldman made a motion to approve Consent Calendar Items 1 through 4.

The motion was seconded by Mayor Pro Tem Charoen and carried on the following vote:

AYES: Mayor Pro Tem Charoen, Council Member Hwangbo, Mayor Rodriguez, Council Member Shanahan, and Council Member Waldman

NOES: None

PUBLIC HEARINGS

5. Resolution of Intention and Proposed Ordinance Authorizing an Amendment to the Contract with the California Public Employees' Retirement System

- a) Mayor Rodriguez opened the Public Hearing at 9:00 p.m.
- b) Administrative Services Manager Murray gave the Staff Report
- c) Public Input  
No members of the public wished to speak.
- d) Mayor Rodriguez closed the Public Hearing at 9:02 p.m.
- e) Council Comments and Questions  
None.

- f) Adopt the Resolution of Intention to approve an amendment to the contract between the Board of Administration California Public Employees' Retirement System (CalPERS) and the City Council of the City of La Palma
- g) Introduce for first reading, an Ordinance of the City Council of the City of La Palma authorizing an amendment to the contract between the City Council of the City of La Palma and the Board of Administration of the California Public Employees' Retirement System.

Mayor Pro Tem Charoen made a motion to adopt the Resolution of Intention to approve an amendment to the contract between the Board of Administration California Public Employees' Retirement System (CalPERS) and the City Council of the City of La Palma and introduce for first reading, an Ordinance of the City Council of the City of La Palma authorizing an amendment to the contract between the City Council of the City of La Palma and the Board of Administration of the California Public Employees' Retirement System.

The motion was seconded by Council Member Waldman.

Mayor Rodriguez commented that this item was presented to the City Council as an outcome of City Staff's work and sacrifice.

The motion carried on the following vote:

AYES: Mayor Pro Tem Charoen, Council Member Hwangbo, Mayor Rodriguez, Council Member Shanahan, and Council Member Waldman

NOES: None

## REGULAR ITEMS

- 6. Approval of AB 1867 Affordable Housing Program Guidelines, to Assist in Meeting its Regional Housing Needs Assessment (RHNA) Goals

Community Development Director Dumhart gave the Staff Report.

Council Comments and Questions:

Discussion ensued regarding that the City of La Palma can meet 75% of its Regional Housing Needs Assessment (RHNA) requirements with the proposed Denni Street project; that the law requires that the units be 3-plex or larger; that the City has a requirement of 16 affordable housing units that must be met by



2016; that the City is already contracted for 12 units; that the City Council will need to look at further land or property acquisitions to meet the remaining RHNA number of 4 units; the process for property acquisitions; the use of apartments to meet the requirements; that Article 34 of the State Constitution requires that the City cannot own or operate affordable housing unless the matter is taken to the voters and that the City of La Palma has not had such an election; that potential tenants who would qualify for the low income property are those same people that work at the hospital or for the City; and that the proposed affordable housing would not exclude seniors or disabled veterans.

John Okura, representing Jamboree Housing, addressed the City Council regarding Jamboree Housing being a non-profit Affordable Housing Developer; that they are the largest affordable housing developer in Orange County; that they are the current owners of the Camden Place Apartments; that the Montecito Apartments have not had any issues; and that Jamboree Housing has a stringent application process.

Further discussion ensued regarding the regulatory standards that Jamboree Housing uses; that Jamboree Housing acts quickly when there are issues; the process for a household when they come to the end of their housing term; that Jamboree Housing pushes for self sufficiency for its residents with the help of a service affiliate; that La Palma has limited housing stock; that the City Council wishes to achieve continuity in its affordable housing guidelines; that the general public does not understand that affordable housing programs have safeguards in place to avoid potential issues; and that having the proposed guidelines in place would allow the City to pursue grants.

Resolution No. 2011-32 approving AB 1867 Affordable Housing Program Guidelines.

Council Member Hwangbo made a motion to approve Resolution No. 2011-32 approving AB 1867 Affordable Housing Program Guidelines, to assist in meeting its Regional Housing Needs Assessment (RHNA) goals.

The motion was seconded by Council Member Shanahan and carried on the following vote:

AYES:	Mayor Pro Tem Charoen, Council Member Hwangbo, Mayor Rodriguez, Council Member Shanahan, and Council Member Waldman
NOES:	None

7. Conceptual Review of a Proposal for the Development of a Chase Bank at 5962 La Palma Avenue

City Manager Lazzaretto introduced the item.

Council Member Waldman disclosed that his brother is employed by Chase Bank in New York.

City Attorney Kuperberg clarified that as long as there is no financial relationship between them that his brother's employment creates no conflict of interest under the Political Reform Act.

Council Member Shanahan disclosed that he has a mortgage with Chase Bank.

City Attorney Kuperberg clarified that if the mortgage was obtained as a member of the general public and he did not receive any special terms, conditions, or dispensation, there would be no conflict of interest.

Mayor Pro Tem Charoen and Mayor Rodriguez both disclosed that they have bank accounts with Chase Bank.

City Attorney Kuperberg clarified that there is no conflict of interest as long as the City Council Members are subject to the same terms and conditions as the general public.

Community Development Director Dumhart gave the Staff Report.

Public Input:

Max Franco, representing the property owners and Studley Commercial Real Estate, addressed the City Council regarding Studley being a national firm; that the property owners have a strong history in La Palma; that the property is undersized for a retail center; that the adjacent property owners are not interested in selling their property; that the site itself has great visibility; that Chase Bank is motivated to modify their plans to accommodate the small space; that there was limited retail interest in this property; and that Chase Bank is willing to take on the costs required to replace and compact soils on the property.

Charlie Arbing, representing Chase Bank, addressed the City Council regarding the unsuitable fill on the site, that it is not contaminated; that there is a shoring aspect to ground remediation at an extra cost; and that this location will create jobs and establish a long term presence in the community.

Council Comments and Questions:

Discussion ensued regarding the retail in-lieu proposal; the recently passed Planned Neighborhood Development (PND) Zoning that does not allow bank uses; placing an inflation rate on the retail in-lieu fee; obtaining residential input; the height of the building; that the monument sign clearly state that the bank is in La Palma; and clarification on Chase Bank's typical lease.

Steve Bashe, representing Chase Bank, addressed the City Council stating that Chase Bank's typical term is a 20-year lease that has two five-year options; and that when you consider the banks they have acquired that some of their locations have had a presence in communities for over 30 years.

Further discussion ensued regarding the \$3,500 retail in-lieu fee being a large impact for the property owner; that most national retailers do not adjust their rent on an annual basis; that the applicant is willing to discuss an incremental increase in the retail in-lieu fee; that Chase Bank is willing to change their architectural model to accommodate the requests by the City; that the PND zoning amendment was to encourage more retail and dining outlets versus a bank; that a bank would have limited operating hours; that the proposed project does generate income for the City; that the lot was not marketable to retailers because of its size; concern regarding the location of the drive-thru ATM; that the property owners originally opposed the PND Zoning; and support for the bank use due to the lack of retail interest.

Further discussion ensued regarding the City Council's concern for mitigating the location of the ATM before a site plan is submitted.

Council Member Hwangbo made a motion to conceptually approve the proposed Development of a Chase Bank at 5962 La Palma Avenue and to direct Staff to draft a Zone Code Text Amendment and Development Agreement for further consideration.

The motion was seconded by Council Member Waldman and carried on the following vote:

AYES: Mayor Pro Tem Charoen, Council Member Hwangbo, Mayor Rodriguez, Council Member Shanahan, and Council Member Waldman

NOES: None

COUNCILMEMBER AB1234 REPORTS, REPORTS FROM CITY-AFFILIATED COMMITTEES, AND COUNCIL REMARKS

**Council Member Shanahan** attended the first Concert in the Park.

**Council Member Waldman** attended the Orange County Sanitation District (OCSD) Finance Committee meeting; the Association of California Cities-Orange County (ACC-OC) meeting; and the first and second Concerts in the Park.

**Council Member Hwangbo** attended the Cypress School District Measure M Citizen Oversight committee; the second Concerts in the Park; the Orange County Fair opening event.

**Mayor Pro Tem Charoen** attended the first Concert in the Park.

**Mayor Rodriguez** attended the first Concert in the Park and commented on the parking issues and thanked Council Executive Assistant Wilkerson for her assistance in securing reservations for the League of California Cities (LOCC) September 2011 Conference.

#### CITY MANAGER REMARKS

**City Manager Lazzaretto** announced that upcoming Agenda Items would include options for the recently adopted Redevelopment bills, mentioning that the League of California Cities, the California Redevelopment Association, Union City, and the City of San Jose have filed an injunction against them; and the Mid-Term Review of the City Council Goals. He also mentioned that Staff is working with AT&T on finding a solution to recent telephone issues and it may become necessary to look at upgrading the City's phone system.

#### CITY ATTORNEY REMARKS

**City Attorney Kuperberg** noted that he is monitoring the activity at the State level regarding the Redevelopment bills and any upcoming litigation against the State and that he is looking forward to taking the City Council out to dinner at the upcoming September LOCC Conference.

#### ADJOURNMENT

Mayor Rodriguez adjourned the Regular Meeting of the La Palma City Council at 10:38 p.m.

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Ralph D. Rodriguez  
Mayor

Attest:

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Laurie A. Murray, CMC  
City Clerk