

MINUTES OF THE REGULAR MEETING  
OF THE LA PALMA CITY COUNCIL

July 5, 2017

CALL TO ORDER: Mayor Steggell called the Regular Meeting of the La Palma City Council to order at 7:00 p.m. in the Council Chambers of La Palma City Hall, 7822 Walker Street, La Palma, California.

PLEDGE OF ALLEGIANCE: Council Member Goedhart

INVOCATION: Pastor Eliot Bland, La Palma Christian Center

ROLL CALL: Council Members

Council Members present: Council Member Goedhart, Council Member Goodman, Mayor Pro Tem Hwangbo, Council Member Kim, and Mayor Steggell

Council Members absent: None

City Officials present: Laurie Murray, City Manager  
Joel Kuperberg, City Attorney  
Terry Kim, Police Chief  
Scott Hutter, Planning Manager  
Carlo Nafarrete, Water/Maintenance Supervisor  
Kimberly Kenney, Deputy City Clerk

PRESENTATIONS

None scheduled.

ORAL COMMUNICATIONS

No members of the Public wished to speak.

RECESS THE CITY COUNCIL AND CONVENE THE CITY OF LA PALMA AS SUCCESSOR AGENCY TO THE DISSOLVED COMMUNITY DEVELOPMENT COMMISSION AT 7:02 P.M.

Deputy City Clerk Kenney stated, "The City Council will now recess and convene as the Successor Agency to the Dissolved Community Development Commission of the City La Palma. Members of the La Palma City Council receive no compensation or stipend as a result of convening or participating in the Successor Agency or otherwise as serving as members of the Successor Agency."

### CONSENT CALENDAR

A. Approval of Successor Agency Minutes

Minutes of the June 20, 2017, Regular Meeting of the Successor Agency.

B. Successor Agency Register of Demands

Resolution No. SA 2017-05 approving the Successor Agency Register of Demands for July 5, 2017.

Council Member Kim made a motion to approve Consent Calendar Items A and B.

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

AYES: Council Member Goedhart, Council Member Goodman, Mayor Pro Tem Hwangbo, Council Member Kim, and Mayor Steggell

NOES: None

### PUBLIC HEARINGS

None Scheduled.

### REGULAR ITEMS

None Scheduled.

ADJOURN THE CITY OF LA PALMA AS SUCCESSOR AGENCY TO THE DISSOLVED COMMUNITY DEVELOPMENT COMMISSION AND RECONVENE THE CITY COUNCIL AT 7:03 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 June 20, 2017, Regular Meeting of the City Council.

3. Approval of Register of Demands

Resolution No. 2017-41 approving the Register of Demands for July 5, 2017.

Council Member Kim made a motion to approve Consent Calendar Items 1 through 3.

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

AYES: Council Member Goedhart, Council Member Goodman, Mayor Pro Tem Hwangbo, Council Member Kim, and Mayor Steggell

NOES: None

## PUBLIC HEARING

4. Consideration of Resolution Approving Precise Plan 284, Planned Unit Development for the 11-unit Villa De La Palma Apartments proposed at 5062 La Palma Avenue (APN 262-081-04)

a) Mayor Steggell opened the Public Hearing at 7:03 p.m.

City Manager Murray introduced the Item and gave the Staff Report.

b) Public Input:

Ed Byrne, a La Palma Resident, addressed the City Council regarding clarification of a CEQA Exemption.

City Attorney Kuperberg explained that CEQA oversees environmental conditions, and whether there are environmental impacts of a project; however, CEQA does not require any action or inaction - only whether an environmental review needs to be prepared or is required. He closed by

adding that CEQA has a series of exemptions for certain types of projects where no CEQA analysis is required or is required by the applicant and this project is one of them to which the exemption applies.

Sue Palma, a La Palma resident, addressed the City Council regarding her opposition to the City's transparency on projects that affect the community; that the City was proactive in noticing during Measure JJ, and opposition to the proposed 11-Unit Apartment Complex.

Mayor Steggell clarified that this project and Measure JJ are separate projects; that Measure JJ had a Citizen Committee that provided information; and that this proposed 11-Unit Apartment Complex is being processed by the City of La Palma.

Terryl Weber, a La Palma resident, addressed the City Council regarding citizen opposition to the proposed 11-Unit Project; what the City's plans are for this site if the cost of the property is negotiated and agreed upon; resident's concerns for several recent City development projects; and encouragement for residents to stay informed.

Jerry Lomeli, a La Palma resident, addressed the City Council with a list of questions he'd like responses to regarding this proposed 11-Unit Apartment project; opposition to the State mandating housing requirements; and support for transparency.

Herb Sutherland, a La Palma resident, addressed the City Council regarding his history in La Palma; support for local control over development projects; opposition to the State mandating housing requirements; and opposition to proposed 11-Unit Apartment project.

Ken Studebaker, a La Palma resident, addressed the City Council regarding traffic concerns along Walker during Junior High and High School hours.

Jo Studebaker, a La Palma resident, addressed the City Council regarding getting the public's questions answered regarding the proposed 11-Unit Apartment project.

City Manager Murray responded that the City can address the questions regarding the proposed 11-Unit Apartment project after the negotiations are completed; that this public hearing is being continued as a result of the negotiations; and that during the staff report for Agenda Item 6, some of the questions will be answered and the City's response to resident concerns will become clear.

- c) Continue Public Hearing to August 1, 2017

Council Member Kim made a motion to continue the Public Hearing to August 1, 2017.

Mayor Pro Tem Hwangbo addressed the public; thanked them for being vocal about the project; that the Council cannot address the project because the City is currently in negotiations; voiced his opposition to the project; and asked if the City Attorney or City Manager can address the matter without going into detail.

City Attorney Kuperberg announced that discussion on the matter is inappropriate; that Item 6 on the Agenda is an Urgency Item to enact a development moratorium on any lots that have a Village Overlay zoning designation that would preclude the City from approving any projects on sites that members of the public are particularly concerned about; and that Item 6 may help those present better understand the City's position.

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

AYES: Council Member Goedhart, Council Member Goodman, Mayor Pro Tem Hwangbo, Council Member Kim, and Mayor Steggell

NOES: None

Council Member Goedhart requested clarification that the deadline for taking action on the proposed 11-Unit Apartment project was waived.

City Attorney Kuperberg concurred that the deadline was no longer an issue.

5. Consideration of Conditional Use Permit (CUP) 375 to permit Priority 1 Warehousing to operate a warehouse and distribution facility with ancillary office space in approximately 131,000 square feet of the existing industrial building at 14000 183rd Street, La Palma, CA 90623 (APN's 276-051-30; 31; and 32)
  - a) Mayor Steggell opened the Public Hearing at 7:27 p.m.
  - b) Planning Manager Hutter gave the Staff Report.
  - c) Council Comments and Questions

Discussion ensued regarding disappointment with Kellogg's leaving the City; traffic concerns with the new business taking over the site; that Kellogg's had more employees and truck traffic than the proposed new business; and that warehousing items include rolled paper and cans used for restaurant services.

d) Public Input:

Ken Studebaker, a La Palma resident, addressed the City Council regarding the limited area for public hearing notification on this proposal.

Planning Manager Hutter responded that the law requires 300 feet be notified of this project and Staff sent notices out to property owners within 350 feet of the proposal.

City Attorney Kuperberg responded that the State law mandates the noticing requirement of 300 feet from the proposed project site; that recent questions regarding appropriate outreach were made; that unless the City's Municipal Code changes, the City is required to meet the State's noticing mandates; and that Staff cannot change the City Code without going through a process.

Jerry Lomeli, a La Palma resident, addressed the City Council regarding concerns about exact products being stored at the site; that the Conditions of Approval (COA) appear to be very vague; the party responsible for inspecting the building in case they violate their CUP; concerns about storage height; who is responsible for monitoring the project; and whether the public can make a recommendation to change the public noticing requirements.

Planning Manager Hutter responded that both he and Code Enforcement would be responsible for inspecting and monitoring the warehouse site, the project, and the CUP; and that the City's main concern is that warehousing operations take place inside the facility and not outside.

City Attorney Kuperberg responded that Staff cannot change the Municipal Code themselves; and that Staff is looking into the notification process.

Wally Zimmerman, a La Palma resident, addressed the City Council regarding the hours of operation of the proposed business versus Kellogg's and whether extended hours would equal more traffic.

Planning Manager Hutter responded that he has spoken with the Property Manager of the site to confirm the decrease in traffic from the warehouse with the new proposal.

Melina Ho, a La Palma resident, addressed the City Council regarding planning and zoning entitlements, and wanted clarification that the proposed 11-Unit Apartment project was not entitled to receive approval based on the 90 day timeline.

City Attorney Kuperberg responded that the City evaluated the project; that the 90 day timeline would not start until a CEQA determination was made by Staff; and that the 90 day window for entitlements is no longer relevant as the legal matter is moving forward.

Sharon Nix, a La Palma resident addressed the City Council regarding support for transparency; and clarification on City funding for a previously proposed restaurant.

City Manager Murray responded that the restaurant was proposed in FY 2013-14; that the public came and addressed their concerns; that the project was not approved; that the City planned to make tenant improvements because it was a City owned property; and that the City chose the current business as the tenant and not the restaurant.

Ken Studebaker, a La Palma resident, requested clarification on the height of the storage racks allowed in the warehouse noting storage concerns as a retired fireman.

Planning Manager Hutter responded that the maximum storage height is not to exceed 17 feet, with delineated aisles at 15 feet in width, for a total storage area of 76,500 square feet.

Fire Chief Dave Steffen responded that the Orange County Fire Authority (OCFA) conducts annual inspections to ensure there are no fire code violations.

- e) Mayor Steggell closed the Public Hearing at 7:53 p.m.
- f) Adopt a Resolution approving CUP 375 to permit Priority 1 Warehousing to operate a warehouse and distribution facility with ancillary office space in approximately 131,000 square feet of the existing industrial building at 14000 183rd Street.

Mayor Pro Tem Hwangbo made a motion to adopt Resolution No. 2017-42 approving CUP 375 to permit Priority 1 Warehousing to operate a warehouse and distribution facility with ancillary office space in approximately 131,000 square feet of the existing industrial building at 14000 183rd Street.

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

AYES: Council Member Goedhart, Council Member Goodman, Mayor Pro Tem Hwangbo, Council Member Kim, and Mayor Steggell

NOES: None

## REGULAR ITEMS

6. Urgency Interim Ordinance prohibiting the processing or approval of development entitlements, permits, or approvals on designated properties in the Multiple-Family Residential Zones that are overlaid with the Village Residential Overlay

Planning Manager Hutter gave the Staff Report.

City Manager Murray reminded the City Council of the previously submitted letters of opposition from the Building Industry Association (BIA) and California Apartment Association (CAA) at the June 20, 2017, meeting; that she spoke with them regarding this matter and how it only affects a couple of properties; and that they did not send any letters of objection for this Agenda Item.

### Council Comments and Questions:

Council Member Goodman made a motion to adopt Urgency Interim Ordinance 2017-02 enacted pursuant to California Government Code Section 65858, imposing a 45-day moratorium on the approval of any land use development entitlements, permits, or other approvals within the Multiple-Family Residential (R-3) Zoned properties to which the Village Residential Overlay (VRO) has been applied; direct staff to take necessary steps to rezone the designated properties; identify other properties for the Village Overlay Zone; review Zoning requirements, including parking and setbacks; and review the City's notification process;.

Mayor Pro Tem Hwangbo made a friendly amendment to the motion to have Staff include in their review, research of Assembly Bill 2406 that generated Government Code 65852.22, allowing cities other options to deal with low income housing requirements.

City Manager Murray clarified the motion and friendly amendment to be adoption of Urgency Interim Ordinance 2017-02 of the City Council of the City of La Palma, enacted pursuant to California Government Code Section 65858, imposing a 45-day moratorium on the approval of any land use development entitlements, permits, or other approvals within the Multiple-Family Residential (R-3) Zoned

properties to which the Village Residential Overlay (VRO) has been applied; direct staff to review the City's notification process, take necessary steps to rezone the designated properties, identify other properties for the Village Overlay Zone, take a fresh look at our zoning requirements for parking and setbacks, research AB 2406 as part of this review, and bring forward to the City Council during the workshop with the Development and Circulation Committee.

Council Member Goodman, the maker of the motion, accepted the friendly amendment. The motion was seconded by Mayor Pro Tem Hwangbo.

#### Council Comments and Questions:

Discussion ensued regarding doing a complete review to make sure the City is entirely compliant; support for the motion; that the moratorium is coming forward as a result of the outcome of the 5062 La Palma project; the history of the zoning on that property; the history of the Village Overlay zoning changes; that if the owner of 5052 came forward with the same project on their property, the City would have to go through this process all over again; that the City Council's goal is remove the overlay from those properties and correct the problem with future Village Overlay zoning issues.

#### Public Comment:

Kathy Cuellar, a La Palma resident, addressed the City Council regarding the concern for needing to accept some form of affordable housing within the City and awareness of voting for State Officials as they are the party responsible for these mandates.

Council Member Goedhart responded that the State mandates affordable housing and high density zones; and that the City Council is reviewing area along Orangethorpe Avenue as a high density zone as there is existing high density development in that area.

City Manager Murray explained that the low income median in Orange County is \$85,000 for a two member household per year.

Ed Byrne, a La Palma resident, addressed the City Council regarding the detail and thorough City website and encouraged everyone present to familiarize themselves with it; support for the public to sign up for the 'notify me' allowing the public to receive notification of City events and projects; and whether the funds for purchasing 5062 La Palma Avenue are going to come from Redevelopment assets.

City Attorney Kuperberg stated that although the negotiations are confidential and cannot be discussed, Redevelopment funds have been eliminated because

the State dissolved Redevelopment Agencies; and that the results of the negotiation will result in the outcome of the property acquisition.

City Manager Murray also added that the City had to write a check back to the State for monies leftover in its Redevelopment Agency after the State mandated their dissolution.

The motion carried on the following vote:

AYES: Council Member Goedhart, Council Member Goodman, Mayor Pro Tem Hwangbo, Council Member Kim, and Mayor Steggell

NOES: None

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

**Council Member Kim** attended the La Palma Community Foundation Police Appreciation Dinner; the Orange County Sanitation District (OCSD) Board meeting; and the annual La Palma Run for Fun.

**Mayor Pro Tem Hwangbo** attended the 67th Annual Korean War Anniversary ceremony; the Southern California Association of Governments (SCAG) Demographic Workshop; the annual La Palma Run for Fun and thanked the volunteers involved.

**Council Member Goodman** attended the La Palma Community Foundation Police Appreciation Dinner and the annual La Palma Run for Fun.

**Goedhart** attended the La Palma Community Foundation Police Appreciation Dinner and the annual La Palma Run for Fun. He closed by noting that he is available to the public for questions or can make an appointment to meet for any concerns.

**Mayor Steggell** attended the La Palma Community Foundation Police Appreciation Dinner; the Orange County Fire Authority (OCFA) Graduation; and the annual La Palma Run for Fun and thanked the volunteers involved.

#### CITY MANAGER REMARKS

**City Manager Murray** reported that for the 91 Freeway Tree Replacement project, the City will be responsible for \$70,000 to \$75,000 related to actual tree replacement; that the funds will be taken out of the City's billboard revenue over a 24-month period; and that

this will not require additional action from the City Council as the Development Agreement contained these terms.

CITY ATTORNEY REMARKS

**City Attorney Kuperberg** had nothing to report.

CLOSED SESSION

CS-1. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION  
Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9: SMG Property Management

CS-2. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION  
(Paragraph (1) of subdivision (d) of Section 54956.9)  
Name of Case: Jean Pierre Klein and Lucinda Klein

Mayor Steggell recessed into Closed Session at 8:25 p.m.

Mayor Steggell reconvened the City Council in Open Session at 8:48 p.m. and asked for a report.

City Manager Murray announced that there were no reportable actions regarding CS-1 and that for CS-2 the City Council voted unanimously to reject the claim of Jean Pierre Klein and Lucinda Klein.

ADJOURNMENT

Mayor Steggell adjourned the Regular Meeting of the City Council at 8:49 p.m.

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Michele Steggell  
Mayor

Attest:

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Kimberly Kenney  
Deputy City Clerk