

MINUTES OF THE REGULAR MEETING
OF THE LA PALMA CITY COUNCIL

March 19, 2019

CALL TO ORDER: Mayor Pro Tem Kim called the Regular Meeting of the La Palma City Council to order at 7:00 p.m. in the Council Chambers at La Palma City Hall, 7822 Walker Street, La Palma, California, with Council Member Goedhart and Mayor Goodman being absent.

PLEDGE OF ALLEGIANCE: Camp Fire, Long Beach Area Council

INVOCATION: Steve Jankovich, Church of Jesus Christ of Latter Day Saints

ROLL CALL: Council and Commission Members

Council Members present: Mayor Pro Tem Kim, Council Member Patel, and Council Member Steggell

Council Members absent: Council Member Goedhart and Mayor Goodman

City Officials present: Laurie Murray, City Manager
Emily Webb, City Attorney
Mike Belknap, Community Services Director
Scott Hutter, Planning Manager
Terry Kim, Police Chief
Sea Shelton, Administrative Services Director
Kimberly Kenney, Deputy City Clerk
Marion Cubero, Code Enforcement/Business License Officer

PRESENTATIONS

None Scheduled.

ORAL COMMUNICATIONS

Emily Franz, Public Affairs Manager for Southern California Gas (So Cal Gas) Company, addressed the City Council regarding proposed State legislation that failed last year to require electrifying the entire state; that similar legislation is forthcoming; that the cost

benefit analysis does not support this proposal; that the cost to upgrade to electric appliances is about \$7,200 per household with an additional \$400 more per year in energy costs; that So Cal Gas does not oppose this as it is the homeowner's choice, however the State should not take the choice away from homeowners in their ability to use renewable natural gas; and that there is renewable natural gas from organic sources at a much lower cost than electricity.

RECESS THE CITY COUNCIL AND CONVENE AS THE CITY OF LA PALMA AS SUCCESSOR AGENCY TO THE DISSOLVED COMMUNITY DEVELOPMENT COMMISSION AT 7:07 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 of La Palma. Members of the La Palma City Council receive no compensation or stipend as a result of convening or participating in either the Successor Agency or otherwise as serving as members of the Successor Agency."

CONSENT CALENDAR

A. Approval of Successor Agency Minutes

Minutes of the March 5, 2019, Regular Meeting of the Successor Agency.

Council Member Steggell made a motion to approve Consent Calendar Item A.

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

AYES:	Mayor Pro Tem Kim, Council Member Patel, and Council Member Steggell
NOES:	None
ABSENT:	Council Member Goedhart, and Mayor Goodman

PUBLIC HEARINGS

None Scheduled.

REGULAR ITEMS

None Scheduled.

RECONVENE THE CITY COUNCIL FOR A JOINT MEETING WITH THE CITY OF LA PALMA AS SUCCESSOR AGENCY TO THE DISSOLVED COMMUNITY DEVELOPMENT COMMISSION AT 7:08 P.M.

CONSENT CALENDAR

- B. 2018 General Plan, Housing Element, and Successor Agency Annual Progress Reports
- a) Receive and file the 2018 General Plan Annual Progress Report, 2018 Housing Element Annual Progress Report, and the 2018 Housing Successor Annual Report; and
 - b) Direct the Community Development Department to:
 - 1) Transmit the 2018 General Plan Annual Progress Report to the Governor's Office of Planning and Research (OPR);
 - 2) Transmit the 2018 Housing Element Annual Progress Report to the California Department of Housing and Community development (HCD); and,
 - 3) Post the 2018 Housing Successor Annual Report on the City's website.

Council Member Steggell made a motion to receive and file the 2018 General Plan, Housing Element, and Successor Agency Annual Progress Reports; transmit the 2018 General Plan Annual Progress Report to the Governor's Office of Planning and Research (OPR); transmit the 2018 Housing Element Annual Progress Report to the California Department of Housing and Community development (HCD); and post the 2018 Housing Successor Annual Report on the City's website.

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

AYES: Mayor Pro Tem Kim, Council Member Patel,
and Council Member Steggell

NOES: None

ABSENT: Council Member Goedhart, and Mayor Goodman

PUBLIC HEARINGS

None Scheduled.

REGULAR ITEMS

C. Memorandum of Understanding for the North Orange County Service Planning Area Homelessness Outreach Efforts

City Manager Murray gave the Staff Report.

- a) Approve and authorize the Mayor to execute the Memorandum of Understanding;
- b) Authorize the City Manager to approve non-substantive changes as needed; and
- c) Adopt Resolution No. 2019-14 of the City Council of the City of La Palma amending the FY 2018-19 Adopted Budget.

Mayor Pro Tem Kim thanked City Manager Murray and Staff for their time and effort on this project.

Public Input:

No members of the Public wished to speak.

Council Member Patel made a motion to approve and authorize the Mayor to execute the Memorandum of Understanding; authorize the City Manager to approve non-substantive changes as needed; and adopt Resolution No. 2019-14 of the City Council of the City of La Palma amending the FY 2018-19 Adopted Budget.

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

AYES: Mayor Pro Tem Kim, Council Member Patel,
and Council Member Steggell

NOES: None

ABSENT: Council Member Goedhart, and Mayor
Goodman

ADJOURN THE CITY OF LA PALMA AS SUCCESSOR AGENCY TO THE DISSOLVED
COMMUNITY DEVELOPMENT COMMISSION AT 7:23 P.M.

CITY COUNCIL

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 March 5, 2019, Regular Meeting of the City Council.
3. Approval of Register of Demands

Resolution No. 2019-15 approving the Register of Demands for March 5, 2019.

Council Member Kim announced that he had a financial conflict of interest on Item
3. Council Member Kim did not participate in the vote on this item.
4. Award of Contract to Infrastructure Engineers for Infrastructure Engineers to
conduct and prepare the Water System Master Plan

Approve and authorize the Mayor to execute an Agreement with Infrastructure
Engineers to conduct and prepare the Water System Master Plan, City Project No.
18-WTR-03.
5. Award of Contract to Greenfields Outdoor Fitness for Purchase and Installation of
Exercise Equipment in Central Park

Approve and authorize the Mayor to execute an Agreement with Greenfields Outdoor Fitness for the purchase and installation of exercise equipment in Central Park.

Council Member Steggell made a motion to approve Consent Calendar Items 1 through 5.

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

AYES: Mayor Pro Tem Kim, Council Member Patel,
and Council Member Steggell

NOES: None

ABSENT: Council Member Goedhart, and Mayor
Goodman

PUBLIC HEARINGS

6. Consideration of Conditional Use Permit 382, A Request by the Applicant, Henry Hoang Owner of the Venus Spa Salon Located at 10 Centerpointe Drive, Suite No. 9, La Palma, CA (APN 276-081-64) to Operate a Massage Establishment

- a) Mayor Pro Tem Kim opened the Public Hearing at 7:24 p.m.
- b) Planning Manager Hutter gave the Staff Report
- d) Public Input:

Henry Hoang, Venus Spa business owner, addressed the City Council regarding not being able to access the online advertisements to remove or change them; that he was a victim of unfair competition who recruited his staff; that he tried to stay within the limit of laws, yet the laws are unclear; that when renewing your license online at the CAMTC, there was not a clear code of conduct to follow; that he tried to clean up his business as he's been a part of this City since 2001; that he tries to protect his employees by screening the customers with the use of cameras; opposition to the City changing the codes without notifying the business owners; that he does not exploit his employees; opposition to some of the information presented by Staff; his opposition to minimal details with the Conditional Use Permit requirements; that bad customers destroyed previous signs; reasons for his signage for the 'rear entry'; and explanation of his new business concept to include salon services and staff with proper licensing.

Mayor Pro Tem Kim asked for clarification on time limit for speakers and City Manager Murray responded that traditionally, the applicants do not get timed.

A customer of Venus Spa addressed the City Council regarding his support for the business.

Phuong Vo, a Venus Spa Employee, addressed the City Council regarding her employment, academic history, and why she exited the facility during an inspection; and noted her support for Venus Spa.

c) Council Member Comments and Questions:

Discussion ensued regarding appreciation for Staff's work on this project; support for Staff's recommendation; and inquiring of the applicant a series of questions including clarifying the need to change his business model when the recession hit, how the City can be assured that the applicant will not change his business model again if there was an economic shift, and whether he has Standard Operating Procedures for his business.

Planning Manager Hutter noted the City has not received any documents regarding Standard Operating Procedures for Venus Spa Salon.

Mr. Hoang responded that his income decreased and he was forced to change his business model when the recession hit; that he is planning to diversify his services so he does not have to change his business model in the future; and that he does not have a written policy manual listing standard operating procedures.

Discussion further ensued regarding how staff knows operating procedures when there is no manual in place; that the applicant states he is present during operating hours; that the applicant plans to hire someone to create an operating manual; that the applicant removed provocative advertising; explanation of how the applicant did not have access to remove previous ads; that the applicant's staff are independent contractors; that by law, business owners do not have management control over independent contractors; that the applicant had to remove previous workers for illicit activity; that Staff conducted inspections of Massage Facilities in the City in February and March of 2018; the process to notify businesses of zoning code violations; that City Staff came up with a Massage Facility Action plan to address zoning compliance; that City Staff gives every applicant time to correct their noncompliance concerns; and that Staff is recommending denial based on the applicants lack of concern to address the illicit activity found online as well as correct the zoning code violations.

City Manager Murray reported that Police Department detectives conducted online investigations where illicit activity was discovered as late as last month; and that Police Chief Kim concurred and noted they found provocative reviews from February of this year.

Mr. Hoang responded that he denies customers at the door when they are interested in illicit services; and that posts for these internet sites could be made up by anyone.

Discussion further ensued regarding illicit advertisements; that Staff believes the applicant will not be able to fulfill the requirements of the Zoning Code; that Staff provides not only provide written notification to applicants, but spends hours of one-on-one time with the applicant, shows them all the investigation results, and sits with the applicant to go through the City's code line by line; and that the inspection report done by the Police Department and Code Enforcement was given to the applicant.

Code Enforcement Officer Cubero stated she had met with the massage technicians in person during the inspection; met with the business owner the following day; and that the owner was notified immediately of zoning violations.

- e) Mayor Pro Tem Kim closed the Public Hearing at 8:17 p.m.
- f) Adopt a Resolution of the City Council of the City of La Palma, California, denying Conditional Use Permit 382 and making findings of denial for the operations of a massage establishment on property located at 10 Centerpointe Drive, Suite No. 9, La Palma, CA (APN 276-081-64) in the Mixed Use Business (B-1) Zone

Council Member Patel made a motion to adopt Resolution No. 2019-16 of the City Council of the City of La Palma, California, denying Conditional Use Permit 382 and making findings of denial for the operations of a massage establishment on property located at 10 Centerpointe Drive, Suite No. 9, La Palma, CA (APN 276-081-64) in the Mixed Use Business (B-1) Zone

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

AYES: Mayor Pro Tem Kim, Council Member Patel,
and Council Member Steggell

NOES: None

ABSENT: Council Member Goedhart, and Mayor
Goodman

REGULAR ITEMS

None Scheduled.

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

Council Member Steggell attended the La Palma Police Appreciation Luncheon.

Council Member Patel attended the La Palma Police Appreciation Luncheon and the Youth Conference in Norwalk.

Mayor Pro Tem Kim attended the La Palma Police Appreciation Luncheon; the Orange County Sanitation District (OCSD) Legislative and Public Affairs Committee meeting; and the OCSD Administration and Steering Committee Meeting.

CITY MANAGER REMARKS

City Manager Murray reported that the City sent a letter today to homeowners adjacent to Walmart inviting them to a meeting with Walmart on March 26, 2019, to discuss mitigation issues.

CITY ATTORNEY REMARKS

City Attorney Webb had nothing to report.

CLOSED SESSION

CS-1. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION,
SIGNIFICANT EXPOSURE TO LITIGATION

Significant exposure to litigation pursuant to Government Code Section
54956.9(d)(2): (1 case)

CS-2 CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

(Paragraph (1) of subdivision (d) of Section 54956.9)

Mayor Pro Tem Kim recessed to Closed Session at 8:20 p.m.

Mayor Pro Tem Kim reconvened in Open Session at 8:31 p.m. and asked for a report.

City Manager Murray announced that there were no reportable actions out of Closed Session.

ADJOURNMENT

Mayor Pro Tem Kim adjourned the Regular Meeting of the La Palma City Council at 8:32 p.m.

Marshall Goodman
Mayor

Attest:

Kimberly Kenney, CMC
Deputy City Clerk