

# MINUTES

## City of Guadalupe

### Regular Meeting of the Guadalupe City Council Special Meeting of the Successor Agency to the Guadalupe Redevelopment Agency Board

Tuesday, January 11, 2022, at 6:00 pm  
City Hall, 918 Obispo Street, Council Chambers

1. **ROLL CALL:**

Council Member Liliana Cardenas  
Council Member Gilbert Robles  
Council Member Eugene Costa Jr.  
Mayor Pro Tempore Tony Ramirez  
Mayor Ariston Julian

*The meeting was called to order at 6:00 p.m. All were present. (The abbreviation "CM" will be used for "Council Member" in these minutes.)*

2. **MOMENT OF SILENCE**

*Mayor Julian asked to join in a moment of silence for: 1) Santa Barbara County Firefighter, Joseph De Anda, age 33, who was killed in a snowboarding accident on 1/08/22; 2) the 17 individuals, including 8 children, who were killed in the Bronx fire, with 8-10 remaining in the hospital, and 3) numerous firefighters and police officers who have suffered and perished through Covid and duty-related accidents, illnesses and deaths. He then asked for personal thoughts and prayers be given to those in our hearts and minds during this moment of silence.*

3. **PLEDGE OF ALLEGIANCE**

4. **AGENDA REVIEW**

At this time the City Council will review the order of business to be conducted and receive requests for, or make announcements regarding, any change(s) in the order of business.

*There were no changes to the agenda.*

5. **INTRODUCING HANNAH FUENTES, RECREATION SERVICES MANAGER**

*Ms. Fuentes gave some brief comments saying, "I played basketball at Allan Hancock College which helped me continue my education. I have a big heart for recreation and especially for Guadalupe. I'd love to see the youth go on to Hancock and further. I graduated from Hancock with my Associate degree in Social and Behavioral Sciences. Then I went on to play basketball on the East Coast at Eastern Nazarene College for one year. I later got my bachelor's at Branden/Chapman University in Organizational Leadership, with honors. I'm currently pursuing my master's in Sports and Athletic Administration."*

*Mayor Julian said, "There are going to be a lot of meetings. You're going to have a lot of people asking you to 'do this and do that'. So, welcome aboard. Take your time to understand where everyone is coming from. The focus, as you mentioned, to me is recreation, education, getting a degree and being in a good place to get a job. There are 2-3 recreation-type people here. Welcome!"*

## **6. CEREMONIAL CALENDAR**

- National School Choice Week Proclamation

*Mayor Julian read this proclamation which stated that the City of Guadalupe recognizes the important role that an effective education plays in preparing students in Guadalupe to be successful adults. The proclamation further highlighted the fact that Guadalupe has many high-quality public schools and high-quality teaching professionals committed to educating the City's children. The mayor stated that he and the City Council recognize January 23-29 as "Guadalupe School Choice Week".*

- Masatani's Market 100-Year Anniversary Proclamation

*Per Mayor Julian, this proclamation will be rescheduled for a later date.*

## **7. COMMUNITY PARTICIPATION FORUM**

Each person will be limited to a discussion of three (3) minutes or as directed by the Mayor. Pursuant to provisions of the Brown Act, no action may be taken on these matters unless they are listed on the agenda, or unless certain emergency or special circumstances exist. City Council may direct staff to investigate and/or schedule certain matters for consideration at a future City Council meeting.

*Mr. Nathan Sutton stated his concerns relating to the upcoming renovation at Central Park, specifically, the proposed skatepark. Mr. Sutton has lived in Guadalupe for seven (7) years. His business is located at 9<sup>th</sup> & Pacheco Streets, facing Central Park, on the eastside of the train tracks. He said, "My concern tonight is on some of the plans to renovate the park which includes a skatepark and dog park. The skatepark would be about 40 feet from my front door. I and my neighbor own the property, the whole block, facing the park. There are no sound barriers at the park and was told that no sound barriers were included in the plans. I've worked in the past as a YMCA camp counselor for inner-city kids and am all in support of recreation and development of places for exercise and enjoyment of the community. But I don't think people realize the amount of noise a dog and skatepark will produce. I've also had windows broken by rocks thrown on my windows from passing train cars. According to my deed, the railroad company is not responsible for the damage to my property. There may be a need to have a barrier between the park and the railroad. My neighbor and I are also concerned about the devaluation of our property. This will be a huge disruption to my ability for quiet enjoyment of my home on a day-to-day basis." Mr. Sutton then ended by saying, "In*

*conclusion, I want to thank the community, the City, the Council, Mayor and staff for all that you do and for giving me the space to speak here tonight."*

*Mayor Julian then read a brief letter: "To Captain Schmitz, paramedics and firefighters who attended me and provided such professional and calm care meeting my medical needs last week. I thank you. Also, thanks to Chief Cash who stopped by during their visit." (The mayor didn't mention the name of the individual because of medical reasons.)*

## **8. CONSENT CALENDAR**

The following items are presented for City Council approval without discussion as a single agenda item in order to expedite the meeting. Should a Council Member wish to discuss or disapprove an item, it must be dropped from the blanket motion of approval and considered as a separate item.

- A.** Waive the reading in full of all Ordinances and Resolutions. Ordinances on the Consent Calendar will be adopted by the same vote cast as the first meeting unless City Council indicates otherwise.
- B.** Approve payment of warrants for the period ending January 5, 2022 and ratify payment of warrants for the period ending December 22, 2021.
- C.** Approve the Minutes of the City Council Regular Meeting of December 14, 2021, to be ordered filed.
- D.** Adopt Resolution No. 2022-01 approving a Memorandum of Understanding (MOU) between the City of Guadalupe and Guadalupe Center for Visual and Performing Arts ("GCVPA") for the Eventual Occupation and Operation of the Royal Theater.
- E.** Adopt Resolution No. 2022-02 approving the procurement of bus shelters through the CalACT/MTBA Vehicle Purchasing Cooperative, along with other minor bus stop improvements as needed.
- F.** Adopt Resolution No. 2022-03 approving the response to the Santa Barbara County Grand Jury Report entitled "The Keys to Housing the Homeless".
- G. MONTHLY REPORTS FROM DEPARTMENT HEADS**
  - a. Planning Department Report for December 2021
  - b. Public Works/Engineering Report for December 2021
  - c. Recreation & Parks Department Report for December 2021
  - d. Los Amigos de Guadalupe Update

**Item #8. G.d. was pulled. Motion was made by Council Member Cardenas and seconded by Council Member Ramirez to approve the balance of the Consent Calendar. 5-0 Passed.**

*Item #8. G.d. – Mayor Julian asked Thomas Brandeberry to speak on some of the more significant items in his Los Amigos de Guadalupe Update. Mr. Brandeberry said that Nicole Segovia was recently hired filling the vacancy created by the resignation of Sonia Rios-Ventura. He also said that as of the annual meeting, Alma Hernandez is now President of the Board for Los Amigos de Guadalupe. Thomas was President & CEO of the Board but is now Executive Director. Mr. Brandeberry also said that Stephanie Krouse was hired as Maria Elena Garcia left to be able to participate in the Microenterprise Program. There is an interview panel to hire for the Executive Director position. One candidate has already been interviewed with two (2) more to be seen on Wednesday, 1/12.*

*He also said that the City received a \$4.9M award for Central Park. Final plans for the park haven't been before the Council yet.*

**Motion was made by Council Member Cardenas and seconded by Council Member Ramirez to approved Item #8. G.d. 5-0 Passed.**

**9. CITY ADMINISTRATOR REPORT: (Information Only)**

*Mr. Bodem said that at the next Council meeting, there will be more restrictions on wearing masks as well as social distancing. Also, "Rent Stabilization" was a topic for a future meeting. He said, "It's been hard to get people to speak on both sides of this issue. I've contacted the UCSB Sociology Department as well as the City of Santa Barbara. But I'm still working on it."*

*The two (2) ad hoc committees were mentioned, for O'Connell's playground equipment and the auditorium. CM Cardenas gave an update on the playground equipment. She said, "We met on December 16<sup>th</sup> and received nine (9) bids from the RFP for park playground equipment. A survey had gone out to the community for feedback, which is now closed. Ms. Sweeney, Public Works Director added, "There were over 200 responses received voting on the equipment options. This will be discussed further in the Recreation & Parks Commission meeting tomorrow."*

*CM Robles gave his update on the auditorium. He said that there was a meeting about 3.5 weeks or so ago and deferred to Ms. Shannon Sweeney for an update as she was asked to get quotes on some items. She said, "We've put together a matrix on the ad hoc requests and am getting cost estimates on those items. That matrix will be brought to the Recreation & Parks Commission meeting tomorrow. We might look at moving forward and making some decisions on prioritizing those items based on dollar amounts we have. The matrix is not complete, but we are making progress."*

**10. DIRECTOR OF PUBLIC SAFETY REPORT: (Information Only)**

*Chief Cash was not present at the meeting. Mr. Bodem read Chief's report as follows:*

Police

- *Due to Covid, Administrative Leave, Accommodated Position, we are at 50% field staffing.*
- *We have one (1) police position that was approved by City Council and budgeted that has gone vacant for three (3) years. I ask City Council support to fill this position immediately to ease the burden on officers working 12-14 days a week to backfill.*

- *Officers are documenting and tracking two (2) crime sprees, “The Trench Coat Bandit” that is burglarizing vehicles in the Treasure Park area. We have video of the suspect to release to the public to try to apprehend him. The other case is “the Loaf Vandal”. We have several documented cases occurring along Guadalupe Street. We have offered a reward and set up a Crime Tip hotline and website to get information to arrest the suspect.*
- *Staff are actively patrolling parks and train station in early mornings and late evenings to discourage homeless encampments.*
- *We are actively working with other cannabis cites to understand enforcement methods for implementation in City of Guadalupe.*
- *Great turnout of Public Safety volunteers and youth for monthly food distribution at Senior Center to augment already reliable volunteer group.*

Fire:

- *One (1) new employee Covid case. Others were exposed but rapid testing showed negative results. An additional Fire employee is showing symptoms and was sent home. Due to Covid and Administrative Leave, Fire staff is at 60%.*

*CM Ramirez had a question regarding a budgeted vacant position in Police Department which he addressed with Ms. Emiko Gerber, HR Manager. He asked, “If the position was already budgeted, do you need additional support from us (City Council)?” Ms. Gerber responded, “That’s something I’ll review with Todd and Lorena (Zarate) to ensure that the funding is there.”*

**11. MAYOR’S REPORT- UPDATES**

*Mayor Julian encouraged all to read the report on all that’s happening here in our city. (He again credited Mr. Bodem for preparing the report.) The mayor gave Ms. Fuentes, the new Recreation Services Manager, the option of leaving or staying through the meeting. She chose to stay.*

*(Prior to proceeding to Regular Business, CM Ramirez reminded Mayor Julian that Item #10. Director of Public Safety had been skipped. Mr. Bodem then read a brief report from Chief Cash who was not in attendance at the meeting. Item #10. was left in numerical order on the agenda rather than showing it after Item #11., which is how it occurred at the meeting.)*

**REGULAR BUSINESS**

**12. Appeal of Rejection of Commercial Cannabis Business Permit Application.**

Written Report: Philip Sinco, City Attorney

Recommendation: That the City Council consider the appeal filed by Mr. Nice Guy of the rejection of its application for a commercial cannabis business permit.

*City Attorney Sinco started off addressing the Council saying, “Because I prepared the staff report and I am representing the City’s position on this item, I am unable to advise you on the procedure on the appeal. Assistant City Attorney Wendy Stockton is here on this item. She and I have not spoken on this matter. Any questions on the appeal, what you can and can’t do, can be directed to her. If*

*you have any questions on the City's intention or City's point of view, then those can be directed to me."*

*He then summarized the appeal and background by saying, "The City held an application process for commercial cannabis business permits to be submitted by November 15, 2021. Five (5) applications were received for retail cannabis business. City Staff and its consultant, HdL, determined that three (3) of those applications were incomplete with missing minor items. On November 29, 2021, letters advising these applications that their applications were incomplete ('incomplete letters') were sent to them via email and by mail, informing them about the missing item(s) from their respective applications, and instructing them to submit those items by Monday, December 6, 2021 (5 business days). (Major missing items would disqualify an application.) This letter was sent pursuant to the Guidelines adopted by the City Council.*

*One of the applicants, Guadalupe Community Project, LLC dba Mr. Nice buy ('Mr. Nice Guy') did not submit the requested items by the December 6<sup>th</sup> deadline. The missing item was a 'revised insurance declaration document or letter of intent from the insurance agency identifying coverage for the proposed Guadalupe location and to include a minimum \$1M per occurrence'. Mr. Nice Guy's application had included a letter from its insurance agency that stated it provided insurance coverage that the City required and is eligible to be quoted for all these insurance policies but didn't provide the information.*

*Mr. Bodem, the City Administrator, contacted Mr. Christopher Glew, the designated contact for Mr. Nice Guy, on December 7, 2021, by telephone to let him know of the missed deadline. Mr. Glew told Mr. Bodem that he had not received the letter nor the email that the City had sent, but he did confirm that the email and mailing addresses the City had were correct. The missing revised insurance document was promptly sent that same day, December 7<sup>th</sup>, by Mr. Nice Guy.*

*Mr. Bodem questioned whether the City could accept or needed to reject Mr. Nice Guy's application with the missing item even though it was provided one day passed the deadline date. City Attorney Sinco advised Mr. Bodem that there was no authority granted to City staff in the Guidelines or Chapter 9.22 of the City's Municipal Code (Commercial Cannabis Business) to accept a document required to complete an incomplete application if it was not submitted on the date required. The only recourse for Mr. Nice Guy, as advised by City Attorney Sinco, was to appeal the rejection to the City Council as permitted in Chapter 9.22. An applicant can file a written request for an appeal within 10 days of being notified of the rejection of its application. Mr. Christopher Glew, on behalf of Mr. Nice Guy, submitted an appeal on December 29, 2021, within the 10-day period.*

*The appeal by Mr. Nice Guy is based on the two following grounds: 1) the notice of incomplete application was not received and, therefore, didn't have opportunity to submit the revised document, and 2) the application should not have been deemed 'incomplete'. The City staff is not taking a position on this second issue, but that is something that the Council needs to decide."*

*Mayor Julian said that there are people in the audience who'd like to speak on their behalf. City Attorney Sinco also added that if there was anyone in the audience who wished to speak and does not have a stake in the matter, they should be allowed to do so.*

*Mr. Christopher Glew, dba Mr. Nice Guy, spoke saying, "It's my client's goal to work together with the City in its meritorious pursuit of the most qualified cannabis operators. The implementation of the cannabis program is obviously an arduous task and made more complicated by the lack of historical data to work from. I'd like to first start off by acknowledging all the hard work and offer our appreciation to both staff and Council's efforts to date to bring forth this cannabis program for the benefit of the citizens of Guadalupe. Ultimately, I think we can all agree that the City and its citizens want to see the applications scored and selected based on the merits and not an interpretation regarding a very minor issue.*

*The major components of our appeal are that 1) the application for business permit was filed in November 2021 in a timely manner, and 2) on December 7, 2021, I received a call from Todd (Bodem) saying that he had sent me a letter regarding a missing insurance document. Let me say that Mr. Bodem was very courteous, helpful and polite in explaining the matter and what steps we need to take to cure this issue. We felt that the application we originally submitted had the document the City was requesting. But Mr. Bodem did indicate to me that it was important we cure this ministerial error and that the missing document could be personally brought to the City office that day.*

*A driver was dispatched from our Salinas location and an amended insurance document was received by the City staff in a timely manner. We wanted to make sure that our team was all in on our commitment to the City of Guadalupe. I didn't want to challenge the issue with the originally submitted documentation. I just wanted to fulfill the request and make sure that the City knew we were serious about our application. After this, we received confirmation from Mr. Bodem and other City staff that everything was compliant. Then 16 days later on December 23<sup>rd</sup>, we received notice that the application was rejected due to the missing insurance item. It should be noted that Mr. Bodem and the City Attorney said that this was a minor issue.*

*It's our contention that 1) original documents were in substantial compliance with requirements of the application materials. Therefore, we need not even consider whether the notice of correction and subsequent corrective action were relevant. We can simply conclude that, in fact, the original letter was compliant. I'd like to quote for you from the actual application procedures and guidelines for commercial cannabis business permit. It's the one document that's on the City website that relates to the proof of insurance letter. In that document it states: 'proof of insurance or a letter of insurability shall be submitted'. That's the entire instruction with regards to that document. I think if the City looks at the documents I filed with my appeal, they'll find that, in fact, there is a letter of insurability. Subsequently, I even reviewed the Guadalupe Commercial Cannabis Business Application and the footnotes attached to it. The footnotes in that section read that 'proof of comprehensive general liability insurance or, and I cite that term 'or', evidence by an insurance agency that the cannabis business is insurable'. That's the direct language from the instructions. The footnote goes on to clarify the intention of the City to ensure that all applicants have insurance before being awarded a permit. And that they can subsequently provide documentation of their insurance before and after the scoring and review.*

*Therefore, it's obvious that the intention of the application is to make sure that the applicant is insurable. Once approved, actual insurance must be provided. I think we've met all those standards. However, in the alternative, if the Council finds that the original documentation was not sufficient or immediate corrective action upon actual notice should make waivable the decision to deny. The City clearly wants the best and most qualified applicants. It's in this regard I request that my client*

*be given a fair opportunity to be scored and evaluated on the merits. We want nothing more than a transparent and merit-based evaluation of our application by the City and its trusted advisors. Thank you and I can answer any questions you may have."*

*City Attorney Sinco noted that there were no requests from the audience to speak on the matter and turned the discussion back to the City Council.*

*Mayor Julian said, "This is a heavy-duty item. I appreciate you all coming to speak before us and for the staff for the details of this matter. Do council members have any comments or questions of Mr. Glew or anything else?" CM Costa, Jr. said, "I understand there could be a miscommunication with the email and post office. A lot of times you don't get your mail. I appreciate you coming down here explaining all that was happening and Todd's follow-up letting you know that the requested document wasn't received. There was one (1) day passed the deadline. Everything else was submitted. I'm good with accepting the appeal and going forward with them continuing the process."*

*CM Ramirez then said, "I'm on a similar wavelength as CM Costa, Jr. This is the first time we're doing this. We're working out a lot of the kinks with this process. Sounds just like some miscommunication."*

*CM Cardenas added, "The two (2) other applicants with missing information. Were they insurance based?" City Attorney Sinco said that there were different minor issues with those other two.*

*CM Robles said, "I have no problem with accepting their application on a clerical error. Take it in and go from there."*

*CM Ramirez asked, "Were the other people given the same opportunity. Same diligence? Same treatment was given to all?" Mr. Bodem said, "The other two applicants also received letters giving them five (5) days to respond with the requested missing information. They both followed up within the five-day window. Three letters were sent out saying application was incomplete. I called Mr. Nice Guy stating the missing document was not received. We did get it one day late." City Attorney Sinco added, "There was no obligation to call the other two (2) applications. They were all treated the same."*

*Mayor Julian said, "Seems like you have a consensus, so you don't need my vote." City Attorney Sinco said, "One of the recommendations is, regardless which way you decided, to direct it back to staff to come up with findings for a resolution to document for the record. How does the Council feel about the issue of the incomplete letter from the City Administrator that was sent out in error because initial application was in compliance?"*

*Mayor Julian said, "Regarding computers, emails and the mail...I know at that time the staff may have had different work schedules. Like the person driving up here to give us the document, it was a rush thing. They made an effort to make sure they complied with what we requested. As was said, this is a minor issue not a high priority issue. And as CM Ramirez said that this is the first rodeo for us. HdL is really making us toe the line regarding what we need to be doing. And I appreciate their patience with us in terms of deadlines. Hard to question on email and postal service mail and put any weight on that. I'm of the opinion to allow their appeal to go through."*



*City Attorney Sinco then said, "The two grounds for this appeal are: 1) they didn't have actual notice, and 2) the City shouldn't have sent the incomplete letter as their document that they submitted was complete when first sent in based on requirements stated on the City website. Staff didn't take a position on that, but the Council could. If Council agrees with that, we can include that in the resolution. Now I have direction once you take action to grant the appeal."*

**Motion was made by Council Member Costa, Jr. and seconded by Council Member Ramirez to grant the appeal and direct staff to prepare a resolution with appropriate findings and bring it back to the Council for adoption." Roll Call: Ayes: Ramirez, Cardenas, Costa, Jr., Robles, Julian Nos: 0 5-0 Passed.**

*Mayor Julian said, "Thank you staff for all your hard work on this."*

## **PUBLIC HEARING**

### **13. Proposition 218 hearing and introduction of ordinances affirming, revising, and setting fees and rates for water and wastewater service.**

Written Report: Shannon Sweeney, Public Works Director/City Engineer

Recommendation: That the City Council:

- a. Review staff report;
- b. Conduct Proposition 218 protest hearing;
- c. Introduce by title only (first reading) Ordinance No. 2022-498, an ordinance of the City Council of the City of Guadalupe, California affirming, revising, and setting fees and rates for water service.
- d. Introduce by title only (first reading) Ordinance No. 2022-499, an ordinance of the City Council of the City of Guadalupe, California affirming, revising, and setting fees and rates for wastewater service.
- e. Continue this matter to the Council's regular meeting on January 25, 2022, for second reading and adoption of Ordinance No. 2022-498 and Ordinance No. 2022-499.

*Ms. Shannon Sweeney briefly explained that the last rate study was in 2014 for 5-year year rate increases which ended on January 1, 2021. She said, "Then in 2021 a consultant did a cost-rate study for both water and wastewater. The Council reviewed that report and asked to have consultant look at rates as they would apply if we removed the base rate for water. That information was brought back at a subsequent meeting. Council then requested that the rates be set up for three (3) years with 3% each year. In 2022, the number of units available under the base rate will change from 6 to 5 and in 2023 from 5 to 4. Also, in 2023 the wastewater base rate will change from 5 to 4. Per the Proposition 218 process, we mailed public notices to all property owners and utility rate payers in Guadalupe 45 days prior to this public hearing. Those notices were in English with notices in Spanish posted on the City's website and the bulletin board in front of City Hall. The public hearing and first reading are tonight with the second reading tentatively scheduled for January 25, 2022, providing that less than half of property owners or rate payers protest the rate increase tonight and that City Council approves the first reading.*

*The cost-rate study indicated that without these rate adjustments, there will be insufficient funds for the future, for both water and wastewater. They included all costs associated with water and wastewater, including operations, maintenance, debt and capital projects. One of the largest elements in the cost study was to do a hydraulic model and look at what kind of capital projects would be necessary in order to fund the growth here in the City. In 2021 we did a capital project where we installed a waterline here in front of City Hall on Obispo Street, from 9<sup>th</sup> to 11<sup>th</sup> Streets. Currently, we have a \$1.5M sewer line from Snowy Plover up to 6<sup>th</sup> Street. That new sewer line was instrumental in making sure we didn't have a flooding of our sewer system during our last large storm. We are about one-third of the way through with this line but will continue with it. The proposed rates meet target days cash-on-hand for water and temporary inadequate days cash-on-hand for sewer. Once we're completed with the sewer line project, we then have a \$1.0M capital project of replacing the lift station on Hwy 1 which moves about 50% of the sewage for the community, and another \$1.0M capital project on Pioneer Street for a lift station replacement. All of those were mentioned in our 2014 Wastewater Master Plan.*

*The CPI (Consumer Price Index) is already in the rate adjustment. But in 2014, there was the rate adjustment plus the CPI. Inflation this year was 5.6%. We took that into consideration. We're only recommending a 3% rate increase. The rate adjustment is a flat 3%. Not 3% plus inflation. In comparing ourselves with our neighboring cities, even with these rate adjustments, we remain below the average in our community." The discussion returned to the Council.*

#### **Public Hearing Opened @6:53p.m.**

*Mayor Julian read a brief letter submitted by Refugia (Ruth) Hernandez, dated 12/29/21. "I, as the property owner and customer of record express opposition to the proposed rate changes; inclusive rates for sewer and water. I, submit crucial data: Assessor's parcel Number: 115-071-012, Street Address: 4633 Ninth Street. Sincerely, Refugia (Ruth) Hernández."*

*The mayor asked Ms. Sweeney how many customers (billings) did the City have. She said, "There are different numbers for water and wastewater. But probably in the low 2,000's...between 2,100 to 2,300." Mayor Julian then said, "We need half of the property owners or rate payers to protest for this not to happen." There were no further comments.*

#### **Public Hearing closed @6:55p.m.**

*Mayor Julian said, "What's not included here which is a small item, maybe not small, compared to the actual hard stuff, the pipes, the digging, the contracting...staff expenses are going up. There's 10% increase on expenses, just on health insurance. We'll need more staff. Extensive work and prep work are expensive but needs to be done. This may be hard for low-income residents, but we need to make sure that our whole system works. I appreciate the excellent work that was done here."*

*CM Ramirez asked of Ms. Sweeney, "PG&E and other utilities have a 'CARE Program'. Do any cities through the state do something like that?" She responded, "Private companies can do that. But Prop 218 rules say that we can only charge the value of the service. By providing lower rates for lower-income people ends up with higher-income people subsidizing lower-income people. It would actually be a violation of Prop 218. Public agencies don't have the flexibility to offer those rate adjustments that private companies, like PG&E, can do."*

**Motion was made by Council Member Ramirez and seconded by Council Member Cardenas to introduce for first reading Ordinance No. 2022-498. Roll Call: Ayes: Ramirez, Cardenas, Costa, Jr., Robles, Julian Noes: 0 5-0 Passed.**

**Motion was made by Council Member Ramirez and seconded by Council Member Costa, Jr. to introduce for first reading Ordinance No. 2022-499. Roll Call: Ayes: Ramirez, Cardenas, Costa, Jr., Robles, Julian Noes: 0 5-0 Passed.**

**Motion was made by Council Member Ramirez and seconded by Council Member Cardenas to continue ordinances for second reading at the January 25, 2022, meeting. 5-0 Passed.**

#### **14. Short-Term Rentals Ordinance.**

Written Staff Report: Philip F. Sinco, City Attorney

Recommendation: That the City Council introduce on the first reading, and continue to its meeting of January 25, 2022, for second reading and adoption, an ordinance regulating short-term rentals in the City of Guadalupe and amending various provisions of Title 18 (Zoning) of the Guadalupe Municipal Code.

*City Attorney Sinco said that this is the fourth or fifth time this ordinance is being presented before the Council. He gave a brief summary: The Council had the option of banning short-term rentals or regulating them. The Council chose to regulate them. There was a focus on certain items, such as a business license, paying the Transient Occupancy Tax, etc. A draft was brought forward based on that direction, but more information was requested so that rules could be enforced. Several meetings occurred to 'add more teeth' to the ordinance.*

*He said, "One issue that needs to be resolved: the number of days that an un-hosted rental can operate. There's also the question asked before that if the Council changed its mind on the ordinance, what could happen. We'd have to give some sort of notice to anyone who has received an Administrative Use Permit, to give the owner reasonable time to continue their operation. The Council can make that determination to phase out after a period of time, maybe somewhere between one to five years. I've put a provision in the ordinance that states that the City Council reserves the right to stop the short-term rentals. Also, that staff will probably put that in the standard conditions for un-hosted short-term rentals as an extra awareness of that right of the Council."*

City Attorney Sinco then said, "The issue I referred to that Council had not reached agreement on was how many days these un-hosted short-term rentals could operate. There was a range of 90 on the lower-side and 180 on the upper-side. I started with 120 days and will change, if directed to do so. We're at 120 days a year that they would be allowed to operate, which is essentially every weekend."

He went on to say, "There was also the question of parking. I had an issue with requiring onsite parking as I felt it could be challenged. In doing research, I found that some cities require onsite parking and others limit cars per rental, such as one car per bedroom. I'm comfortable now with requiring onsite parking. If that means making the garage available, so be it. Public Safety is okay with a sign displayed on the dashboard showing permission to be on the property. Also, Chief Cash had a concern that the lease agreement be onsite. There's no lease agreement as everything is done online. If there's a disturbance, the Police Department needs to know who is allowed to be at the rental. Language was put in the ordinance requiring that names of all persons with permission to be on the property be provided to the local contact person of the un-hosted rental, who must be available 24/7 and who must respond within 30 minutes if called for a disturbance. Also added was the requirement that any license plate numbers for any vehicles associated with the rental be in the possession of the local contact person.

To implement this, it will be necessary to make these conditions in the Administrative Use Permits that are issued. It's in the ordinance but to have the people know that they're required to do it, we're going to put it in the conditions. Most of these more strenuous regulations will only apply to un-hosted short-term rentals because we all agree that those are the ones that have the potential for more abuse. We have less concern to regulate the hosted short-term rentals. Again, I feel comfortable that that's a legitimate distinction to make. I think I covered all the outstanding issues that we were unable to get the ordinance approved the last time." The discussion returned to the Council.

Mayor Julian asked, "This is pretty solid. One question: how do we go about knowing who these people are? The ones who have these short-term rentals?" City Attorney Sinco said, "That's not something the ordinance can help. We're just going to have to figure out as a staff based on complaints, observation, etc. People at Pasadera have already come to a meeting saying their neighbors are running these rentals. We'll get that information and will be able to investigate it. It'll take a little effort to reach a level to improve it as a code enforcement matter. But we'll be able to at some point, especially with the assistance of the neighbors." The mayor said, "Well, I think that once the word gets out, the people having problems will see this as something good."

CM Ramirez suggested that a flyer be sent with water bills showing that the Short-Term Rental Ordinance was approved.

Anna Marie Michaud, City Treasurer, said that there was an error on the Fiscal Impact of the staff report. She said, "The section on what the transient occupancy taxes would be for the current 10-12 short-term rentals in the City, it should show \$12,000 (not \$12,000,000) to \$15,000 annually."

*The mayor went back to the subject of maximum days to operate an un-hosted short-term rental in a year's time which was 120 days. He said that that had been approved in a prior meeting. City Attorney Sinco said that that he thought it was still outstanding but that the ordinance does have the 120-day maximum for un-hosted short-term rentals.*

*CM Costa, Jr. mentioned that his sister was at an Airbnb and had to list all those staying in the rental. City Attorney Sinco said he had a similar experience over New Year's Eve. CM Ramirez also said that he rented an Airbnb in San Diego and only one (1) car was allowed.*

*City Attorney Sinco reminded the Council that they can ban short-term rentals (less than 30 days) but cannot ban long-term rentals.*

**Motion was made by Council Member Ramirez and seconded by Council Member Gene Costa, Jr. to approve Ordinance No. 2021-497 and continue to second reading on January 25, 2022. Roll Call: Ayes: Ramirez, Cardenas, Costa, Jr., Robles, Julian Noes: 0 5-0 Passed.**

*City Attorney Sinco said, "The comments from the Council were appreciated to fine tune the ordinance. Mayor Julian also thanked Chief Cash for his comments and input."*

#### **15. FUTURE AGENDA ITEMS**

*CM Ramirez said, "This was unscheduled already – Sign Ordinance". City Attorney Sinco said that he was hoping to find time between Christmas and New Year's to research this but wasn't able to do so but will look into this.*

#### **16. ANNOUNCEMENTS – COUNCIL ACTIVITY/COMMITTEE REPORTS**

*CM Ramirez said, "Over the holiday break, I contracted the latest variant. I did get the booster before. Our pharmacy here in Guadalupe gives vaccines and boosters, too.. There's no appointment necessary. Also, I want to say that CHC did a really good job from inception to follow-up."*

*CM Cardenas mentioned that the "Touch of Style" proclamation has been moved to the 1/25 meeting. She also said, "A friend of mine, Chris Cortez, got motivated and wants to do something with the Royal Theatre. He's made contact with Mira and Chachi. He's from Guadalupe and he's traveled and performed around the country. He's very interested in the arts here in Guadalupe."*

*CM Robles said he attended a wrestling tournament over the weekend at Clovis High School. He said, "There's a wrestler from Guadalupe, Dominic Mendez, who's ranked #1 in the State at 116 lbs. He wrestled the #1 seed and beat him, 6-0 to win. This is one of the toughest tournaments, too. It brings in wrestlers from Oregon, Colorado, and Illinois who have already committed to major universities. Dominic has signed a letter of intent to attend Cal Poly. These high schools are the best of the best. The award for this tournament is a cowboy hat. Mayor Julian said, "This is going*

*to be on Hannah's performance evaluation: how many kids came from here and went on to Cal Poly?"*

*Mayor Julian also said, "Thanks for mentioning the Buchanan Tournament. Clovis is one of the powerhouses in wrestling in the nation. It's good to see Guadalupe represented. Also, last Thursday, 1/6, at the Food Bank distribution, 274 families were served with 1474 individuals receiving food. We also received food from Knights of Columbus of St. Joseph Church. They're still taking in food from volunteers but because of Covid, there was extra food which we distributed at our Food Bank."*

#### **17. ADJOURNMENT TO THE SUCCESSOR AGENCY BOARD MEETING**

**Motion was made by Council Member Cardenas and seconded by Council Member Ramirez to adjourn to the Successor Agency Board Meeting. 5-0 Passed.** The regular meeting adjourned to the Successor Agency Board meeting at 7:23 p.m.

#### **SUCCESSOR AGENCY**

#### **18. Recognized Obligation Payment Schedule for the July 1, 2022, through June 30, 2023, period.**

Written Report: Cheryl Murase, Consultant to the Successor Agency

Recommendation: That the Successor Agency adopt SA Resolution No. 2022-01 entitled "Resolution of the Successor Agency to the Redevelopment Agency of the City of Guadalupe approving the Recognized Obligation Payment Schedule for the July 1, 2022, through June 30, 2023, period".

*In Ms. Murases's absence, Mr. Bodem addressed this item. He said, "As you know, the City had the ability to use redevelopment funds for various projects. However, in 2012, Gov. Brown disposed of the Redevelopment Agency. The City was left with properties, bonds to be paid, etc. which we are still obligated to pay. We can garner funds as staff on the administrative level, and, also pay for the bonds and other things that are allowed. There are two things: 1) administrative fees that we can capture for our time, and 2) also payments for bonds that we're obligated to pay. There's a ROPS (Recognized Obligation Payment Schedule) set up for July 1 through December 2022 and January 1 through June 2023. It starts here, with the Council approving these payments. Then it goes to the County on January 19<sup>th</sup> and then to the Department of Finance for final approval."*

*He continued saying, "There are two amounts that need approval: 1) \$188,872, which pays for 50% of my wages and the Finance Director, then the Attorney and covers some other expenses. Normally, they charge 15% the City's administrative and finance costs. The reason it's higher, per Chery Murase, is because Al's Union also has some obligations for clean-up. They applied for a Super Fund grant to help reimburse. That's outside all of this but if we don't get the Super Fund, there's \$100,000 left. We're still trying to tie up things financially. We want to make sure there's enough money and we don't have to take it out of our General Fund. We can take it out of this*


*fund; and 2) \$1,050,059, enforceable obligations for bond proceeds, reserve funds, for the two periods, July 2022-December 2023 and January 2023 – June 2023.”*

**Motion was made by Council Member Costa, Jr. and seconded by Council Member Ramirez to approve Successor Agency Resolution No. 2022-01. Roll Call: Ayes: Ramirez, Cardenas, Costa, Jr., Julian. Noes: 0 5-0 Passed.**

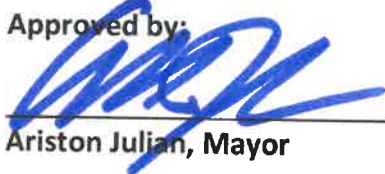
**19. ADJOURNMENT**

**Motion was made by Council Member Cardenas and seconded by Council Member Costa, Jr. to adjourn. 5-0 Passed. The meeting adjourned at 7:28 p.m.**

**Prepared by:**

  
\_\_\_\_\_  
Amelia M. Villegas, City Clerk

**Approved by:**

  
\_\_\_\_\_  
Ariston Julian, Mayor