

**Minutes
City Council Special Meeting
City of Huntington Beach**

Monday, July 28, 2014
2:30 PM - Council Chambers
Civic Center, 2000 Main Street
Huntington Beach, CA 92648

**A video recording of this meeting
is on file in the Office of the City Clerk and archived at
www.surfcity-hb.org/government/agendas/**

CALL TO ORDER – 2:30 PM

ROLL CALL

Present: Katapodis, Hardy, Shaw, Harper, Boardman, Sullivan, and Carchio
Absent: None

PLEDGE OF ALLEGIANCE - Led by Mayor Pro Tem Shaw

ANNOUNCEMENT OF SUPPLEMENTAL COMMUNICATIONS (Received After Agenda Distribution)

Pursuant to the Brown "Open Meetings" Act, City Clerk Joan Flynn announced supplemental communications that were received by her office following distribution of the Council agenda packet:

Administrative Items

#1. Communications received regarding City Council consideration of a Manufactured Home Rent Stabilization Charter Amendment received by: Peter & Jodie Wollman, Mary Jo Baretich (2), Vickie M. Talley, Mike Randall, Sharon Petersen, Joan Walker, and S. Green.

PUBLIC COMMENTS PERTAINING TO SPECIAL MEETING ITEM (3 Minute Time Limit)

(The number (hh:mm:ss) following the speakers' comments indicates the approximate starting time in the archived video located at <http://www.surfcity-hb.org/government/agendas/>).

Dave Stephanides spoke in opposition to Administrative Items No. 1 - Proposed Ballot Measure -- Charter Amendment Relative to Manufactured Home Rent Stabilization. (00:02:16)

Jeff Jackson, Orange County Association of Realtors, spoke in opposition to Administrative Items No. 1 - Proposed Ballot Measure -- Charter Amendment Relative to Manufactured Home Rent Stabilization. (00:05:10)

Rita Tayenaka, Orange County Association of Realtors, spoke in opposition to Administrative Items No. 1 - Proposed Ballot Measure -- Charter Amendment Relative to Manufactured Home Rent Stabilization. (00:08:20)

Jean Tietgen, Orange County Association of Realtors, spoke in opposition to Administrative Items No. 1 - Proposed Ballot Measure -- Charter Amendment Relative to Manufactured Home Rent Stabilization. (00:09:20)

Chip Ahlswede, Consultant to the Orange County Association of Realtors, spoke in opposition to Administrative Items No. 1 - Proposed Ballot Measure -- Charter Amendment Relative to Manufactured Home Rent Stabilization. (00:12:19)

Adam Rodell, Real Estate Agent, spoke in opposition to Administrative Items No. 1 - Proposed Ballot Measure -- Charter Amendment Relative to Manufactured Home Rent Stabilization. (00:14:55)

Dianne Thompson, Chairman of the Board, Huntington Beach Chamber of Commerce, spoke in opposition to Administrative Items No. 1 - Proposed Ballot Measure -- Charter Amendment Relative to Manufactured Home Rent Stabilization. (00:17:49)

Betsy Crimi, Rancho Del Rey Mobile Estates Huntington resident, spoke in support of Administrative Items No. 1 - Proposed Ballot Measure -- Charter Amendment Relative to Manufactured Home Rent Stabilization. (00:20:34)

Nancy Agostini spoke in opposition to Administrative Items No. 1 - Proposed Ballot Measure -- Charter Amendment Relative to Manufactured Home Rent Stabilization in its current format. (00:23:09)

Craig Houser, Rancho Del Rey Mobile Estates Owner/Manager, spoke in opposition to Administrative Items No. 1 - Proposed Ballot Measure -- Charter Amendment Relative to Manufactured Home Rent Stabilization. (00:24:06)

Karen Reitz spoke in opposition to Administrative Items No. 1 - Proposed Ballot Measure -- Charter Amendment Relative to Manufactured Home Rent Stabilization. (00:25:40)

Brianne Virden, Rental Assistance Program, spoke in opposition to Administrative Items No. 1 - Proposed Ballot Measure -- Charter Amendment Relative to Manufactured Home Rent Stabilization. (00:28:21)

Abe Arrigotti, Rancho Del Rey Mobile Estates, spoke in opposition to Administrative Items No. 1 - Proposed Ballot Measure -- Charter Amendment Relative to Manufactured Home Rent Stabilization. (00:31:35)

Lou Penrose, Apartment Association of Orange County, spoke in opposition to Administrative Items No. 1 - Proposed Ballot Measure -- Charter Amendment Relative to Manufactured Home Rent Stabilization. (00:34:30)

Diane Atkins spoke in opposition to Administrative Items No. 1 - Proposed Ballot Measure -- Charter Amendment Relative to Manufactured Home Rent Stabilization. (00:36:17)

Travis Allan, 72nd District Assembly, spoke in opposition to Administrative Items No. 1 - Proposed Ballot Measure -- Charter Amendment Relative to Manufactured Home Rent Stabilization. (00:39:09)

Chris Houser, Owner, Rancho Del Rey Mobile Estates, spoke in opposition to Administrative Items No. 1 - Proposed Ballot Measure -- Charter Amendment Relative to Manufactured Home Rent Stabilization. (00:42:00)

Richard Hughes, Rancho Del Rey Mobile Estates, spoke in opposition to Administrative Items No. 1 - Proposed Ballot Measure -- Charter Amendment Relative to Manufactured Home Rent Stabilization. He named eleven parks representing 60% of all mobile home parks, and how these parks tenants are not interested in the proposed plan to stabilize rent. (00:45:02)

Chris Hughes, Rancho Del Rey Mobile Estates, spoke in opposition to Administrative Items No. 1 - Proposed Ballot Measure -- Charter Amendment Relative to Manufactured Home Rent Stabilization. (00:47:49)

Ralph Beatty, Laguna Asset Management, spoke in opposition to Administrative Items No. 1 - Proposed Ballot Measure -- Charter Amendment Relative to Manufactured Home Rent Stabilization. (00:51:05)

John Saunders, lead investor in Huntington Shorecliffs and Surf City Beach Cottages, spoke in opposition to Administrative Items No. 1 - Proposed Ballot Measure -- Charter Amendment Relative to Manufactured Home Rent Stabilization. (00:53:56)

Sharon Peterson spoke in opposition to Administrative Items No. 1 - Proposed Ballot Measure -- Charter Amendment Relative to Manufactured Home Rent Stabilization. (00:56:52)

Matt Clements spoke in opposition to Administrative Items No. 1 - Proposed Ballot Measure -- Charter Amendment Relative to Manufactured Home Rent Stabilization. (00:59:02)

Bill Cuppy spoke in opposition to Administrative Items No. 1 - Proposed Ballot Measure -- Charter Amendment Relative to Manufactured Home Rent Stabilization. (01:00:10)

Peter Herzog, Manufactured Housing Educational Trust (MHET), spoke in opposition to Administrative Items No. 1 - Proposed Ballot Measure -- Charter Amendment Relative to Manufactured Home Rent Stabilization. (01:01:16)

Julie Paule, WMA, spoke in opposition to Administrative Items No. 1 - Proposed Ballot Measure -- Charter Amendment Relative to Manufactured Home Rent Stabilization. (01:04:30)

Jonathan Boggs, owner, Beach View Mobile Home Park, spoke in opposition to Administrative Items No. 1 - Proposed Ballot Measure -- Charter Amendment Relative to Manufactured Home Rent Stabilization. (01:07:42)

Mike Cirillo, Huntington Shorecliffs and Surf City Beach Cottages, spoke in opposition to Administrative Items No. 1 - Proposed Ballot Measure -- Charter Amendment Relative to Manufactured Home Rent Stabilization. (01:09:20)

William Butts, Pacific Mobile Home Park resident, spoke in support of Administrative Items No. 1 - Proposed Ballot Measure -- Charter Amendment Relative to Manufactured Home Rent Stabilization. (01:12:08)

Janice Genelle, Rancho Del Rey Mobile Estates Huntington resident, in support of Administrative Items No. 1 - Proposed Ballot Measure -- Charter Amendment Relative to Manufactured Home Rent Stabilization. (01:13:42)

Sharon Dana, Huntington Shorecliffs resident, spoke in support of Administrative Items No. 1 - Proposed Ballot Measure -- Charter Amendment Relative to Manufactured Home Rent Stabilization. (01:15:08)

Amory Hanson spoke neutrally about Administrative Items No. 1 - Proposed Ballot Measure -- Charter Amendment Relative to Manufactured Home Rent Stabilization. (01:18:05)

Mary Jo Baretich, Golden State Manufacturers Homeowners League, spoke regarding Administrative Items No. 1 - Proposed Ballot Measure -- Charter Amendment Relative to Manufactured Home Rent Stabilization. She stated the measure must not be restrictive and address all owners, and discussed successful subsidy programs across the state. (01:19:10)

Alan Dauger spoke in opposition to Administrative Items No. 1 - Proposed Ballot Measure -- Charter Amendment Relative to Manufactured Home Rent Stabilization. (01:21:56)

Richard Kushnir spoke in support of Administrative Items No. 1 - Proposed Ballot Measure -- Charter Amendment Relative to Manufactured Home Rent Stabilization. (01:23:00)

William T. McCann, Rancho Del Rey Mobile Estates resident, spoke in opposition to Administrative Items No. 1 - Proposed Ballot Measure -- Charter Amendment Relative to Manufactured Home Rent Stabilization. (01:25:05)

Tim Geddes spoke in support of Administrative Items No. 1 - Proposed Ballot Measure -- Charter Amendment Relative to Manufactured Home Rent Stabilization. (01:28:22)

Randy Wells, Pacific Mobile Home Park resident, spoke in opposition to Administrative Items No. 1 - Proposed Ballot Measure -- Charter Amendment Relative to Manufactured Home Rent Stabilization. (01:29:43)

Delores Smith, Huntington Shorecliffs resident, spoke in opposition to Administrative Items No. 1 - Proposed Ballot Measure -- Charter Amendment Relative to Manufactured Home Rent Stabilization. (01:32:50)

Philip Anshutz, Huntington Shorecliffs, spoke in opposition to Administrative Items No. 1 - Proposed Ballot Measure -- Charter Amendment Relative to Manufactured Home Rent Stabilization. (01:34:10)

ADMINISTRATIVE ITEMS

- 1) Approved Proposed Ballot Measures for Charter Amendments Relative to Fireworks and Manufactured Home Rent Stabilization - Resolution Nos. 2014-51, 2014-52, 2014-53 and 2014-54**

Councilmember Sullivan discussed the Charter amendment relative to rent stabilization, voicing concerns about the few park owners who are responsible for creating problems for financially challenged residents. He distributed and read aloud the following proposed ballot language:

"Shall the proposed Amendment to Article VIII section 803 of City Charter granting a limited exemption for mobile/manufactured park owners be approved? The Amendment prohibits park owners from increasing space rents annually more than 4 percent, or the national CPI-Urban Index, whichever is higher, on mobile/manufactured homeowners, including but not limited to seniors and veterans, whose monthly rent payment exceeds 33% of their all-inclusive gross monthly income, retroactive to July 21, 2014."

A motion was made by Councilmember Sullivan, seconded by Councilmember Katapodis, to Adopt Resolution No. 2014-51, "A Resolution of the City Council of the City of Huntington Beach, California, Requesting the Board of Supervisors of the County of Orange Consolidate a General Municipal Election to Be Held on November 4, 2014, With the Statewide General Election to Be Held on the Date Pursuant to Section 10403 of the Elections Code"; and, Resolution No. 2014-52, "A Resolution of the City Council of the City of Huntington Beach California Setting Priorities for Filing Written Arguments Regarding City Measures and Directing the City Attorney to Prepare Impartial Analyses of Said Measures"; and, Resolution 2014-53, "A Resolution of the City Council of the City of Huntington Beach, California, Calling for the Holding of a General Municipal Election to Be Held on Tuesday, November 4, 2014, For the Election of Certain Officers and Submission of Proposed Charter Amendments"; and Resolution 2014-54, "A Resolution of the City Council of the City of Huntington Beach Ordering Submission to the Qualified Electors of the City, City Measures," **to include the ballot measure language as previously stated.**

Councilmember Hardy questioned referencing an exemption for "mobile/manufactured homeowners." City Attorney Jennifer McGrath suggested the language be amended as follows:

"Shall the proposed Amendment to Article VIII section 803 of City Charter granting a limited exemption for mobile/manufactured park owners be approved to prohibit park owners from increasing space rents annually more than 4 percent, or the national CPI-Urban Index, whichever is higher, on mobile/manufactured homeowners, including but not limited to seniors and veterans, whose monthly rent payment exceeds 33% of their all-inclusive gross monthly income, retroactive to July 21, 2014?"

Councilmember Hardy discussed the appropriateness of ballot measure language being more generic and less restrictive.

A substitute motion was made by Councilmember Hardy, seconded by Councilmember Boardman to adopt Resolution No. 2014-51, "A Resolution of the City Council of the City of Huntington Beach, California, Requesting the Board of Supervisors of the County of Orange Consolidate a General Municipal Election to Be Held on November 4, 2014, With the Statewide General Election to Be Held on the Date Pursuant to Section 10403 of the Elections Code"; and, Resolution No. 2014-52, "A Resolution of the City Council of the City of Huntington Beach California Setting Priorities for Filing Written Arguments Regarding City Measures and Directing the City Attorney to Prepare Impartial Analyses of Said Measures"; and, Resolution 2014-53, "A Resolution of the City Council of the City of Huntington Beach, California, Calling for the Holding of a General Municipal Election to Be Held on Tuesday, November 4, 2014, For the Election of

Certain Officers and Submission of Proposed Charter Amendments”; and Resolution 2014-54, “A Resolution of the City Council of the City of Huntington Beach Ordering Submission to the Qualified Electors of the City, City Measures,” **to include the following ballot measure language as amended:**

“Shall the proposed Amendment to Article VIII section 803 of the City Charter granting a limited exemption for mobile/manufactured parks be approved, including but not limited to seniors and veterans, retroactive to July 21, 2014?”

Councilmember Boardman voiced concerns about the restrictive nature of the language originally proposed by Councilmember Sullivan, and stated support for the substitute motion with minor changes. She inquired, and City Attorney McGrath confirmed, the legality of placing the proposed Charter amendment on the November ballot.

In response to comments made by a public speaker, Councilmember Boardman reminded viewers that taxes cannot be raised without a vote of the people. She also inquired, and City Attorney McGrath confirmed that the impartial analysis for rent stabilization will be completed by the end of the 10-day argument period.

In response to Councilmember Boardman’s concerns about the ballot language included in the substitute motion, Councilmember Hardy and City Attorney McGrath proposed the following:

“Shall the proposed Amendment to Article VIII section 803 of the City Charter be granted a limited exemption for regulation of mobile/manufactured parks be approved, to include but not be limited to seniors and veterans, retroactive to July 21, 2014?”

Mayor Harper and City Attorney McGrath discussed actions that may take place if the proposed ballot measure passes.

Councilmember Carchio described rent stabilization as rent control, and voiced concerns about the issue not receiving the study required to arrive at the best possible solution to those seniors and veterans who need assistance without taking the property rights of park owners.

Councilmember Carchio inquired, and City Attorney McGrath responded that the proposal would affect approximately 2,500 mobile/manufactured home residents. Discussion ensued regarding the potential for litigation, and lack of study on existing rental assistance programs, available bonds, etc.

Mayor Harper inquired, and City Attorney McGrath confirmed that rent stabilization and rent control are inter-changeable terms.

Councilmember Sullivan asked Randy Wells, resident of Pacific Mobile Home Park, to come forward to discuss efforts made by residents to speak with park owners about lease options and opportunities for rental subsidies. In response to Councilmember Sullivan, Mr. Wells stated that the 33 percent figure identified in Councilmember Sullivan’s original motion represents approximately 500 residents. Discussion ensued on administering the applied formula in Councilmember Sullivan’s propose ballot language.

Councilmember Sullivan voiced concerns about the petition process and paid signature gatherers, and Mr. Wells described how the restrictive threshold protects only those residents who really need assistance.

Councilmember Boardman explained that while she understands the intention to include restrictions in Councilmember Sullivan's motion, she would not support terms being included in a Charter amendment. Discussion ensued with staff and Council providing different suggestions to modify the ballot language.

Councilmember Katapodis discussed allowing responsible mobile home owners to participate in crafting an ordinance that protects not only seniors and veterans, but also responsible park owners. He also voiced disappointment with Mayor Harper questioning if the ordinance would exclude child molesters.

City Attorney McGrath suggested amending the ballot language as follows:

"Shall the proposed Amendment to Article VIII section 803 of the City Charter be adopted that provides an exemption for regulation of real property in mobile/manufactured home parks, retroactive to July 21, 2014."

Councilmember Carchio voiced concerns about using the term "mobile" when referring to homes that realistically cannot be moved, and discussed with City Attorney McGrath the item's potential for future litigation.

Councilmember Boardman stated the term "mobile" must remain in the ballot language because it automatically distinguishes who will be affected by rent stabilization.

Mayor Pro Tem Shaw explained why he felt a generic ballot message without restrictions would allow staff and future member of the Council to study the issue and develop the best possible solution for all stakeholders.

Mayor Harper passionately reminded members of Council that the voters resolved this issue in 2002 when they passed Measure EE, also known as the Property Rights Measure that prohibited rent control.

The substitute motion made by Councilmember Hardy, seconded by Councilmember Boardman to adopt Resolution No. 2014-51, "A Resolution of the City Council of the City of Huntington Beach, California, Requesting the Board of Supervisors of the County of Orange Consolidate a General Municipal Election to Be Held on November 4, 2014, With the Statewide General Election to Be Held on the Date Pursuant to Section 10403 of the Elections Code"; and, Resolution No. 2014-52, "A Resolution of the City Council of the City of Huntington Beach California Setting Priorities for Filing Written Arguments Regarding City Measures and Directing the City Attorney to Prepare Impartial Analyses of Said Measures"; and, Resolution 2014-53, "A Resolution of the City Council of the City of Huntington Beach, California, Calling for the Holding of a General Municipal Election to Be Held on Tuesday, November 4, 2014, For the Election of Certain Officers and Submission of Proposed Charter Amendments"; and Resolution 2014-54, "A Resolution of the City Council of the City of Huntington Beach Ordering Submission to the Qualified Electors of the City, City Measures," **as amended to change the proposed ballot language where appropriate in all Resolutions listed (2014-51, 2014-52,**

2014-53, and 2014-54) to read as follows: Shall the proposed Amendment to Article VIII section 803 of the City Charter be adopted which provides an exemption for regulation of real property in mobile/manufactured home parks, retroactive to July 21, 2014?

carried by the following vote:

AYES: Hardy, Shaw, Boardman, and Katapodis
NOES: Harper, Sullivan, and Carchio

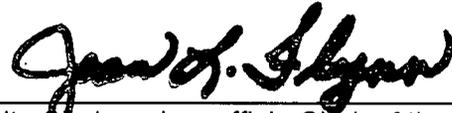
Council directed Arguments to be written by:

In Favor: Councilmember Hardy, Councilmember Katapodis

In Opposition: Mayor Harper, Councilmember Carchio

COUNCILMEMBER COMMENTS (Not Agendized) - None.

ADJOURNMENT at 5:07 PM to the next regularly scheduled meeting of the Huntington Beach City Council/Public Financing Authority is **Monday, August 04, 2014**, at 4:00 PM in Room B-8, Civic Center, 2000 Main Street, Huntington Beach, California.



City Clerk and ex-officio Clerk of the City Council of the City of Huntington Beach, California

ATTEST:


City Clerk
Mayor