

**CITY OF ARCATA
CITY COUNCIL MEETING**

COUNCIL CHAMBER

MAY 03, 2017

REGULAR MEETING

A regular meeting of the City Council of the City of Arcata was held on the above date at 6:02 p.m. with Mayor Ornelas presiding. Notice of this meeting was posted on April 8, 2017.

PRESENT: Ornelas, Pereira, Pitino, Watson, Winkler. ABSENT: None. STAFF PRESENT: City Manager Diemer, Director of Community Development Loya, Director of Environmental Services André.

CEREMONIAL MATTERS—A. Proclamation in Recognition of National Nurses Week, May 6-12, 2017. Councilmember Pereira read the proclamation and presented it to Tina Morias, Medical/Surgical Manager at Mad River Community Hospital.

B. Proclamation in Recognition of the 25th Annual National Association of Letter Carriers' Food Drive Day, Saturday, May 13, 2017. Councilmember Watson read the proclamation and presented it to Dustin Roberto, a Letter Carrier with the Eureka Post Office; Bone Stafford, a Letter Carrier with the Arcata Post Office; and Cassandra Kelley with the Food Bank Food for People; and Ysabel Diaz, Pantry Network Coordinator at Food for People.

Mr. Roberto thanked the Council for declaring May 13 the 25th Annual National Association of Letter Carrier's Food Drive Day in Arcata.

C. Proclamation in Honor of Peace Officers Memorial Day, May 15, 2017, and National Police Week, May 15-21, 2017. Mayor Ornelas read the proclamation and presented it to Sgt. Chris Ortega; Krystle Arminio, Field Training Officer; and Andréa Schatt, Arcata Police Association President and Police Dispatcher.

Ms. Schatt thanked the Council for the proclamation honoring those important professions.

D. Proclamation Designating May 7--13, 2017, National Hospital Week.

Councilmember Pitino read the proclamation and presented it to Tina Morias, Medical/Surgical Manager at Mad River Community Hospital who said she proudly accepted the proclamations in support of the entire nursing staff and Mad River Community Hospital.

E. Proclamation Designating the Month of May 2017 as Arcata Tourism Month.

Councilmember Winkler read the proclamation and presented it to Joellen Clark-Peterson, Executive Director of the Arcata Chamber of Commerce, who said the Arcata business community appreciated the proclamation and the ideas represented in it.

REPORT BY COMMISSION/COMMITTEE—A. Presentation by Cassandra Hesseltine, Film Commissioner of the Humboldt-Del Norte Film Commission.

Cassandra Hesseltine appeared before the Council and gave a presentation in PowerPoint® format which described the role of the Film Commissioner and gave statistics showing how film production benefitted the community.

EARLY ORAL COMMUNICATIONS

Mayor Ornelas invited public comment.

Sara Knight appeared before the Council on behalf of Arcata and Six Rivers High Safe and Sober. She requested the City donate or discount the use of the Community Center for the Safe and Sober event.

An unidentified member of the audience appeared before the Council and said she was concerned that the sanctuary city ordinance was not on the evening's agenda.

Sandra, a student at Humboldt State University (HSU), appeared before the Council and said there was a need to have an ordinance designating Arcata a sanctuary city. She said the students mattered in the community, and naming Arcata a sanctuary city was an important step to making them to feel safe.

Oliver, an HSU student, appeared before the Council in support of Arcata adopting a sanctuary city ordinance and in support of the undocumented community in Arcata.

An unidentified student from HSU appeared before the Council and demanded it put adoption of a sanctuary city ordinance back on the agenda and vote on it.

An unidentified member of the audience appeared before the Council and said the undocumented community contributed to the community and the Council should put a sanctuary ordinance on the agenda.

An unidentified member of the audience appeared before the Council and complained that the sanctuary city ordinance was removed from the agenda. She said that immigrants felt unwanted in the community and that she felt unhumanized.

An unidentified member of the audience appeared before the Council and said she didn't believe people were being represented at the City and in the community.

Mayor Ornelas closed Early Oral Communications.

City Manager Diemer told the crowd that a sanctuary city ordinance was scheduled to be on the City Council's May 17, 2017 agenda.

CONSENT CALENDAR

Mayor Ornelas invited public comment. No one came forward to speak. Mayor Ornelas closed the public comment period.

ON MOTION BY WINKLER, SECONDED BY PITINO, AND WITH A UNANIMOUS VOICE VOTE THE COUNCIL ADOPTED THE CONSENT CALENDAR FOR MAY 3, 2017, AS PRESENTED. AYES: ORNELAS, PEREIRA, PITINO, WATSON, WINKLER. NOES: NONE. ABSENT: NONE. ABSTENTIONS: NONE.

- A. Approve Minutes of the City Council Meeting of April 13, 2017, at 5:00 p.m.**
- B. Approve Minutes of the City Council Meeting of April 13, 2017, at 6:00 p.m.**
- C. Bi-Weekly Report on General Warrants.**
- D. Adopt Ordinance No. 1486, an Ordinance of the City Council of the City of Arcata Amending the Arcata Municipal Code Title IX—Land Use Code, Section 9.12.020, Zoning Map and Zoning Districts, Affecting 21 Parcels and a Section 15061(b)(3) California Environmental Quality Act Exemption (General Rule); Waive Reading of the Text and Consent to Read by Title Only .**
- E. Adopt Resolution No. 167-48, A Resolution of the City Council of the City of Arcata Granting Consent to the County of Humboldt to Renew the Humboldt County Tourism Business Improvement District and Include the City of Arcata in the District.**
- F. Approve the Purchase of One 2018 Ford Transit Connect Van for \$25,299.02 (Including Tax) and One 2017 Ford Super Duty F-450 Service Truck for \$40,157.25 (Including Tax) from Harper Ford, for a total of \$65,456.27; and Authorize the City Manager to Execute All Applicable Documents.**

OLD BUSINESS—A. Introduce Ordinance 1487, an Ordinance of the City Council of the City of Arcata Adopting Mobilehome Park Rent Control, Consent to Waive Reading the Text and Read by Title Only; Introduce Ordinance 1489, an Ordinance of the City Council of the City of Arcata Adopting the Regulation of Mobilehome Park Closure and Conversion, Consent to Waive Reading the Text and Read by Title Only; and Adopt the Final Mobilehome Affordability Study Report. Councilmember Winkler requested Councilmember Pitino respond to the letter he received from an attorney requesting he recuse himself from the discussion and vote on this item because his son owns a mobilehome in one of the mobilehome parks in Arcata.

Councilmember Pitino said that his adult child bought a trailer in one of the parks, and that he and his son have no financial interest together. He said he contacted the Fair Political Practices Commission and was told that under the Political Reform Act, his son was not considered "immediate family." He said that his son was clearly not a dependent, so he was not going to recuse himself from the discussion and vote on this item.

Director of Community Development Loya told the Council that staff had prepared a mobilehome rent control ordinance and mobilehome park conversion ordinance. He asked that

the Council adopt the final Mobilehome Affordability Study because it was the foundation upon which the ordinances were drafted.

Director Loya stated that the rent control ordinance specified how much and how often parks could raise the space rent. He laid out some of the key features of the ordinance as being: 1) It provided for the standard Consumer Price Index (CPI) for increases based on western states; 2) It allowed for pass-throughs for utilities; 3) It allowed for pass-throughs, if approved by a majority of the residents, for capital improvements and maintenance. He stated that the base rent was the only rent that had automatic increases associated with the Consumer Price Index. He said it allowed the park owners to ask for a change to whatever the approved CPI adjustment was and/or increases associated with park improvements. He explained that it allowed the residents to ask the City Manager to re-evaluate requests that were made for fair return or capital improvements. Additionally, the process allowed for administrative-level decision making so that not all decisions had to go to a hearing officer. He pointed out that the ordinance had a vacancy control component which limited the amount the park owners could raise rent when a unit was sold and proposed 10 percent of the previous space rent. He stated that there was a cap on rent increases of five (5) percent, so if the CPI was more than five (5) percent, the rent increase could still only be five (5) percent. He said there was also a floor of two (2) percent if the CPI fell below two (2) percent. He explained that there was a provision that if park owners did not maintain the park, the homeowners could request a reduction in their rent.

Director Loya noted that there was an administrative fee associated with administration of the ordinance and that he did not have an estimate of what it would cost to administer the program. He explained that the ordinance allowed residents to petition the City Manager for adjustment or review of their rent. He said the Council could strip some provisions out of the ordinance related to residents' due process, and the administrative fee could be less because of that. Or, the City could associate a fee with a resident making a request for administrative review, and this could reduce the suggested administrative fee in the ordinance which was proposed at \$10 a month. He said the City would use the \$10 a month to build a fund for administration of the program.

Director Loya stated that the park closure ordinance provided some safety to the residents if the owner changed the park to a condominium model or closed it completely. He explained that the ordinance would not prevent a closure, but it would give some notice to residents or assistance in relocation.

Mayor Ornelas invited public comment.

Ariella Mitchell, a resident of Lazy J Mobilehome Park, appeared before the Council and thanked staff for drafting the ordinance and the Council for listening. She urged the Council to not rush into adopting the ordinance without understanding what was written between the lines. She felt the section on pass-throughs was difficult to understand. She also said she didn't think the residents should have to pay the owners for capital improvements and that those items should be just an expense of doing business. She suggested having a legal expert in mobilehome law review the ordinance. She recommended the fees start out low.

Hillary Moser, representing residents of the Valley West and Town and County Mobilehome Parks, appeared before the Council and said she echoed Ms. Mitchell's comments. She requested the Council not adopt a floor of two percent (2%) if the CPI was lower than that. She stated that a \$5 monthly administrative fee was about what the residents could afford and was reasonable. She also said that some of the other fees should be paid for by the park owners. She agreed with having the ordinance reviewed by an expert in mobilehome law.

Linda Medoff appeared before the Council and urged it to look at the ordinance item-by-item as she believed there was some fine tuning that needed to be done for everyone's benefit. She said that exclusionary zoning could prevent a park conversion or closure. She urged the Council to review Linda Derkson's letter. She said the ordinance section on pass-throughs was problematic.

An email was received from Linda Derkson wherein she requested the ordinance include language as a notice to prospective tenants, similar to such language that was in the Humboldt County Mobile Home Rent Stabilization Ordinance.

A letter was received from Doug Johnson, Senior Regional Representative of the Western Manufactured Housing Communities Association, in opposition to the proposed rent control ordinance stating that it was the least effective strategy to provide assistance to low- and very low-income park residents.

Mayor Ornelas closed the public comment period.

Councilmember Pereira voiced that she felt the two (2) percent floor should not be in the ordinance, and said she also had concerns with the capital improvements pass-through. She recommended the Council compromise on the \$10 a month administrative fee so that it would be affordable for the residents.

Councilmember Pitino said he was comfortable with a \$5 administrative fee. Regarding the capital improvements pass-throughs, he said he found that section confusing. Regarding the provision for 51 percent or 80 spaces, he said he would like the 80-spaces provision removed. He stated that he, too, did not agree with the two (2) percent floor.

Mayor Ornelas said she agreed with Councilmembers Pereira and Pitino. She suggested changing "City Manager" to "City Manager or her designee." She said she didn't understand section 6920.6(E)--Capital Replacement Costs, subsection 3, where it said "the City Manager shall review a proposed Capital Replacement Cost pass-through charge upon receipt of a petition signed by at least one adult Mobilehome Owner from each of fifty percent (50%) of the Spaces subject to rent control in a Park or eighty (80) spaces subject to rent control" She said the 50 percent should be 50 percent plus 1.

On inquiry by Mayor Ornelas, Director Loya said the reason the increases appeared to be stacked was because the only rent the ordinance regulated was the base rent. The other pass-throughs were authorized by another process. He said that after rent stabilization, the residents were entitled to a statement showing what percentage of their rent was going to a particular cost.

Further, capital improvement pass-throughs were amortized and the residents would be given that amortization schedule.

BY GENERAL CONSENSUS, THE COUNCIL DIRECTED THAT THE ADMINISTRATIVE FEE IN PROPOSED ORDINANCE NO. 1487 BE LOWERED FROM \$10 TO \$5.

BY GENERAL CONSENSUS, THE COUNCIL DIRECTED THAT THE RENT INCREASE FLOOR IN PROPOSED ORDINANCE NO. 1487 OF TWO (2) PERCENT BE ELIMINATED THEREBY INSTITUTING A RENT INCREASE OF ZERO (0) IF THE CPI FELL BELOW TWO (2) PERCENT.

BY GENERAL CONSENSUS, THE COUNCIL DIRECTED THAT THE "FIFTY PERCENT (50%)" IN SECTION 6920.6(E)(3) OF PROPOSED ORDINANCE NO. 1487 BE CHANGED TO "FIFTY PERCENT (50%) PLUS ONE (1)" OR "SIMPLE MAJORITY," AND THAT "EIGHTY (80) SPACES" BE ELIMINATED.

BY GENERAL CONSENSUS, THE COUNCIL DIRECTED THAT IN THE TITLE OF ORDINANCE NO. 1487, "MOBILEHOME RENT CONTROL" BE CHANGED TO "MOBILEHOME SPACE RENT STABILIZATION."

ON MOTION BY PITINO, SECONDED BY PEREIRA, AND WITH A UNANIMOUS VOICE VOTE THE COUNCIL ADOPTED THE FINAL MOBILEHOME AFFORDABILITY STUDY REPORT. AYES: ORNELAS, PEREIRA, PITINO, WATSON, WINKLER. NOES: NONE. ABSENT: NONE. ABSTENTIONS: NONE.

BY GENERAL CONSENSUS, THE COUNCIL DIRECTED THAT "CITY MANAGER" IN PROPOSED ORDINANCE NO. 1487, BE CHANGED TO "CITY MANAGER OR HER DESIGNEE."

Director Loya said he would bring back more detail for options for the pass-throughs and evaluation of the legal basis for fair return related to that.

Director Loya announced that it looked favorable that the City's Tenant-Based Rental Assistance Program (TBRA) may be awarded a HOME grant to fund the program. He said that in addition to that, there were some payoffs in the First Time Homebuyer Program and could also be used to fund the TBRA. He stated that Arcata House Partnership was interested in running the TBRA program for Arcata, therefore, the possibility that Arcata would have a TBRA up and running in the next six months was very good.

B. Approve Changes to Humboldt Bay Municipal Water District (HBMWD) Ordinance No. 16 and Approve an Agreement with HBMWD for a Contract for Supply of Municipal Water and Authorize the City Manager to Execute the Pertinent Agreement.

Director of Environmental Services André recommended the Council approve Humboldt Bay Municipal Water District's (HBMWD) Ordinance 16, as amended, and a 20-year contract to

purchase water from HBMWD. He said that Ordinance 16 proposed a new approach for funding capital expenditures. He introduced John Friedenbach, General Manager of HBMWD.

Mr. Friedenbach appeared before the Council and said that HBMWD'S long-term capital plan was a 20-year plan. He relayed to the Council that HBMWD's hydroelectric contract with PG&E had a rate tied to natural gas prices, and that HBMWD was currently collecting 3.4 cents per kilowatt hour for electricity produced and sold to PG&E. He said that PG&E had a new program with a fixed price of 8.95 cents per kilowatt hour, and HBMWD was locking-in that price for two years. He said that HBMWD was asking its customers if they would allow HBMWD to retain that increase and use those funds for capital improvements.

On inquiry by the Council, Mr. Friedenbach said there were options for the use of excess water such as increasing local sales, transporting water to other areas, or an increase of the in-stream flow for environmental improvements.

ON MOTION BY PEREIRA, SECONDED BY PITINO, AND WITH A UNANIMOUS VOICE VOTE THE COUNCIL APPROVED THE CHANGES TO HUMBOLDT BAY MUNICIPAL WATER DISTRICT'S (HBMWD) ORDINANCE 16, APPROVED AN AGREEMENT WITH HBMWD FOR A CONTRACT FOR SUPPLY OF MUNICIPAL WATER, AND AUTHORIZED THE CITY MANAGER TO EXECUTE THE PERTINENT AGREEMENT.

Mayor Ornelas invited public comment. No one came forward to speak. Mayor Ornelas closed the public comment period.

NEW BUSINESS—A. Consider the Appointment of Councilmember Brett Watson to Regional Boards, Commissions, Committees and as a Liaison for the Remainder of 2017. ON MOTION BY PITINO, SECONDED BY WINKLER, AND WITH A UNANMOUS VOICE VOTE THE COUNCIL MADE THE APPOINTMENT OF COUNCILMEMBER WATSON TO THE FOLLOWING REGIONAL BOARDS, COMMISSIONS, COMMITTEES AND TASK FORCES:

**REPRESENTATIVE TO THE HUMBOLDT BAY MUNICIPAL WATER DISTRICT, WATER QUALITY TASK FORCE
REPRESENTATIVE TO THE HUMBOLDT-DEL NORTE HAZARDOUS MATERIALS RESPONSE JOINT POWERS AUTHORITY
REPRESENTATIVE TO THE HUMBOLDT COUNTY INDIAN GAMING LOCAL COMMUNITY BENEFIT COMMITTEE
ALTERNATE REPRESENTATIVE TO THE LEAGUE OF CALIFORNIA CITIES, REDWOOD EMPIRE DIVISION'S LEGISLATIVE COMMITTEE
ALTERNATE REPRESENTATIVE TO THE LEAGUE OF CALIFORNIA CITIES, REDWOOD EMPIRE DIVISION'S BUSINESS MEETINGS
ALTERNATE REPRESENTATIVE TO THE REDWOOD REGION ECONOMIC DEVELOPMENT COMMISSION
LIAISON TO THE ARCATA CHAMBER OF COMMERCE
ALTERNATE LIAISON TO THE ARCATA DOWNTOWN BUSINESS**

COMMUNITY-ARCATA MAIN STREET

**AYES: ORNELAS, PEREIRA, PITINO, WATSON, WINKLER. NOES: NONE.
ABSENT: NONE. ABSTENTIONS: NONE.**

ORAL AND WRITTEN COMMUNICATIONS

Mayor Ornelas opened Oral and Written Communications.

Oz of Plaza Point, Arcata, appeared before the Council and said there had been no movement in addressing the issues of a safe place to sleep and a place where one could connect to services for those who were living on the streets. He said those people should be given the opportunity to be part of the community—possibly a simple job. He said he felt it was doable to get those people some economic support and he hoped to see some action by the Council that would provide a place to eat, shower, and do laundry because those were things a person needed in order to make it.

Mayor Ornelas closed Oral and Written Communications.

COUNCIL AND STAFF REPORTS

City Manager Diemer reminded the Council of Brown Act Training that was to take place on Friday, May 5, from 10 a.m. to noon. She reported that bids had been released for the Greenview Park reconstruction, and that the timber sale bids had been opened that day.

Councilmember Pereira reported on her attendance at the Soroptimist Awards Ceremony; the vigil for David Josiah Lawson; a meeting with Maggie Gainer on the Zero Waste Action Plan; and a workshop hosted by the Equity Alliance of the North Coast.

Councilmember Watson reported that he met with Darlene Spoor of Arcata House Partnership and was given a tour of its facilities.

Councilmember Pitino reported on his attendance at the CityAge Conference in San Diego.

Councilmember Winkler reported on his attendance at the Redwood Coast Energy Authority's kick-off celebration for Community Choice Aggregation, and the memorial service for David Josiah Lawson.

Mayor Ornelas reported that the mural project was now fully funded. She announced that she was holding "Paint with the Mayor" sessions on the Plaza on Sundays from 3:00 to 6:00 p.m. She announced that the Native Plant Society's Wildflower Show and Native Plant Sale would be held in Eureka at the Jefferson Community Center on May 5, 6, and 7, 2017. She reported on her attendance at Godwit Days. She said she addressed Arcata High School students at their career fair.

DATES OF FUTURE MEETINGS—A. Budget Study Sessions for the Fiscal Year 2017/2018 Budget—Monday, May 15, 2017, 9:00 a.m.–12:00 Noon, in the Council Chamber; and Tuesday, May 16, 2017, 1:00–4:00 p.m., in the Council Chamber.

BY GENERAL CONSENSUS, THE COUNCIL CONFIRMED IT WOULD HOLD BUDGET STUDY SESSIONS ON MONDAY, MAY 15, 2017, FROM 9:00 A.M. TO NOON, AND TUESDAY, MAY 16, 2017, FROM 1:00 TO 4:00 P.M., IN THE COUNCIL CHAMBER.

ADJOURNMENT: The meeting was adjourned at 8:56 p.m.

Respectfully submitted,

Bridget Dory
City Clerk