

CITY OF SAN CLEMENTE

City Council Minutes

Special and Regular City Council Meeting – January 19, 2016

These minutes reflect the order in which items appeared on the meeting agenda and do not necessarily reflect the order in which items were actually considered.

A Special and Regular Meeting of the San Clemente City Council was called to order on January 19, 2016 at 4:30 p.m. in the Council Chambers, located at 100 Avenida Presidio, San Clemente, California, by Mayor Baker.

PRESENT BROWN, DONCHAK, HAMM, WARD, MAYOR BAKER

ABSENT None.

STAFF PRESENT James Makshanoff, City Manager; Scott Smith, City Attorney; Joanne Baade, City Clerk; Laura Campagnolo, Deputy City Clerk

CLOSED SESSION

MOTION BY COUNCILMEMBER BROWN, SECOND BY MAYOR PRO TEM WARD, CARRIED 5-0, to recess to Closed Session at 4:35 p.m. to discuss the following:

- A. **CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION**
Pursuant to Government Code Section 54956.9(d)(1)
Case Name: City of San Clemente v Eric Olson
Case Number: 30-2015-00811144
- B. **CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION**
Significant exposure to litigation pursuant to Government Code section 54956.9(d)(2)
Number of potential cases: 3
- C. **CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION**
Pursuant to Government Code Section 54956.9(d)(1)
Case Name: Emergency Shelter Coalition v. City of San Clemente
Case Number: OC SC 30-2014-00758880

Closed Session items continued on following page

- D. CONFERENCE WITH REAL PROPERTY NEGOTIATORS**
Pursuant to Government Code Section 54956.8
Property: 1030 Calle Negocio, San Clemente
Agency Negotiator: Assistant City Manager
Negotiating Party: Family Assistance Ministries
Under Negotiation: Term and Rent for Possible Lease Extension
- E. CONFERENCE WITH REAL PROPERTY NEGOTIATORS**
Pursuant to Government Code Section 54956.8
Properties: City-owned properties at Avenida Vista Hermosa and Avenida La Pata
and at 100 Avenida Presidio, San Clemente
Agency Negotiator: Assistant City Manager
Negotiating Party: Steven Dzida
Under Negotiation: Lease proposal
- F. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION**
Pursuant to Government Code Section 54956.9(d)(1)
Case Name: Capistrano Shores, Inc. v. City of San Clemente
Case Numbers: OC SC 30-2014-00709987 and 30-2014-00726889
- G. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION**
Pursuant to Government Code Section 54956.9(d)(1)
Case Name: City of San Clemente v Sobertec LLC
Case Number: 30-2015-00805227 (consolidated with 30-2015-00790256)

In attendance for the full Closed Session were all members of the City Council, City Manager Makshanoff, Assistant City Manager Sund, Community Development Director Gallardo-Daly and City Attorney Smith. Attorney Christine Talley, of Best Best & Krieger, was in attendance for Closed Session Items B, C and E.

MEETING RECONVENED

Council reconvened at 6:08 p.m., with all members present.

INVOCATION

Garrett Ebrahim, Baha'i Faith Community, gave the invocation.

PLEDGE OF ALLEGIANCE

Councilmember Brown led the Pledge of Allegiance.

1. **SPECIAL PRESENTATIONS**

A. **City Tile – Larry Moore**

This item was deferred until February 16, 2016.

B. **San Clemente High School Update**

San Clemente High School students McKenna Brownell and Daniel Klevit narrated a PowerPoint presentation entitled "San Clemente High School 1/16/16" concerning San Clemente High School campus activities. A hard copy of the presentation is on file with the City Clerk.

2. **ORAL COMMUNICATIONS (PART 1)**

Cabrillo Playhouse

Sandra Weaver, San Clemente, reported that the Cabrillo Playhouse is celebrating its 50-year anniversary at its Avenida Cabrillo location; requested that Council provide a commendation to the Cabrillo Playhouse in recognition of its anniversary.

3. MOTION BY COUNCILMEMBER HAMM, SECOND BY MAYOR PRO TEM WARD, CARRIED 5-0, to waive reading in full of all Resolutions and Ordinances.

4. **CONSIDERATION OF AGENDIZING ITEMS REQUIRING IMMEDIATE ACTION**

None.

5. **CLOSED SESSION REPORT – CITY ATTORNEY**

City Attorney Smith announced that Council took no reportable action during Closed Session.

6. **CONSENT CALENDAR**

MOTION BY MAYOR PRO TEM WARD, SECOND BY COUNCILMEMBER BROWN, CARRIED 5-0, to approve the Consent Calendar, with the removal of Item 6B-2.

A. **City Council Minutes**

MOTION BY MAYOR PRO TEM WARD, SECOND BY COUNCILMEMBER BROWN, CARRIED 5-0, to approve the following:

- 1. Minutes of the Special and Regular City Council Meeting of December 15, 2015.

B. **Commission/Committee Minutes**

MOTION BY MAYOR PRO TEM WARD, SECOND BY COUNCILMEMBER BROWN, CARRIED 5-0, to receive and file:

- 1. Minutes of the Regular Study Session of the Planning Commission Meeting of January 6, 2016.

C. **Warrant Register**

MOTION BY MAYOR PRO TEM WARD, SECOND BY COUNCILMEMBER BROWN, CARRIED 5-0, to approve:

Wire Transfer Nos. 1469 through 1473
 and Warrant Nos. 529888 through 529990
 paid on 1/8/2016, in the amount of \$1,468,540.57

TOTAL WARRANT REGISTER\$1,468,540.57

Payroll Register

MOTION BY MAYOR PRO TEM WARD, SECOND BY COUNCILMEMBER BROWN, CARRIED 5-0, to approve:

Warrant No. 459 and
 Automatic Deposit Advises 29442 through
 29676 for the period of 12/21/2015 through
 1/3/2016, paid on 1/8/2016,
 in the amount of \$408,010.03

TOTAL PAYROLL REGISTER \$408,010.03

D. **Contract Amendment – Hospital Legislative Advocacy Services**

MOTION BY MAYOR PRO TEM WARD, SECOND BY COUNCILMEMBER BROWN, CARRIED 5-0, to:

1. Approve, and authorize the Mayor to execute, Amendment No. 2 to Contract C15-37, by and between the City of San Clemente and Aprea and Micheli, providing for Hospital Legislative Advocacy Services, in an amount not to exceed \$30,000.
2. Authorize a budget transfer of \$30,000 from the City Council's Contingency Reserve, Account 001-203-44900-000-0000, to City Administration - Other Professional Services, Account 001-203-43690-000-00000.

ITEMS REMOVED FROM THE CONSENT CALENDAR FOR DISCUSSION

B2. **Minutes of the Regular Planning Commission Meeting of January 6, 2016**

Following clarification that the Camino Del Rio Intersection Improvements project will be agendized for a future Council meeting, MOTION BY MAYOR BAKER, SECOND MY MAYOR PRO TEM WARD, CARRIED 5-0, to receive and file the minutes of the Regular Planning Commission Meeting of January 6, 2016.

7. **PUBLIC HEARINGS**

A. **Coastal Land Use Plan**

Continued Public Hearing to consider the June 30, 2015 Planning Commission recommendation to adopt the City's Land Use Plan for the City's Local Coastal Program.

City Manager Makshanoff requested that Council continue this item to the City Council meeting of February 2, 2016 because of the length of the agenda.

Mayor Baker opened the Public Hearing.

Eric Wills, San Clemente, thanked Council and Staff for progress made on the Land Use Plan; expressed concern with the portion of the Plan that would prohibit Capistrano Shores from re-building in the event 50% of the homes are destroyed from a natural disaster; suggested that Capistrano Shores homeowners should be allowed to rebuild even if 100% of the homes are destroyed.

Cheryl Moe, San Clemente, urged that property owners maintain the development entitlements that existed at the time they purchased their properties.

MOTION BY COUNCILMEMBER BROWN, SECOND BY COUNCILMEMBER HAMM, CARRIED 5-0, to continue the Public Hearing to the Council meeting of February 2, 2016.

B. Camino de Los Mares Medical Zones (General Plan Amendment 15-427/Zoning Amendment 15-428/Specific Plan Amendments 15-449 to 15-452)

Public Hearing to consider a City-initiated request to amend the General Plan, Zoning Ordinance, Zoning Map, and the Forster Ranch, Rancho San Clemente, Talega, and West Pico Corridor Specific Plans to accomplish the following: 1) create a new Regional Medical Facilities (RMF) land use designation and revise the Community Commercial (CC) land use designation summary; 2) provide use and development standards for two new zones, RMF 1 and CC 4, and revise the development and use standards for CC 2 and CC 3; 3) rezone the property located at 654 Camino De Los Mares as RMF 1; 4) rezone the Community Commercial area along Camino De Los Mares to CC 4, with the exception of 654 Camino De Los Mares; 5) create a new use category for group counseling and identify permitted zones for the use; and 6) add and revise definitions and use standards related to medical and counseling uses and facilities in the regulatory documents listed above.

Associate Planner Atamian reviewed the contents of the Administrative Report and responded to Council inquiries.

Mayor Baker opened the Public Hearing.

Jason Koors, in-house counsel representing Saddleback Memorial Hospital, urged Council to reject the proposed Zoning Amendment; stated that Saddleback Memorial Hospital is privately owned and Council cannot decide whether or not it should remain open; stated that the number of patients at the San Clemente Campus is inadequate to support an acute care hospital; noted that the proposed Zoning Amendment would leave the San Clemente campus no other option but to close.

Ella Foley-Gannon, attorney representing Saddleback Memorial Hospital, opined that the proposed Zoning Amendment will not achieve its intended purpose of saving the hospital and will only serve to limit alternatives available to meet the medical needs of the community; stated that the Zoning Amendment will render a piece of property unusable and could result in a significant cost to the taxpayers; opined that the proposed action will constitute spot zoning and asserted that the proposal before Council is discriminatory and illegal since it involves a taking of property without compensation.

Gene Stone, San Clemente, noted that Saddleback Memorial Hospital in San Clemente saved his life on two occasions; urged Council to adopt the Zoning Amendment.

Karen Sharp, Director of Emergency Services at Saddleback Memorial, suggested the proposed rezoning is too restrictive; asserted that an outpatient ambulatory center represents the new way of providing healthcare and will lead to healthier communities.

Whitney Ayers, Orange County Regional Vice President for the Hospital Association of Southern California, voiced concern with the proposed rezoning; asserted that the proposal will set a dangerous precedent; noted that the health care environment is in a transformative state.

Robert Anderson, San Clemente, opined that a hospital in San Clemente will save lives.

Nancy Hunt, San Clemente Chamber of Commerce, read a letter from the Chamber requesting that Council oppose the Zoning Amendment; stated the rezoning would hamper Saddleback Memorial's ability to remain open.

Debbie Wheddle, San Clemente Hospital employee, suggested that there will be an increase in mortality rates if the hospital is closed.

Carol Wilson, Capistrano Beach, urged Council to support the Zoning Amendment; suggested Memorial Care has made no effort to accommodate the City's requests to keep the hospital open.

Brian Lochrie, South Orange County Economic Coalition, suggested the City should not interfere with private businesses; noted the rezoning could have a negative impact on the local economy.

Dr. Steve Cullen, San Clemente, suggested that Saddleback Memorial Care is sending patients to its Laguna Hills campus to lower the census numbers at the San Clemente campus; urged Council to support the Zoning Amendment.

Randy Newkirk, San Clemente, noted the City needs a healthcare facility that will remain open as a hospital; urged Council to support the Zoning Amendment.

Warren Vidrine, San Clemente, asserted that the City needs a hospital and encouraged adoption of the Zoning Amendment; noted that the hospital is a public benefit corporation.

Michael Clark, San Clemente, expressed that mortality rates will increase without an acute care hospital and emergency room.

Nick Karahalus, San Clemente, noted the Save the Hospital Foundation has done its best to save the hospital; thanked the Council for its efforts.

Dr. Jim Leo, Huntington Beach, noted that changes in health care are transforming the way patients are treated; asserted that medical evidence does not support that closure of the emergency room will result in increased mortality rates; opined that transporting patients to a facility with expertise is worth the extra time needed to access that facility.

Dr. Jay W. Lee, Los Alamitos, urged Council to oppose the rezoning; suggested that building an ambulatory care center will attract top physicians to the community.

Dr. David Deyhimy, San Clemente, spoke in favor of the out-patient ambulatory center; urged Council to oppose the rezoning.

Dr. Candace Basich, San Clemente, spoke in support of an ambulatory health care campus; suggested that once residents understand the services an ambulatory center will provide, they will support the ambulatory center.

Paul Conzelman, San Clemente, suggested that the proposed downzone would create a liability for taxpayers.

Angelo Skiparnias, San Clemente, read personal stories from his neighbors about the importance of having an emergency room in San Clemente.

Dr. Gus Gialamas, San Clemente, urged Council to support the Zoning Amendment; suggested that closing the hospital will result in increased mortality rates.

Tony Struthers, Administrator of Saddleback San Clemente, suggested the proposed rezoning is a legal issue and an illegal activity by the City; noted the proposed rezoning will not stop the potential closure of the hospital, but will limit Saddleback Memorial's options.

Dr. Lorellen Green, Director of In-Patient Services for Saddleback Memorial, voiced concern with the potential rezoning; reported that most trauma patients bypass San Clemente Hospital for other hospitals.

Richard Metcalf, San Clemente, reported an incident where San Clemente Hospital stabilized his sister-in-law, noting that she would have died had her care been delayed; noted the importance of a hospital in close proximity to San Clemente residents.

Megan Sonan, San Juan Capistrano, spoke in opposition to the closure of the hospital and emergency room, due to her belief that mortality rates will increase.

Don De La Rosa, San Clemente, spoke in support of the hospital and urged Council to approve the rezoning.

Donna Vidrine, San Clemente, urged Council to support the proposed rezoning; suggested that if Saddleback Memorial chooses to close, the hospital site should be sold to another healthcare provider.

Bryan Starr, Orange County Business Council, asserted that the proposed rezoning will set a dangerous precedent and will have a detrimental effect on the economic well-being of the City; urged Council to oppose the proposed Zoning Amendment.

Dotti Smith, RN, San Clemente, asserted that mortality rates increase at overcrowded hospitals; opined that the community hospital is needed.

Elizabeth Ramirez, Orange County Taxpayers Association, read a letter from the Orange County Taxpayers Association that conveyed objection to the proposed rezoning of the hospital site.

Lyle Gialamas, San Clemente, read a letter from a young woman who attempted suicide and was saved by San Clemente Hospital; urged Council to support the proposed rezoning.

Louise Herbert, San Clemente, reported on her positive experiences at San Clemente Hospital; urged Council to support the proposed rezoning.

Tukarar N. Savdharia, San Clemente, urged Council to support the rezoning; noted the importance of a local hospital.

The following individual did not wish to speak, but requested that her name be added to the record in support of the rezoning:

Renee Taylor, San Juan Capistrano.

City Clerk Baade reported that the City received 183 phone calls and voice mails and 522 emails in support of the proposed Zoning Amendment.

There being no others desiring to speak, the Public Hearing was closed.

In response to Council request, City Attorney Smith summarized the definition of “spotzoning” as determined in the case of Arcadia Development Co. v. City of Morgan Hill; pointed out that spotzoning generally involves a small parcel that is rezoned for irrational reasons; opined that the rezone under construction would not constitute downzoning.

Following discussion, MOTION BY COUNCILMEMBER HAMM, SECOND BY MAYOR BAKER, CARRIED 5-0, to:

1. Adopt Resolution No. 16-03 entitled A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN CLEMENTE, CALIFORNIA, TO ADOPT GENERAL PLAN AMENDMENT 15-427, CAMINO DE LOS MARES MEDICAL ZONES, A CITY-INITIATED REQUEST TO AMEND THE GENERAL PLAN TO CREATE A REGIONAL MEDICAL FACILITIES LAND USE DESIGNATION APPLIED TO THE 6.6 ACRE PROPERTY LOCATED AT 654 CAMINO DE LOS MARES, AMEND THE COMMUNITY COMMERCIAL LAND USE DESIGNATIONS USE AND DEVELOPMENT STANDARDS, AND CREATE A COMMUNITY COMMERCIAL 4 LAND USE DESIGNATION APPLIED TO A PORTION OF THE PROPERTIES ALONG CAMINO DE LOS MARES.
2. Introduce Ordinance No. 1616 entitled AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SAN CLEMENTE, CALIFORNIA, TO ADOPT ZONING AMENDMENT 15-428, AND SPECIFIC PLAN AMENDMENTS 15-449 TO 15-452, CAMINO DE LOS MARES MEDICAL ZONES, A CITY INITIATED REQUEST TO AMEND THE ZONING ORDINANCE AND ZONING MAP TO CREATE A REGIONAL MEDICAL FACILITIES ZONE APPLIED TO THE 6.6 ACRE PROPERTY LOCATED AT 654 CAMINO DE LOS MARES, AMEND THE COMMUNITY COMMERCIAL ZONES USE AND DEVELOPMENT STANDARDS, CREATE A COMMUNITY COMMERCIAL 4 ZONE APPLIED TO A PORTION OF THE PROPERTIES ALONG CAMINO DE LOS MARES, AND ADD AND REVISE MULTIPLE MEDICAL-RELATED USES AND DEFINITIONS OF THE ZONING ORDINANCE AND THE FORSTER RANCH, RANCHO SAN CLEMENTE, TALEGA, AND WEST PICO CORRIDOR SPECIFIC PLANS.

MEETING RECESSED

Council recessed at 8:20 p.m. and reconvened at 8:36 p.m., with all members present.

8. UNFINISHED BUSINESS**A. Ole Hanson Beach Club Rehabilitation Project**

Report from the Public Works Director/City Engineer concerning the Ole Hanson Beach Club rehabilitation project, including supplemental appropriations, Contract Amendments and a Contract Award for Landscape and Irrigation Design.

MOTION BY COUNCILMEMBER BROWN, SECOND BY COUNCILMEMBER DONCHAK, CARRIED 5-0, to consider this item after Item 9A – Short Term Lodging.

This item was considered after Item 9-A as follows:

Assistant City Manager Sund narrated a PowerPoint presentation entitled “Ole Hanson Beach Club Supplemental Appropriation”. A hard copy of the presentation is on file with the City Clerk.

MOTION BY COUNCILMEMBER DONCHAK, SECOND BY COUNCILMEMBER BROWN, CARRIED 5-0, to approve Staff’s recommendation, with the stipulation that the \$252,000 associated with the contract dispute be withheld at this time, with the intention of resolving the contract dispute and receiving more information before the funds are released. By virtue of this motion, Council approved the following actions (which reflect a \$252,000 appropriation reduction in Actions 1 and 5) :

1. Approve a transfer in the amount of \$293,000 to the Ole Hanson Beach Club Project, Account 001-621-45300-000-12559, from the T-Street Restroom and Concession Rehabilitation Project, Account 001-636-45300-000-15504.
2. Approve a transfer in the amount of \$537,000 from the Developer’s Improvement Fund (North Beach Funds) to the Ole Hanson Beach Club Project, Account 001-621-45300-000-12559.
3. Approve a transfer in the amount of \$50,000 to Account 001-621-45300-000-12559 from the Water Operating Restricted Fund Balance.
4. Estimate Grant Revenue of \$4,000 in the General Fund from the Metropolitan Water District.
5. Approve Project No. 12559 contingency increase in the amount of \$880,000.

Motion continued on following page

6. Approve, and authorize the Mayor to execute, Contract C16-02 by and between the City of San Clemente and BGB Design Group, providing for landscape and irrigation design services for the Ole Hanson Beach Club, in the amount of \$37,930.
7. Approve, and authorize the Mayor to execute, Amendment No. 4 to Contract C11-51, by and between the City of San Clemente and Architectural Resources Group, Inc. This Amendment would increase the contract amount from \$483,520 to \$518,520, an increase of \$35,000.
8. Approve, and authorize the Mayor to execute, Amendment No. 2 to Contract C14-53, by and between the City of San Clemente and Dudek, providing for construction management of the Ole Hanson Beach Club rehabilitation project. This Amendment would increase the contract amount from \$268,500 to \$293,500, an increase of \$25,000.

9. **NEW BUSINESS**

A. **Code Amendment – Regulation of Short-Term Lodging Units**

Report from the Community Development Director concerning the possibility of amending the Code of the City of San Clemente relative to regulation of short-term lodging units.

Councilmember Brown recused himself from deliberations on this item because his wife works in the real estate industry and the item being discussed will have a material effect on the real estate market; left the Council Chambers at 8:37 p.m.

Community Development Director Gallardo-Daly narrated a PowerPoint presentation entitled "Short-Term Lodgings" and responded to Council inquiries. A hard copy of the presentation is on file with the City Clerk.

Richard Weakland, President of Del Mar Homeowners Association, spoke in support of the proposed Ordinance and the 275-day owner occupancy provision; cited parking and nuisance concerns associated with short-term rentals.

Vincent "Pat" Hennessy, San Clemente, reported that he owns a duplex and rents one of the units as a vacation rental; noted that he needs the rental income for financial reasons; voiced concern with the imposition of an owner occupancy requirement.

Mike Burke, read a letter on behalf of the Chamber of Commerce, which stated that vacation rentals help local businesses and the City's tax base; urged Council to involve stakeholders in crafting an ordinance to address short-term rentals.

Jeff Bosson, Orange County Vacation Rental Association, noted that the Association opposes the 275-day owner occupancy rule and the requirement that the property owner be required to obtain a business license as a prerequisite to receiving a short-term rental permit.

Diana Rudolph, San Clemente, requested that multi-unit facilities be exempted from the proposed regulations.

Greg Webster, San Clemente, stated that he is an owner/occupant of a vacation rental; stated that he depends on the rental income to pay his mortgage; urged Council to remove the regulation that properties be rented for no more than 90 days per year and that short-term rentals be required to have a business license.

Jeanne Eib, San Clemente, reported that she owns a vacation rental that has been a successful venture; noted she lives on site and meets each renter and has never had a problem; noted she depends on rental income and spoke in opposition to the 275-day owner occupancy regulation.

Ken Royal, San Clemente, stated the issue in question is governmental overreach; urged Council to oppose the regulations.

Kellie Bieber, San Clemente, voiced concern that short-term rental owners were not notified of this meeting; stated the City has not received any complaints about her properties; voiced concern that she would not be able to live in her rental properties 275 days a year.

Jim Bieber, San Clemente, voiced concern with the lack of notification to vacation rental property owners; suggested that people are positively impacted by vacation rentals and urged Council to oppose the Ordinance.

Lynn Mear Hopper, San Clemente, stated that she owns a vacation rental; suggested there will be a negative economic impact to the City if a ban is placed on vacation rentals; stated that her rental is booked until July 2016.

James Payne, Coto de Caza, explained his opposition to the 275-day owner occupancy requirement; stated that he takes pride in his property and enforces strict occupancy limits; stated that the City does not have high-end hotels and that vacation rentals enable tourists to visit the City and patronize local businesses and restaurants.

Valerie Hirsch, San Clemente, spoke in support of the proposed Ordinance; stated that she lives in a neighborhood with many vacation rentals and voiced concern that her neighborhood has become commercialized.

Monica Buricle, San Clemente, urged Council to consider the long-term effects of short-term vacation rentals and suggested the proposed Ordinance is a good start; voiced concern with changes in neighborhoods due to short-term lodging units.

Chris Geil, San Clemente, spoke in support of vacation rentals; noted San Clemente is a tourist destination and asserted that the proposed ordinance is too restrictive.

Jim Wynne, San Clemente, reported that there are two vacation rentals in his neighborhood that have not caused problems; suggested that a cap on the number of vacation rentals would be an appropriate compromise.

Mike Fournier, San Clemente, reported that income from his vacation rental makes it possible for him to afford to maintain his property in San Clemente; conveyed support for reasonable regulations, but objected to the 275-day owner occupancy requirement.

Olga Reznik, San Clemente, asserted that vacation rentals provide an opportunity for property owners to earn an income; suggested that long-term rentals negatively affect property values; opposed the proposed Ordinance.

Justin Den Dulk, San Clemente, urged Council to oppose the Ordinance; cited concerns with the possibility of putting his parents' vacation rental company out of business due to the restrictions being considered.

Jilinda Den Dulk, San Clemente, noted she owns a vacation rental management company and voiced concerns that she has already booked several vacation rentals for the summer months; noted that her guests patronize local businesses and suggested that an economic impact report should be conducted.

Brad Wright, San Clemente, spoke in support of short-term vacation rentals; suggested that owners should take an active role in managing their rentals and suggested the 275-day owner occupancy rule is too restrictive.

Brad Den Dulk, San Clemente, spoke in opposition to the proposed Ordinance; suggested that a dramatic loss in transient occupancy tax would negatively affect the City's budget; noted the Coastal Commission said it cannot provide an opinion on a possible ban on vacation rentals because the associated economic impact has not been assessed.

Steven Helfer, San Clemente, voiced concern that the City is targeting short-term vacation rentals instead of sober living facilities; voiced concern with the 275-day owner occupancy rule.

Julia Darden-Lentz, San Clemente, urged Council to delay a decision on the issue of short-term vacation rentals in an effort to engage stakeholders on all sides of the issue; suggested referring the subject back to the Planning Commission for further evaluation.

Tricia Mading, San Clemente, opined that San Clemente is not a tourist destination; asserted that vacation rentals are businesses protected by large corporations such as Airbnb and VRBO.

Jim Laurent, San Clemente, suggested that short-term vacation rentals result in a City that is largely populated with vacation renters and a minimal amount of permanent residents.

Joe Janis, San Clemente, opined that vacation rentals constitute businesses in residential neighborhoods.

John Van Epp, San Clemente, suggested that the City should have defined regions for short-term rentals.

Shirley Van Epp, San Clemente, asserted that short-term rentals change the personality of neighborhoods; urged Council to support the Ordinance in question.

Bob Stiles, San Clemente, asserted the 275-day owner occupancy requirement is not fair to property owners that do not live in the City; expressed concern with the proposal that a property manager be on site within 30 minutes of notification of a problem; concurred with the remaining requirements of the Ordinance.

Linda Schrab, San Clemente, spoke in support of short-term rentals; urged Council to postpone a decision to conduct additional research.

Kevin Lalar, San Clemente, voiced concern with short-term rentals, citing issues with noise and safety; asserted that a sober living facility in his neighborhood has increased crime in the neighborhood; spoke in support of the Ordinance.

Julia Wang, Mission Viejo, voiced opposition to the 275-day owner occupancy rule; stated that violators should have consequences, but felt that the proposed ordinance unfairly punishes the STLU owners.

David Nealan, Rancho Palos Verdes, urged Council to oppose the ordinance; stated the 275-day owner occupancy rule will negatively impact many property owners who do not live full-time in San Clemente.

Jamine Ragsdale, San Clemente, noted he owns both short-term and long-term rentals; opined that long-term renters create more problems than short-term renters on vacation.

Tom Ender, San Clemente, spoke in support of the proposed Ordinance; urged Council to place restrictions on vacation rentals.

Michelle Johnson, San Clemente, voiced opposition to the proposed 275-day owner occupancy rule; suggested that problem renters be fined to reduce problems and complaints.

Chris Connolly, San Clemente, voiced concern that short-term rentals change the fabric of neighborhoods; concurred that property owners should be allowed to rent their properties for 90 days a year.

The following individuals indicated on their speaker cards that they did not wish to speak, but opposed the proposed Ordinance:

Carmen James, San Clemente
Rich Harvey, Covina
Russell Parks, San Clemente
Virginia Kock, San Clemente
Ben Koppenheffer, San Clemente
Susan Harvey, Covina
Lisa Parks, San Clemente

The following individuals indicated on their speaker cards that they did not wish to speak, but urged Council to support the proposed Ordinance:

Rosemarie Francisco, Riverside
Paul Cramer, San Clemente
Lauren Cramer, San Clemente

There being no others desiring to speak, the public comment period was closed.

Following deliberations, MOTION BY MAYOR BAKER, SECOND BY COUNCILMEMBER DONCHAK, CARRIED 3-1-1 (COUNCILMEMBER HAMM VOTING NOE AND COUNCILMEMBER BROWN RECUSED), to adjourn this item to the Council meeting of February 2, 2016.

Council directed Staff to place the alternative Ordinance that was presented by Councilmember Hamm at this evening's meeting on the City's website.

Council requested Staff provide a report on the timeline, process and cost associated with adding a possible ballot measure to the November 8, 2016 ballot relative to short-term rentals.

Councilmember Brown returned to the dais at 11:15 p.m.

10. **ORAL COMMUNICATIONS (PART 2)**

None.

11. **REPORTS**

A. **Commissions and Committees**

(1) Human Affairs Committee Vacancy

City Clerk Baade reviewed the contents of the Administrative Report.

Council directed Staff to defer filling the vacancy on the Human Affairs Committee to the June 2016 interview/appointment session.

B. **City Manager**

None.

C. **City Attorney**

None.

D. **Council Members**

H.R. 3643 (Interim Consolidated Storage Act of 2015)

Councilmember Brown reported that a priority for the Community Engagement Panel (CEP) has been interim storage solutions; reported that Congressman Issa has developed H.R. 3643 (the Interim Consolidated Storage Act of 2015); requested that Council adopt a Resolution to support H.R. 3643.

Southern California Economic Summit

Councilmember Donchak reported on her attendance at the Southern California Economic Summit on January 7, 2016, noting that the need for workforce housing served as the theme for the Summit; stated that the Santa Clarita library system was mentioned as an example of an outstanding independent library and requested that Staff obtain information on Santa Clarita's library to possibly serve as a model in the event San Clemente pursues an independent library.

Peek at La Pata Trail Hike

Councilmember Donchak encouraged residents to attend the "Peek at La Pata" trail hike on January 23, 2016.

Dogs on Beaches

Mayor Pro Tem Ward noted the advantages of considering the issue of dogs on beaches in conjunction with the Beaches, Parks and Recreation Master Plan and voiced concern that a subcommittee of the Beaches, Parks and Recreation Commission should not assess the topic at this time.

Assistant City Manager Sund noted that the Request for Proposal for the Beaches, Parks and Recreation Master Plan will be agendaized for Council consideration in the near future; noted that Council will have the opportunity to include the issue of dogs on beaches as a component of the Master Plan's scope of work.

12. RESOLUTIONS/ORDINANCES

A. Ordinance No. 1613 (Second Reading) – Prohibition of Cannabis Dispensaries, Manufacturing, Cultivation, Delivery, and Testing Labs

MOTION BY COUNCILMEMBER BROWN, SECOND BY COUNCILMEMBER DONCHAK, CARRIED 5-0, to adopt Ordinance No. 1613 entitled AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SAN CLEMENTE, CALIFORNIA, APPROVING ZONING AMENDMENT 15-456, AMENDING TITLE 17 OF THE SAN CLEMENTE MUNICIPAL CODE, AND APPROVING SPECIFIC PLAN AMENDMENT 15-471, AMENDING THE RANCHO SAN CLEMENTE SPECIFIC PLAN, TALEGA SPECIFIC PLAN, AND WEST PICO CORRIDOR SPECIFIC PLAN, TO PROHIBIT CANNABIS CULTIVATION, CANNABIS MANUFACTURING, CANNABIS TESTING LABORATORIES, CANNABIS DELIVERY, AND CANNABIS DISPENSARIES.

B. Ordinance No. 1615 (Second Reading) – Adding a New Chapter 2.43 to the Code of the City of San Clemente Relating to the City’s Investment Advisory Committee

MOTION BY COUNCILMEMBER BROWN, SECOND BY MAYOR BAKER, CARRIED 5-0, to adopt Ordinance No. 1615 entitled AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SAN CLEMENTE, CALIFORNIA, ADDING A NEW CHAPTER 2.43 TO THE CODE OF THE CITY OF SAN CLEMENTE RELATING TO THE CITY’S INVESTMENT ADVISORY COMMITTEE.

13. ADJOURNMENT

MOTION BY COUNCILMEMBER BROWN, SECOND BY MAYOR BAKER, CARRIED 5-0, to adjourn at 11:37 p.m. to an Adjourned Regular Council Meeting to be held on February 2, 2016 in the Council Chambers, located at 100 Avenida Presidio, San Clemente, California. Council will interview applicants and appoint an Industry Specialist to the Investment Advisory Committee at 4:30 p.m. Closed Session items will be considered at 5:00 p.m. The Regular Business Meeting will commence at 6:00 p.m. The first portion of the 6:00 p.m. session will include a continuation of the portion of the January 19, 2016 Council meeting relating to short-term vacation rentals.



MAYOR of the City of
San Clemente, California



CITY CLERK of the City of
San Clemente, California