

**ANAHEIM CITY COUNCIL
REGULAR MEETING OF JUNE 13, 2023**

The meeting of June 13, 2023 was called to order at 2:36 p.m. in the Council Chamber of Anaheim City Hall, located at 200 S. Anaheim Boulevard. The meeting notice, agenda, and related material were duly posted on June 8, 2023.

MEMBERS PRESENT: Mayor Ashleigh E. Aitken and Council Members Jose Diaz, Norma Campos Kurtz, Stephen Faessel, and Natalie Meeks. Mayor Pro Tem Natalie Rubalcava and Council Member Carlos A. Leon joined during Closed Session.

STAFF PRESENT: City Manager Jim Vanderpool, City Attorney Robert Fabela, and City Clerk Theresa Bass

ADDITIONS/DELETIONS TO CLOSED SESSION:

City Clerk Theresa Bass announced that Closed Session Item No. 2 was withdrawn from the closed session agenda.

PUBLIC COMMENTS ON CLOSED SESSION ITEMS: None

CLOSED SESSION: At 2:37 p.m., Mayor Aitken recessed to Closed Session for consideration of the following:

1. **CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
(Subdivision (d)(1) of Section 54956.9 of the California Government Code)
Name of Case:** Rulon v. City of Anaheim, Orange County Superior Court Case No. 30-2021-01191789

2. **CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
(Subdivision (d)(1) of Section 54956.9 of the California Government Code)
Name of Case:** McGlown v. City of Anaheim, Park Viridian Apartments, Bex Portfolio, LLC, et. al., Orange County Superior Court Case No. 30-2021-01209440
Closed Session Item No. 02 removed by staff. No consideration or action taken.

3. **CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION
(Subdivision (d)(1) of Section 54956.9 of the California Government Code)
Name of Case:** Security National Insurance Co. v. City of Anaheim, United States District Court Case No. 8:20-cv-00518-JVS (ADSx)

At 3:30 p.m., Mayor Aitken reconvened the Anaheim City Council.

MEMBERS PRESENT: Mayor Ashleigh E. Aitken and Council Members Natalie Rubalcava, Jose Diaz, Norma Campos Kurtz, Stephen Faessel, and Natalie Meeks. Council Member Carlos A. Leon joined the meeting at 3:33 P.M.

WORKSHOP: Proposed Fiscal Year 2023/24 Budget (Citywide Overview; Administrative Support Departments; Police; Fire & Rescue; and Community Services)

Citywide Overview

City Manager Jim Vanderpool introduced the workshop and acknowledged the work of the Finance Department on the \$2.1 billion budget document. He thanked the members of the Budget, Investment, and Technology Commission for their commitment to the City of Anaheim and their work on the budget process. He thanked members of the public for their participation in the budget process. He noted five additional public meetings will take place prior to the adoption of the budget. He highlighted additional services included in this year's budget including the hiring of 12 police officers, the addition of six School Resource Officers, additional funding for staffing in the Fire & Rescue Department, funding commitments for park upgrades and senior services, and the City's commitment to infrastructure services and human services.

Director of Finance Debbie Moreno introduced and thanked the Budget team for their work. She presented the Citywide Goals and Strategies, which include ensuring public safety, investing in neighborhoods, outreach to the community, improving the City's infrastructure, and encouraging business growth. She highlighted significant economic improvements since the pandemic, however, she noted vulnerabilities that could cause uncertainties. She mentioned the State and County of Orange would be less prone to impact by a potential recession due to State manufacturing and defense projects not being interest rate sensitive, and Orange County tourism and fully employed labor markets. She noted there is optimism the City may only be minimally impacted by a recession and only experience a decrease in tourism.

Ms. Moreno noted the proposed expenditures in the Fiscal Year (FY) 2023/24 budget total \$2.1 billion. She stated the General Fund budget composes 21% of the budget, however, highlighted the General Fund is used to support core City services such as the Police Department, Fire Department, parks, and libraries. She mentioned the remaining funds including the Enterprise Funds are reserved for specific uses including electric, water, and sanitation utilities and cannot be used for general services. Ms. Moreno noted the budget includes a \$218 million proposed Capital Improvement Program (CIP). She explained the purpose of the CIP and provided additional information for the seven project categories. She noted the plan for consideration is a preliminary plan that includes five years of projected capital needs, however, approval of the plan does not approve specific projects.

Ms. Moreno stated the General Fund is the main repository of tax revenues and discretionary sources of funding. The City's main three revenues which account for 80% of fund sources include Transient Occupancy Tax (TOT), sales and use taxes, and property taxes. The largest source of revenue is the TOT producing 42% of revenue, producing \$236.3 million of the General Fund budget. Ms. Moreno mentioned the TOT is driven by tourism to the Anaheim Resort with visitors paying a tax of 15% on hotel, motel, and short-term rental stays of thirty days or less. She highlighted the projected growth of the TOT revenue to \$236 million in the upcoming fiscal year. She noted Measure J became effective in January 2023 making FY 2023/24 the first fiscal year for the associated revenue collections.

Ms. Moreno presented the proposed \$112 million Sales & Use Tax budget. She noted the tax is applied to the sale of tangible property. The tax rate in the City is 7.75% and the City receives one cent of every dollar spent in the City. She highlighted the projected growth amongst all sectors and a 3.4% projected growth in the upcoming fiscal year.

She addressed the approximately \$101 million proposed Property Tax budget. All retail and tangible personal property in the State is subject to property tax equal to one percent of the value. The County collects the taxes and distributes the City's shares totaling approximately 20%. The balance is shared among other taxing agencies. Current fiscal year projects are projected to increase 6.9% followed by 5.3% in the upcoming fiscal year.

Ms. Moreno detailed the General Fund Uses and Expenditures. She noted over 50% of expenditures are used for keeping the community safe. She stated the majority of expenditures are to support debt towards the Resort debt, Convention Center debt, and working Capital bonds. Personnel comprise nearly 70% of the General Fund budget including Full and Part-Time salaries, overtime, and all other associated benefits costs. Detailed information for long-term retirement and post-employment obligations are included in the proposed FY 2023/34 budget beginning on page 171. Ms. Moreno detailed the unfunded liabilities for debt service obligations including bonds. Service enhancements included in the proposed budget are enhanced library hours and an agreement with the Anaheim Union High School District (AUHSD) for athletic field use.

Ms. Moreno presented the General Fund 5-Year Plan and Forecast. She highlighted bond proceeds are lasting longer than anticipated which balances the operating plan across the five years. Lease Payment Measurement Revenues (LPMR) are expected to retire as early as 2028. She detailed ongoing service enhancements totaling \$6 million and one-time enhancements totaling \$15.1 million. She presented a revised proposed General Fund Five-Year Forecast including all ongoing and one-time enhancements, which would utilize the prior year's surplus and neighborhood set-aside reserves would be used to support one-time projects with deficit bonds balancing ongoing enhancements. Upon repayment of the Resort bonds, the resulting surplus could sustain the enhanced services and allow payment of Capital bonds.

Administrative Support Departments

The Administrative Support Departments include Finance, Human Resources (HR), City Administration, City Attorney's Office, City Clerk, and City Council. Ms. Moreno provided a brief overview of the Administrative Support Department's budgets. City Council, City Administration, City Attorney, and City Clerk are predominantly funded by the General Fund. Together the Administrative Departments comprise 10.3% of the Citywide Budget and 12% of the General Fund.

DISCUSSION: In response to Council Member Faessel's request, Ms. Moreno detailed surplus costs in the Resort District that contribute to the entire community. She noted this year there is an estimated 33% return to the community.

Council Member Faessel highlighted the Resort District generates a surplus that funds essential City services. Ms. Moreno added during the pandemic the City did not have to pay toward the debt service despite the lack of revenue.

Council Member Diaz thanked staff for their work on the Budget and noted the increased services that were included in the proposed Budget.

In response to Council Member Diaz, Ms. Moreno noted she can provide the cost of mental health services for the homeless at the next Budget Workshop. She confirmed if all service enhancements were adopted there would be a deficit in the fifth year of the forecast.

Mayor Aitken confirmed the report on homeless services is interdepartmental and the City would not experience a deficit this Fiscal Year. Ms. Moreno stated the payment of LPMR bonds was not included in the projections and estimated that would be \$120 million a year.

In response to Council Member Meeks, Ms. Moreno mentioned the increased revenues in the projected forecast are due to upcoming events.

In response to Mayor Pro Tem Rubalcava, Ms. Moreno stated that she does not budget conservatively and referenced pre-pandemic revenue estimates. She noted the projections may be off individually, however, overall estimates are accurate.

Police Department

Deputy Police Chief Rick P. Armendariz provided an overview of the Anaheim Police Department's proposed Fiscal Year 2023/24 budget. He outlined the Police Department's core services and the Department's goals. The Department includes 617 Full-Time employees and 63.35 Part-Time employees.

The proposed FY 2023/24 Police Department budget is \$201.2 million. 90% of the budget comes from the General Fund. Deputy Chief Armendariz stated that there is a 4.4% increase in the proposed budget due to increases in salary and burden and increased liability insurance. Personnel costs comprise 83% of the operating budget. 16% of the Department's budget is dedicated to the Administration Division for operational and strategic components of the Police Department, 18% for the Investigations Division, 31% for the Operations Division, 20% for Operations Support, and 15% for Support Services.

Deputy Chief Armendariz highlighted police call responses and response times, prevention, engagement, innovation including the Drone as a First Responder Program, and intervention. He noted the Department has continued to attract, recruit, and retain high-quality employees. In 2022, the Police Department filled 104 sworn and non-sworn positions. He highlighted the peer support team, trainings, and community engagement. Deputy Chief Armendariz noted via volunteer programs and the explorer programs the Police Department is supporting the public safety pipeline to allow residents to serve the community they grew up in.

DISCUSSION: Mayor Pro Tem Rubalcava confirmed the City currently employs the largest number of Police Officers ever in the history of the City.

In response to Mayor Pro Tem Rubalcava, Deputy Chief Armendariz explained the number of authorized personnel is the number the Department can hire while budgeted is the positions that are funded. He confirmed the 617 authorized employees and stated the Department is authorized 431 sworn employees and budgeted 408 sworn employees. The Department was approved for 12 over hires which allowed them to employ 410 sworn employees. He noted due to a high number of retirements within the department, the overhire positions allowed the Department to recruit additional personnel.

In response to Mayor Pro Tem Rubalcava, City Manager Vanderpool explained the number of authorized personnel is an administrative decision by the City Manager's Office. The City Manager's Office received authorization to budget at a certain level and works in conjunction with Finance to monitor revenues and appropriation spending and adjust accordingly. He stated the Department could employ more officers to increase public safety, however, the budget needs to be responsibly balanced with the recommendation.

Mayor Pro Tem Rubalcava requested additional budgeting toward staffing for the Police Department and the School Resource Officer position. City Manager Vanderpool highlighted the two (2) Homeless Resource Officers included in the proposed Budget which activates funding for those positions. She clarified that the proposed six (6) School Resource Officers (SROs) are additional officers to what is currently budgeted. He stated the City is in negotiations with the AUHSD for cost-sharing for the SRO position.

In response to Mayor Pro Tem Rubalcava, City Manager Vanderpool stated that excluding the two Homeless Officer positions and the six (6) SRO positions, there would be approximately 12 frozen positions.

Deputy Chief Armendariz explained two (2) Supervisors are budgeted for Disneyland and currently eight (8) Officers are assigned to Disneyland. He noted all the positions are reimbursed by Disney and those positions are included in the 408 budgeted positions. In response to Mayor Pro Tem Rubalcava, City Manager Vanderpool explained the revenues from Disney have been factored into the budget. Mayor Pro Tem Rubalcava requested the City Manager review the budget to include additional Police Department positions.

In response to Council Member Faessel, Deputy Chief Armendariz stated he would need to confirm the change in Capital Outlay funding. He clarified other operating expenditures would be an increase in fees for Police Department fleet.

Council Member Kurtz requested information on how many Police Officers are allocated per Anaheim resident and how that number compares to other Orange County cities.

In response to Council Member Meeks, Deputy Chief Armendariz stated the Department has been collaborating with the City Manager's Office on supplemental resources to reduce the crime rate. Deputy Chief Armendariz explained the Department is maximizing their resources by being innovative with technology including drones, surveillance cameras, and license plate readers. He noted that the Anaheim Police Department is unique by having to account for the population, the annual 25 million visitors to the City, and the high call volume. He mentioned the Department is looking to conduct a strategic assessment to assess the Department's needs.

Mayor Aitken requested additional information on any innovative projects that would result in cost savings to the Department. Deputy Chief Armendariz used the example of the Community Care Response Team (CCRT) which reduced 20% of the homeless-related calls for service to the Police Department. Other examples of alternative responses were BeWell OC, Park Rangers, expanding the Cadet program, and non-sworn Professional Service Representatives (PSRs). He noted the use of drones would reduce calls for service, assess the situation before officers respond, and provide situational awareness to officers. He mentioned collaboration with residents is crucial to educate them on methods to reduce crime.

Council Member Leon requested adding cameras on Brookhurst Street and Ball Road and the costs to install cameras. Deputy Chief Armendariz confirmed the reduction of crime at locations where cameras are installed. He confirmed additional cameras are being installed and mentioned collaboration with a Homeowners Association to install cameras in their neighborhood.

Council Member Leon expressed his support for the additional HALO team included in the proposed budget.

Council Member Diaz noted it is important to keep the budget balanced to avoid future budgetary issues.

In response to Mayor Pro Tem Rubalcava, Ms. Moreno confirmed current reserves are \$76.4 million or 18% of ongoing expenditures. Mayor Pro Tem Rubalcava highlighted the importance of investing in the community during good budget times. She expressed concern about crimes not being reported. She requested that staff evaluate how many Full-Time employees would make the City the safest.

In response to Mayor Pro Tem Rubalcava, Ms. Moreno confirmed the Public Employees' Pension Reform Act (PEPRA) is pension reform to decrease the overall cost and the overall cost of PEPRA is less than the California Public Employees' Retirement System (CalPERS). She noted the largest part of the City's pension expense is the unfunded liability.

Fire & Rescue Department

Fire & Rescue Chief Patrick Russell provided an overview of the Anaheim Fire & Rescue Department's proposed Fiscal Year 2023/24 budget. He highlighted the Department's core services including Fire Suppression, Emergency Medical Services (EMS), Community Risk Reduction, and Emergency Management & Preparedness. The Department includes 334 Full-Time employees and 14.5 Part-Time employees.

The Department's total proposed budget is \$116.4 million, 5.5% of the Citywide Budget total. The Operating Budget is \$106.7 million with 76% allocated to labor costs. As a result of increases in labor costs and inflation for supplies and equipment, the proposed budget includes a 5.3% increase in operating costs. Chief Russell detailed the expenditures of each division in the Fire Department.

The Fire Administration Division is responsible for maintaining activities between other agencies and the community. They manage personnel, budget, grants, and strategic planning. The Division manages the Department's social media and oversees the Sparks of Love event.

Chief Russell highlighted Fire & Rescue Operations which include Firefighting, Emergency Response, EMS, and the Ambulance Program. He noted the Department's various teams that are included in the Federal Emergency Management Agency's (FEMA) Urban Search and Rescue California Task Force 5.

Support Services are responsible for purchasing and maintaining all Department equipment. The Division works closely with the Public Works Department for maintenance. The Fire Prevention and Community Risk Reduction Division helps prevent fires and oversees the Certified Unified Program Agency (CUPA) program, goat program, and brush abatement. The Emergency Management and Preparedness Division oversees the City's Emergency Operations Center (EOC), ensures compliance with State and Federal plans, and provides training to the community.

Chief Russell highlighted the Anaheim Ambulance Program and noted the program's success. He mentioned the Ambulance Program is one program that contributes to creating a career ladder for Anaheim youth. He noted other programs including the Public Safety Academy and Fitness Fridays to provide students with an overview of careers they can pursue in the future. The S.M.A.R.T. Opioid Awareness Program, in partnership with the Police Department and Anaheim School District, educates teachers, administrators, and students about the dangers of opioids and what to do in the event of an overdose. Chief Russell noted overdose kits have been delivered to schools in Anaheim and the Department provided training on how to use the kits. He highlighted the Wildland Fire Prevention program, the Joint Powers Authority Partners, the Platinum Triangle Fire Station 12 project, and the Fire Station 4 Remodel.

DISCUSSION: Mayor Aitken confirmed the addition of three (3) firefighter positions approved by the City Council last year. In response to Mayor Aitken, Chief Russell stated if the City Council approved the six (6) positions proposed, it would take the Department's staffing level to the staffing level in 2008. He stated the call volume in 2008 was approximately 27,000 calls per year for a population of 328,000 people. In 2022, there were 45,368 calls for service and the population is 360,000 people. Chief Russell stated to meet current call volumes he would request an additional three (3) firefighter

positions in the future. He noted a strategic plan workshop was proposed to create a five-year plan to evaluate the Department's resources and augment the resources available.

In response to Mayor Aitken, Chief Russell stated there would need to be further discussion with the City Manager to evaluate if additional staff would be required for Fire Station 12. He mentioned vulnerabilities in the Resort Area and the Canyon Area due to response times and vulnerability. He noted Fire Station 12 would alleviate those limitations.

Chief Russell provided information regarding the previous ambulance provider and noted the cost savings realized through providing in-house ambulance services. In the four (4) year program, the total gross savings were \$44 million and the net savings were over \$20 million. He confirmed the three (3) additional staff positions would be allocated toward the Ambulance Program.

Mayor Aitken requested the City Manager explore methods to include the three (3) additional positions for the Ambulance Program.

Council Member Meeks requested the Fire Chief work with the Public Information Office to expand education to the community related to hillside fire safety.

In response to Mayor Pro Tem Rubalcava, Chief Russell clarified that the additional staff members would be to supervise the Ambulance Program. Chief Russell explained various events have been requesting medics on site. He noted there has been an issue with medics' "wall time" at hospitals. He mentioned that the revenue for the program and financial support of the program will continue to grow. Chief Russell stated the cost of one (1) firefighter is \$250,000 including benefits.

In response to Council Member Faessel, Chief Russell stated the Department monitors the mutual aid that is provided to other agencies and the aid the City receives. Automatic aid and mutual aid are designed to send the nearest resource available to an emergency. Chief Russell added each fire company in the City is a paramedic response.

Council Member Kurtz clarified the three (3) additional personnel would reallocate Captain positions into a supervisory role and fill the position with a firefighter position. She thanked Chief Russell for the response model of the Fire Department.

Council Member Leon supported Mayor Aitken's request to add additional staff positions to the Fire Department.

Mayor Aitken continued the Community Services Budget presentation to the June 27, 2023 City Council meeting.

PUBLIC COMMENTS ON WORKSHOP:

City Clerk Theresa Bass reported there were no in-person speakers for the Workshop. She noted there were two (2) public comments received electronically related to the Workshop. [A final total of 272 public comments were received electronically, distributed to the City Council, and made part of the official records]. – **See Appendix.**

Mayor Aitken called for a brief recess and reconvened the City Council meeting at 5:27 P.M.

MEMBERS PRESENT: Mayor Ashleigh E. Aitken and Council Members Natalie Rubalcava, Jose Diaz, Carlos A. Leon, Norma Campos Kurtz, Stephen Faessel, and Natalie Meeks.

INVOCATION: Pastor James Bove, Calvary Chapel Anaheim

FLAG SALUTE: Council Member Norma Campos Kurtz

PRESENTATION: Recognizing the winners of the 2023 Anaheim Beautiful Community Pride Poster Contest.

Anaheim Beautiful President Lori Dinwiddie announced Anaheim Beautiful held the 9th annual Community Pride Poster contest in April during Earth Month. The contest is offered to all public schools in Anaheim for first to sixth-grade students to promote green awareness. She thanked the 2023 Community Pride sponsors, the City's Code Enforcement Division, and the Public Works Department. Ms. Dinwiddie announced the winners of the contest; Matteo Flores (first grade), Luna Herrera-Castro (second grade), Sophia Gonzalez (third grade), Martinelle Victorio (fourth grade), Aleena Rahaman (fifth grade), Jake Marin (sixth grade), Ethan Go (first grade), Emma Kelley (second grade), Elyse Yolla (third grade), Brielle Joseph (fourth grade), Brooklyn Klaewtanong (fifth grade), and Claire Greenlee (sixth grade).

ACCEPTANCE OF OTHER RECOGNITIONS (To be presented at a later date):

Recognizing June 11 - 17, 2023, as National Flag Week

Chairman of the Anaheim Flag Day Celebration Committee Sally Feldhaus thanked the City Council for attending the celebration. She attributed the success of the celebration to the Committee and the City Council's support. She thanked Council Member Faessel for his service as the Master of Ceremonies.

Recognizing June 23, 2023, as International Widows Day

ADDITIONS/DELETIONS TO THE AGENDA:

City Clerk Theresa Bass announced that for Item No. 2, Anaheim Public Utilities will be recognizing four scholarship recipients, not five as identified on the agenda. Staff requested to withdraw Item No. 14 related to the First Amendment to Professional Services Agreement with NMAI LLC and will bring the item forward at a future City Council meeting. She noted that the Beacon Economics Fiscal Impact Report for Item No. 29 was distributed to City Council and posted on the City's website.

PUBLIC COMMENTS (all agenda items): *Prior to receipt of public comments, City Clerk Theresa Bass provided an outline of procedures for public comments, notice of translation services, and a brief decorum.*

City Clerk Bass reported that a total of 270 public comments were received electronically prior to 1:00 P.M. related to City Council agenda items and matters within the jurisdiction of the Anaheim City Council. [A final total of 272 public comments were received electronically, distributed to the City Council, and made part of the official records]. – **See Appendix.**

Reyes Lemus commented on Item No. 30 expressing concerns that the proposed initiative does not make business sense and will lead to job loss.

Blanca Cruz commented on Item No. 30 expressing concerns that the proposed initiative will negatively impact hotel and resort industry workers.

Gadira Patino commented on Item No. 30 expressing concerns that the proposed initiative as written is unreasonable and will have negative impacts on the City and hotel industry workers. She requested the matter be placed on a special election ballot.

Erika Gomez commented on Item No. 30 requesting the proposed initiative be placed on a special election ballot and expressed concerns that the proposed initiative will create economic risk to the City and hotel industry workers.

Marta Mellon commented on Item No. 30 requesting the proposed initiative be placed on a special election ballot and expressed concerns that the proposed initiative will result in negative impacts to the City and hotel industry workers.

Ronnie Collins commented on Item No. 30 requesting the proposed initiative be placed on a special election ballot and expressed concerns that the proposed initiative will result in negative economic impacts to the City and hotel, convention, and tourism industry.

Tina Riley commented on Item No. 30 requesting the proposed initiative be placed on a special election ballot and expressed concerns that the proposed initiative will result in uncertain economic impacts to the hotel industry.

Samantha Marquez commented on Item Nos. 28 and 30. She requested an amendment to Item No. 28 to reduce the incident record-keeping period. She requested the initiative as related to Item No. 30 be placed on a special election ballot and expressed concerns that the proposed initiative will result in negative economic impacts to the City and hotel, convention, and tourism industry.

Greg Eisenman commented on Item No. 30 requesting the proposed initiative be placed on a special election ballot and expressed concerns that the proposed initiative will result in negative economic impacts to the City and hotel and tourism industry.

Anthony Badalian commented on Item No. 30 requesting the proposed initiative be placed on a special election ballot and expressed concerns that the proposed initiative will result in negative impacts to family-run businesses in the local hotel industry.

Barbara Badalian Sugar commented on Item No. 30 expressing concerns that the proposed initiative as written will have negative economic impacts on the City and hotel industry workers. She requested the matter be placed on a special election ballot.

Dora Garcia commented on Item No. 30 expressing concerns that the proponents of the proposed initiative have not providing adequate information to voters. She requested the matter be placed on a special election ballot.

Marshall Weinstein commented on Item No. 30 expressing concerns that the proposed initiative will have negative economic impacts on the City and hotel industry and requested the matter be placed on a special election ballot.

Brandon Gar commented on Item No. 30 expressing concerns that the proposed initiative will have negative economic impacts on the City and hotel industry and requested the matter be placed on a special election ballot.

Kelly Laimana commented on Item No. 30 expressing concerns that the proposed initiative will have negative economic impacts on the City and hotel industry and requested the matter be placed on a special election ballot.

Yessenia Rojas expressed gratitude to the City for their services to the community's youth and requested with regard to Item No. 30 that the Council make the best decision for residents.

Brent Finlay commented on Item No. 30 expressing concerns that the proposed initiative will have negative economic impacts on the City which will impact youth and community services and requested the matter be placed on a special election ballot.

Cindy Smith commented on Item No. 30 noting the hotel industry is still in recovery mode from the pandemic, expressed concerns that the proposed initiative will have negative economic impacts, and requested the matter be placed on a special election ballot.

Angelica commented on Item No. 30 expressing concerns that the proposed initiative will have negative economic impacts on the City and hotel industry.

Jesse Watkins commented on Item No. 30 expressing concerns that the proposed initiative will have negative economic impacts on the City and hotel industry and requested the matter be placed on a special election ballot.

Lara Watkins commented on Item No. 30 expressing concerns that the proposed initiative will have negative economic impacts on the City and hotel industry and requested the matter be placed on a special election ballot.

Cassandra commented on Item No. 30 expressing concerns that the proposed initiative will have negative economic impacts on the City and hotel industry and requested the matter be placed on a special election ballot.

Ginny commented on Item No. 30 expressing concerns that the proposed initiative will have negative economic impacts on the City and hotel industry and requested the matter be placed on a special election ballot.

Elizabeth Galindo commented on Item No. 30 noting the economic struggles she experiences working in the hotel industry and that workers deserve lives with dignity.

Teresa Garcia commented on Item No. 30 expressing concerns regarding the impacts the initiative will have on workers.

Jimena Baculima commented on Item No. 30 noting the rising costs of living in Orange County and requested the City Council vote to adopt the hospitality worker protection ordinance rather than call a special election.

Parker Shea commented on Item No. 30 expressing concern with actions the City has previously taken regarding incentives for certain hotel and tourism industry stakeholders and requested the proposed initiative be placed on a general election ballot to ensure higher voter turnout.

Ada Briceno commented on Item No. 30 expressing concerns regarding the costs of a special election and requested the City Council either adopt the ordinance as proposed or place the matter on a general election ballot.

Noel Perkins commented on Item No. 28 expressing Anaheim Firefighters Local 2899's support of the hotel workers' safety initiative and expressed gratitude for the Council's support of public safety.

Card #6688 commented on Item No. 30 expressing concerns that the proposed initiative will have negative economic impacts on the City and hotel industry and requested the matter be placed on a special election ballot.

Mauricio Ceron commented on Item No. 30 expressing concerns that the proposed initiative will have negative economic impacts on the City and tourism/leisure industry and requested the matter be placed on a special election ballot.

Card #2928 commented on Item No. 30 expressing concerns that the proposed initiative will have negative economic impacts on the City and hotel industry and requested the matter be placed on a special election ballot.

Hunter Alder commented on Item No. 30 expressing concerns that the proposed initiative will have negative economic impacts on the City and hotel industry and requested the matter be placed on a special election ballot.

Gaston Castellanos commented on Item No. 30 requesting the proposed initiative's placement on a general election ballot and expressing concerns regarding alleged misinformation regarding the proposed initiative.

Vern Nelson commented on Item Nos. 29 and 30 expressing concerns regarding the results of the economic impact studies and the costs of a special election. He also commented in support of the work done by various drug abuse awareness organizations.

Anallely Gama commented on Item No. 30 noting the ongoing impacts of the pandemic to the hotel and tourism industry workers and requested the City Council adopt the proposed ordinance or place the measure on a general election ballot.

April Butler commented on Item No. 30 noting the work United Here Local 11 performed to qualify the proposed initiative and requested the item's placement on a general election ballot.

Ada Tamayo commented on Item No. 30 noting the proposed initiative by United Here Local 11 supports hotel and tourism industry workers and requested the item's placement on a general election ballot.

Mazatl Tecpatl Tepehyolotzin commented on Item No. 2 noting ongoing negative impacts to indigenous peoples in the community and urging members of the community to learn about indigenous peoples' history in the region.

Bridget McConaughy commented on Item No. 30 speaking in support of the proposed initiative as submitted and expressing concern about placement of the measure at a special election ballot which experiences lower voter turnout. She requested placement of the item on a general election ballot.

Jose Manuel Cahoentzi commented on Item No. 30 noting the economic challenges his family experiences with high costs of living in Orange County.

Jonah Breslau commented on Item No. 30 expressing pride in the efforts of United Here to qualify a proposed initiative in support of hotel and tourism industry workers and expressing concerns

regarding the validity of the economic impact studies conducted by the City. He requested placement of the item on a general election ballot.

Carolina Mendez commented on Item No. 30 expressing concerns regarding the validity of the economic impact studies conducted by the City and requesting placement of the proposed initiative on a general election ballot if not adopted directly by the City Council.

Penelope Lopez commented on Item No. 30 requesting the City Council adopt the proposed ordinance as submitted or placement of the proposed initiative on a general election ballot, citing lower voter turnout at a special election.

Kourosh Karimi commented on Item No. 30 requesting the City Council adopt the proposed ordinance as submitted or placement of the proposed initiative on a general election ballot, citing lower voter turnout at a special election.

Jannah commented on Item No. 30 expressing concerns regarding the current economic impacts on hotel and tourism industry workers and requesting placement of the proposed initiative on a general election ballot.

Juliana Mushayer commented on Item No. 30 expressing concerns regarding the current economic impacts on hotel and tourism industry workers.

Maria Segura commented on Item No. 30 noting the deficient levels of education for her children in the community, high costs of living, and the negative impacts of illegal drug use.

Marc Herbert commented on Item No. 30 expressing concerns regarding participation in public meetings and requesting the City revisit meeting participation protocols.

Dara commented on Item No. 30 expressing concerns that the proposed initiative will have negative economic impacts on the City and hotel industry and requested the matter be placed on a special election ballot.

Jeanine Robbins commented on Item No. 30 expressed concerns regarding the motivations of the proponents of the proposed initiative and requested the matter be placed on a special election ballot.

Mike Robbins commented on Item No. 30 requesting the City Council support affordable housing initiatives on behalf of local industry workers.

William O'Connell commented on Item No. 30 expressing concerns regarding the impacts of current work rules on the hotel and tourism industry and misinformation being presented to the community.

Megan O'Sullivan commented on Item No. 30 expressing concerns regarding the impacts of the proposed initiative on the hotel and tourism industry and to allow the matter to be placed on an election ballot.

Devon S. commented on Item No. 30 expressing concerns that the initiative proponents are not being forthcoming with the information they are providing regarding the impacts of the initiative.

Bharat Patel commented on Item No. 30 expressing concerns regarding the negative economic impacts of the initiative as proposed and supported the placement of the initiative on a special election ballot.

John Dunton commented, expressing concerns regarding Mayor Aitken's commitment to transparency and requested that any member of the public who has evidence or concerns regarding Councilmember malfeasance should report to the proper authorities.

Cecilia Flores commented on the charter school proposed to be built in the community and expressed opposition citing negative noise and traffic impacts on adjacent neighborhoods.

Bryan Kaye commented on community safety issues and expressed concern regarding lack of responsive communication by the City Council.

Art Castillo commented on various allegations of improper actions by the Anaheim Police Department and the need for productive dialogue among stakeholders in the community regarding public safety matters.

Linda Martinez commented on various matters related to lack of public safety in schools and requested the City Council advocate for these matters with the applicable school authorities.

Ryan Balius commented on a unanimous decision by the Parks and Recreation Commission to recommend the City Council revisit the City's parks in-lieu fees, citing the fees are not in alignment with common economic metrics, such as the Consumer Price Index.

Ruben G. Soto commented on various allegations of criminal activity and malfeasance by public safety personnel.

Tamara Jimenez commented on the City's active support of drug abuse prevention, mental health assistance, and homeless services initiatives

Isabella B. commented, expressing gratitude for the opening of the new park at Sycamore and the positive impact it has had on the community's youth.

COUNCIL COMMUNICATIONS:

Council Member Diaz highlighted Beteseb Restaurant and Market located at 1212 S. Dale Avenue. He noted the restaurant serves great food and asked the community to support the new restaurant.

Council Member Leon reported that on Saturday, July 8th, Senator Tom Umberg, will be hosting a Community Health and Resource Fair at Savanna High School. There will be a number of free services and resources available, additional information is forthcoming. In collaboration with the Anaheim Elementary School District, there will be a Back to School Bash event sometime in August. District 2 is planning a Small Business Roundtable for late August, in collaboration with the City of Anaheim Economic Development Department as well as other organizations, more information to follow. District 2 is planning a Senior Appreciation Resource Fair and tentatively looking at Saturday, September 23rd for this event. His Office will also start scheduling neighborhood pop up meetings throughout District 2 as well as coffee events. He repeated his comments in Spanish. Council Member Leon thanked Congressman Lou Correa for allowing him the opportunity to speak at the Young Congressional Leaders Youth Reception and he noted it was inspiring to meet with all the future generation of leaders. He thanked Firezone Church and the "Federación de Clubes Unidos por Guerrero en California" for organizing a Community Resource Fair, Public Utilities General Manager Dukku Lee and the Anaheim Public Utilities team for organizing a great OC Green Expo, and District 2 resident Sally Feldhaus, for chairing and championing the Anaheim Flag Day Parade and Celebration. Council Member Leon shared that he spent National Running Day with the Anaheim Run

Club and thanked President Miguel Guzman for starting the club. He reported that he joined the Kiwanis Club of Anaheim at their 55th Annual All-Star Baseball Game. Council Member Leon thanked Father Sergio and St. Justin Martyr Church for organizing the upcoming International Food Festival. He attended the annual Memorial Day Ceremony at Anaheim Cemetery and thanked the Anaheim American Legion, Veterans of Foreign Wars (VFW), and all the volunteers who helped organize the event. He noted that St. John the Baptist Greek Orthodox Church organized the OC Greek Festival and there was lots of great food and music, and he appreciated all their efforts in that. He asked that the Council meeting adjourn in memory of David Klawe, District 2 resident and former Budget, Investment, and Technology Commission (BIT) Commissioner who passed away June 9, 2023. He sent his best to Mr. Klawe's family and stated that he appreciated all of his years of service to the Anaheim community.

Council Member Kurtz invited the community to join her at District 4's Neighborhood District Budget Meeting on June 15th at Ponderosa Community Center to learn more about the budget. She stated that if anyone in District 4 would like her to visit their neighborhood or would like to schedule a community meeting to please contact her. She encouraged the community to visit the Anaheim Marketplace which has over 200 vendors some of which have been there for 30 years. She also encouraged everyone to visit Tacos Los Cholos restaurant in District 4 and noted they have been recognized nationally for their tacos.

Council Member Faessel noted that David Klawe was a great West Anaheim advocate and he was sorry to hear about his passing. He noted that Donn West also passed away. Mr. West served in the Korean War and worked for the City of Anaheim Public Utilities, retiring in 1991. Council Member Faessel shared that Evelyn Ann Bevins passed away. She was a teacher for over 35 years in the Anaheim Union High School District and a faithful supporter of St. Boniface Church. He shared that Anaheim Light House Program Director, Chuck Richardson passed away unexpectedly. Council Member Faessel spoke about the road of recovery that Anaheim Light House offers. He attended the Anaheim Police Department's Awards and Retirement Ceremony, the Rotary Club of Anaheim Grapes and Grains event at City National Grove of Anaheim, and the St. Anthony Claret Church Fiesta. Council Member Faessel helped the Anaheim Rotary Club clean the Balsam-Curtis neighborhood, attended the Anaheim Children's Festival, and attended the Facing Fentanyl in Anaheim event. He shared that the Anaheim Police Department Mounted Unit presented at Rio Vista Elementary School. Council Member Faessel attended the Mayor's State of the City event, Mexico en el Corazon event at Pearson Park, and the Sycamore Junior High School gate opening.

Mayor Pro Tem Rubalcava recognized Isabella B. for recently graduating from James Guinn Elementary School and wished her all the best in 7th grade.

Mayor Aitken thanked the Anaheim Community Foundation, City Staff, and volunteers for helping with the State of the City event. She also thanked the City Council for attending. She had the pleasure of speaking at the Anaheim Memorial Day Program at Anaheim Cemetery, thanked Nick Berardino who gave the keynote as well as the Veterans of Foreign Wars (VFW) for their amazing BBQ afterwards. Mayor Aitken noted that in honor of Harvey Milk Day, the LGBTQ+ flag was raised in front of City Hall and will flying through the end of June. She attended the Cal Optima Health Fair and requested that Cal Optima be invited to speak about the importance of renewing benefits and verifying eligibility because some of their standards are changing. Mayor Aitken thanked Public Utilities General Manager Dukku Lee and staff for an amazing OC Green Expo event. She noted that Flag Day was also an amazing event, thanked all the volunteers, and shared that she was able to ride in a 100-year-old Public Works truck.

CITY MANAGER'S UPDATE:

City Manager Jim Vanderpool announced that the newly opened Aloe Greens was featured on the front cover, and included in the center-fold article, of the industry-renowned "Landscape Architect and Specifier News" magazine's March 2023 edition. The article highlights the City's amenity-rich park space which includes a central lawn for community gatherings; a brightly colored playground with distinct options for all abilities; artistic shade structures; group picnic and seating areas; a colorful water fountain; various games like ping pong and foosball; and other resourceful amenities for residents of all ages. The park is exemplified as a successful partnership that provides a much-needed haven for outdoor enjoyment, recreation, and social connection in a high-density neighborhood. This is just one example of how the City can work creatively and collaboratively with developers to offer vital green space to serve residents.

City Manager Vanderpool introduced Dr. Jannine Wilmoth to speak about the City's Emergency Preparedness efforts. Ms. Wilmoth stated she was pleased to present the new emergency preparedness program - Be Ready Anaheim. Be ready Anaheim focuses on three steps: Step 1 – Know Your Hazards, Step 2 – Know Your Needs, Step 3 – Know Your Way.

The "Know the Hazards" map provides data and information collected during the preparation of the City's Local Hazard Mitigation Plan. By entering an address, residents can find out about natural hazards closest to their location so they can learn more about actions to take before, during, and after an incident.

A disaster kit is a collection of basic items a household may need in the event of an emergency, "Know Your Needs." There are several resources and programs for the community to learn about preparedness for adults, children, families, seniors and pets, including classes for both English and Spanish speakers. Ms. Wilmoth highlighted a series of weekend preparedness workshops. Past workshops have included Stop the Bleed training, CPR, first aid, building disaster kits, and more. The next workshop is Saturday, June 17th from 9 a.m. to 12 p.m. at North Net Training Center. The focus will be on family preparedness and is open to adults and children 10 years and older may attend with a parent.

"Know Your Way" is an evacuation plan for Anaheim Hills, particularly in the event of a wildfire. Residents are encouraged to know their neighborhood evacuation zone and primary route out, plus two or three other routes in case roads or closed or conditions change. Ms. Wilmoth stated that emergency communication and evacuation planning is not just for Anaheim Hills, an emergency plan is important for everyone to make sure they have ways to communicate and locate friends and family following a disaster.

Ms. Wilmoth noted that emergency preparedness not only consists of having a disaster kit, but it is also the knowledge that can travel with individuals wherever they go. The Anaheim Emergency Management Team is available to help individuals know their hazards, know their needs, and know their way.

Mayor Aitken asked if Be Ready Anaheim could be advertised on all forms of City Communications to make sure residents are aware that the program exists. Chief Communications Officer Mike Lyster responded affirmatively and noted that this program could be advertised on Anaheim TV.

CONSENT CALENDAR: At 9:08 p.m., the Consent Calendar was considered with Mayor Pro Tem Rubalcava pulling Item No. 16 for separate discussion and consideration.

MOTION: Council Member Faessel moved to waive reading of all ordinances and resolutions and adopt the balance of the consent calendar as presented, in accordance with reports, certifications, and recommendations furnished each City Council Member, seconded by Council Member Meeks.
ROLL CALL VOTE: AYES – 7 (Mayor Aitken and Council Members Rubalcava, Diaz, Leon, Kurtz, Faessel, and Meeks); NOES – 0. Motion carried.

1. Receive and file minutes of the Public Utilities Board meeting of April 26, 2023.
2. Approve recognitions recognizing the Canyon High School Comanches Baseball team on winning the CIF Southern California Division IV Regional Championship, Hardin Honda for their generous donation of a vehicle to a family in need, and five scholarship recipients of the Anaheim Public Utilities Scholarship Program.
Item No. 02: Corrected to reflect four scholarship recipients of the Anaheim Public Utilities Scholarship Program.
3. Veto any proposed amendments to the Anaheim Ridge Estate Owners Association Declaration of Covenants, Conditions and Restrictions and Reservation of Easements that shift slope maintenance and repair responsibilities from said Association to each of the respective owners and or impact the health and safety of the public at large; and direct the City Attorney's Office to prepare a formal letter for the Mayor to sign, exercising the City's power to veto in the event said proposed amendment is approved by members of said Association.
4. Approve the Anaheim Workforce Development Board Recertification Request under the Workforce Innovation and Opportunity Act for Program Years 2023-2025 and direct staff to submit the Recertification Request to the State of California.
5. Approve and adopt the proposed Anaheim Public Utilities 2023 Wildfire Mitigation Plan (Proposed Plan) and authorize the Public Utilities General Manager, or designee, to take the necessary actions to implement and administer the related actions or activities including the submission of the Proposed Plan to the California Wildfire Safety Advisory Board; and determine that the programs and projects referenced in the Proposed Plan are categorically exempt from the California Environmental Quality Act pursuant Sections 15301, 15302, 15303, and/or 15304 of Title 14 of the California Code of Regulations.
6. Accept the bid from I Color Printing & Mailing, Inc., in the amount of \$144,040 plus a 20% contingency and applicable tax, to print multiple issues of the quarterly Anaheim Magazine for a one year period with up to four one-year optional renewals; and authorize the Purchasing Agent to execute the renewal options in accordance with Bid #9677.
7. Accept the bid from The Jankovich Company, LLC, in the amount of \$105,421.11 plus applicable tax, to provide automotive lubricants on an as-needed basis for Fleet Services for a one year period with four one-year optional renewals; and authorize the Purchasing Agent to execute the renewal options in accordance with Bid #9692.
8. Authorize the Purchasing Agent to issue purchase orders, in an amount not to exceed \$13,646,621 plus applicable taxes, for 86 City vehicles for Fiscal Year 2023/24.

9. Waive the sealed bid requirement of Council Policy 4.0 and authorize the Purchasing Agent to issue a master agreement to Siemens Industry, Inc., in an amount not to exceed \$500,000, to provide central monitoring of fire and burglar alarms, testing and inspection of security and fire life systems, and as needed repairs for systems at 55 locations throughout the City for a one year period with the option to renew per the terms of the Sourcewell Cooperative Contract 030421-SIE.
10. Waive the sealed bid requirement of Council Policy 4.0 and authorize the Purchasing Agent to issue a purchase order to Republic EVS, in the amount of \$299,025.47 plus applicable taxes and fees, for two Medix ambulances for the Anaheim Fire & Rescue Department.
11. Waive the requirements of Council Policy 4.0 and approve an agreement with Superior Property Services, Inc., in an amount not to exceed \$1,801,440 per year, for graffiti removal services for a two year term with three one-year optional renewals; and authorize the Purchasing Agent to exercise the renewal options.
12. Award the construction contract to the lowest responsible bidder, Hot Line Construction Inc., in the amount of \$25,615,978.27 plus a 10% contingency, for the construction of Underground District No. 66 Beach Boulevard Project; authorize the Director of Public Works to execute the contract and related documents and to take the necessary actions to implement and administer the contract; and the Finance Director to execute the Escrow Agreement pertaining to contract retentions.

Authorize the Public Utilities General Manager, or designee, to execute the Facilities Relocation Agreement with Southern California Edison (SCE); pay the estimated sum of up to \$2,000,000 plus a 20% contingency to reimburse SCE for its electrical construction and associated cost of materials as part of undergrounding its facilities; approve related documents and take the necessary actions to implement and administer the agreement; amend Anaheim Public Utilities' Fiscal Year 2022/23 Electric Capital Improvement Program budget by \$25,615,978.

13. Approve Workforce Innovation and Opportunity Act (WIOA) agreements for the provision of occupational skills training each for a term expiring on June 30, 2025, and authorize the Director of Housing and Community Development to execute and the Workforce Development Manager, or designee, to administer the agreements with the following contractors and their respective amounts; 1) WIOA agreement in an amount not to exceed \$50,000 (E. Cubics LLC, dba QBICS Career College); 2) WIOA agreements each in an amount not to exceed \$75,000 (American Career College, Inc., KD Education, LLC, dba Healthstaff Training Institute, QPE Technical Institute, Inc., and United Education Institute, dba UEI College); 3) WIOA agreement in an amount not to exceed \$100,000 (Brownson Technical School, Inc.) and 4) WIOA agreements each in an amount not to exceed \$150,000 (America Truck Driving School, Inc. and Career Development Solutions, LLC, dba Career Development Solutions).

Approve California Work Opportunities and Responsibility to Kids (CalWORKs) agreements for the provision of occupational skills training each for a term expiring on June 30, 2025, and authorize the Director of Housing and Community Development to execute and the Workforce Development Manager, or designee, to administer the agreements with the following contractors and their respective amounts; 1) CalWORKs agreement in an amount not to exceed \$50,000 (QPE Technical Institute, Inc.); 2) CalWORKs agreement in an amount not to exceed \$75,000 (American Career College, Inc.); 3) CalWORKs agreements each in an amount not to exceed \$100,000 (America Truck Driving School, Inc., Career Development Solutions, LLC, dba Career Development Solutions, and United Education Institute, dba UEI College); and 4)

CalWORKs agreement in an amount not to exceed \$150,000 (E. Cubics LLC dba QBICS Career College).

14. Approve the First Amendment to Professional Services Agreement with NMAI LLC to: i) modify the entity name from NMA Inspections LLC to NMAI LLC as recorded with the California Secretary of State; ii) incorporate two additional one year renewal terms, extending the potential termination date to June 30, 2026; iii) increase the maximum compensation to \$1,314,000 to incorporate funding for the additional two one-year extensions, the increase in the administrative fee per inspection, and increase in the volume of work; iv) remove the annual compensation limit for work performed during Fiscal Year 2021/22 that exceeded the annual limit by \$11,271; and authorize the Director of Housing and Community Development, or designee, to execute the amendment.
Item No. 14 withdrawn by staff; no action taken.
15. Approve the Memorandum of Understanding (MOU) with the County of Orange and the Cities of Irvine and Santa Ana for homeless housing, assistance and prevention commitment to partnership; authorize the City Manager, or designee, to execute the MOU and take the necessary actions to implement activities to coordinate homelessness housing interventions and supportive services in the region consistent with the guidance issued by the State of California's Interagency Council on Homelessness under the Homeless Housing, Assistance and Prevention Program.
17. Approve the Joint Participation Agreement with the City of Fullerton, in an amount not to exceed \$173,413.50, for the construction, inspection and administration of the Brookhurst Road at SR-91 street rehabilitation, and authorize the Director of Public Works, or designee, to execute the agreement and related documents, and to take the necessary actions to implement and administer the agreement.
18. Approve the Professional Services Agreement for as-needed solid waste consulting services with four consultants and such other consultants as may be prequalified during the term of the agreement; each with a not to exceed contract award amount of \$1,000,000 per fiscal year, each for a three-year term with two one-year optional renewals; authorize the Director of Public Works, or designee, execute the agreements and related documents and to take the necessary actions to implement and administer the agreements, including any term extensions; and authorize de minimis changes that do not substantially change the terms and conditions of the Agreements, as determined by the City Attorney (EcoNomics, Inc.; HF&H Consultants, LLC.; MSW Consultants, Inc.; Stearns, Conrad and Schmidt Consulting Engineers, Inc.).
19. RESOLUTION NO. 2023-032 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ANAHEIM approving a Letter of Understanding between the Anaheim Police Management Association and the City of Anaheim concerning pay adjustments as negotiated under the current Memorandum of Understanding ending June 30, 2025 [modifying the December 27, 2019 through June 30, 2025 Memorandum of Understanding].
20. RESOLUTION NO. 2023-033 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ANAHEIM ratifying the execution of an amendment to a Memorandum of Understanding with the County of Orange extending the contract term for one year and the acceptance of funding on behalf of the City of Anaheim for the Juvenile Justice Crime Prevention Act (JJCPA), and authorizing the Chief of Police or his designee to execute all required documents [contract extension from July 1, 2023 to June 30, 2024].

21. RESOLUTION NO. 2023-034 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ANAHEIM identifying the terms and conditions for Anaheim Fire and Rescue personnel assigned to an emergency incident and rescinding Resolution No. 2022-026.
22. RESOLUTION NO. 2023-035 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ANAHEIM approving a cooperative fire protection agreement with the California Department of Forestry and Fire Protection, and authorizing the Anaheim Fire Chief to execute the operating plan and any other documents required in connection with that agreement (for wildland fire protection, in an amount not to exceed \$155,226.71, for the term July 1, 2023 to June 30, 2024).
23. RESOLUTION NO. 2023-036 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ANAHEIM accepting certain deed conveying to the City of Anaheim certain real property or interest therein [City Deed No. 12725 adjacent to 2000 East Gene Autry Way, Anaheim CA 92806, APN: 232-011-35, 37, 43, and 53].

Approve an Offer and Agreement to Purchase Real Property with the Orange County Flood Control District, in the acquisition payment amount of \$200,000, for the purchase of surplus real property for future River Park; and find that the actions are exempt from California Environmental Quality Act ("CEQA") pursuant to Sections 15004(b)(2)(A) and 15061(b)(3) of the CEQA Guidelines.

24. RESOLUTION NO. 2023-037 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ANAHEIM concerning the status and update of the Circulation Element, Mitigation Fee Program for the Measure M (M2) Program.

RESOLUTION NO. 2023-038 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ANAHEIM concerning the update of the Local Signal Synchronization Plan for the Measure M (M2) Program.

RESOLUTION NO. 2023-039 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ANAHEIM concerning the status and update of the Pavement Management Plan for the Measure M2 (M2) Program.

Adopt a Seven-Year Capital Improvement Program and authorize staff to submit it to the Orange County Transportation Authority (OCTA).

25. RESOLUTION NO. 2023-040 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ANAHEIM dedicating certain city-owned property for public street and utility purposes (Vermont Avenue & Rose Place Street Dedication).

Award a Design-Build Agreement to Oltmans Construction Co., in the amount of \$8,749,999 plus a 15% contingency for a total not-to-exceed amount of \$10,062,499, and waive any irregularities in any of the proposal documents, to design and construct the Sustainability Education Center; authorize Director of Public Works to execute the agreement and related documents and to take the necessary actions to implement and administer the agreement; determine the Sustainability Education Center Project is categorically exempt under the California Environmental Quality Act pursuant to Sections 15332 and 15300.2 of Title 14 of the California Code of Regulations (Class 32 – In-fill Development Project); authorize de minimis changes to the agreement that do not substantially change the terms and conditions of the

agreement, as determined by the City Attorney's Office; and authorize the Finance Director to execute the Escrow Agreement pertaining to contract retentions.

Approve Lot Line Adjustment No. LLA2021-00830 and corresponding Grant Deed for the Project; and authorize the City Clerk to record the Lot Line Adjustment and Grant Deed in the Orange County Recorder's Office.

26. ORDINANCE NO. 6557 (INTRODUCTION) AN ORDINANCE OF THE CITY COUNCIL OF ANAHEIM adding Chapter 10.13 (Stormwater Credit Program) of Title 10 (Public Services and Utilities) to the Anaheim Municipal Code establishing a Stormwater Credit Program and based upon the finding and determination that said ordinance is not subject to the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) and 15060(c)(3) of the State CEQA Guidelines.
27. Approve minutes of the City Council meeting of March 7, 2023.

BUSINESS CALENDAR:

16. Approve a Notice of Intent with the County of Orange, in an estimated cost of \$4,845,736, for animal care and shelter services for the period of July 1, 2023 through June 30, 2024.

City Manager Vanderpool recommended the item be continued to allow for a full staff report and discussion.

DISCUSSION: Mayor Pro Tem Rubalcava expressed support of continuing the item to the June 27th City Council meeting.

MOTION: Mayor Pro Tem Rubalcava moved to continue the item to June 27, 2023, seconded by Council Member Kurtz. ROLL CALL VOTE: AYES – 7 (Mayor Aitken and Council Members Rubalcava, Diaz, Leon, Kurtz, Faessel, and Meeks); NOES – 0. Motion carried.

28. ORDINANCE NO. 6558 (INTRODUCTION) AN ORDINANCE OF THE CITY COUNCIL OF ANAHEIM CALIFORNIA, adding Chapter 6.101 (Hotel Worker Protections) to Title 6 of the Anaheim Municipal Code to provide safety and security measures for hotel workers in Anaheim.

Determine that the ordinance relates to organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment, and therefore is not a project within the meaning of the California Environmental Quality Act ("CEQA") and the State CEQA Guidelines, Section 15378(b).

DISCUSSION: Mayor Pro Tem Rubalcava requested the City Attorney provide an overview of the process as related to the introduction and adoption of ordinances.

City Attorney Fabela provided a brief history of the subject ordinance and noted the subject document is presented for first reading. If there is a majority vote to introduce the ordinance, it would return for consideration of adoption at the next City Council meeting and become effective pursuant to the terms of the ordinance on January 1, 2024. He noted that any adjustments to the ordinance presented would need to be non-substantial and read into the record. If the change is general or significant, the ordinance will need to be reintroduced.

Mayor Pro Tem Rubalcava reiterated her support for this item, citing her concern for public safety especially as it relates to hotel and tourism industry workers. She reviewed the various sections of the proposed ordinance and highlighted the definition of adverse employment action. She highlighted the ordinance is specific and broad to allow the ordinance to be applied appropriately. The ordinance proposes hotel workers be provided a personal security device that signals a hotel worker's location to a security guard or responsible manager or supervisor.

Mayor Pro Tem Rubalcava stated that violent or threatening conduct is defined in the ordinance to address concerns that were raised during her campaign by members of the public. A personal security device would be provided to hotel workers who are assigned to work in guest rooms alone.

Mayor Pro Tem Rubalcava provided an overview of notice required by the hotel employer, training, and enforcement. The proposed ordinance shall take effect on January 1, 2024. If a hotel employer is unable to procure safety devices by the effective date, they may apply for an extension as provided by the Administrative Regulation.

In response to Council Member Faessel, City Attorney Fabela stated the three-year record keeping provision in the initiative includes the retention of room size records and cleaning schedules.

Mayor Pro Tem Rubalcava stated she was open to a discussion from her colleagues to discuss the three-year retention period.

Mayor Aitken noted the retention period is consistent with the statute of limitations and expressed support for the retention period.

Council Member Meeks thanked Mayor Pro Tem Rubalcava for introducing the item.

MOTION: Council Member Meeks moved to introduce ORDINANCE NO. 6558 (INTRODUCTION) AN ORDINANCE OF THE CITY COUNCIL OF ANAHEIM CALIFORNIA, adding Chapter 6.101 (Hotel Worker Protections) to Title 6 of the Anaheim Municipal Code to provide safety and security measures for hotel workers in Anaheim and determine that the ordinance relates to organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment, and therefore is not a project within the meaning of the California Environmental Quality Act ("CEQA") and the State CEQA Guidelines, Section 15378(b), seconded by Council Member Diaz. ROLL CALL VOTE: AYES – 7 (Mayor Aitken and Council Members Rubalcava, Diaz, Leon, Kurtz, Faessel, and Meeks); NOES – 0. Motion carried.

29. Receive and file a report on the fiscal impact of the proposed Hotel and Event Center Minimum Wage, Worker Retention, and Hotel Worker Safety and Workload Initiative.

Director of Finance Debbie Moreno provided historical information regarding the certification of petition signatures and the conduct of an economic impact study. She introduced Beacon Economics Research Manager Stafford Nichols and Managing Director Andy Belknap from Baker Tilly.

Mr. Nichols noted Beacon Economics was retained to analyze the anticipated fiscal impact of the initiative on the City's Transient Occupancy Tax (TOT). Beacon Economics' research methods included a mixed mode approach, utilizing empirical modeling, case studies, and stakeholder interviews. He presented the current TOT level and the projected growth for next year. The TOT was roughly \$223 million for FY 2022/23. The TOT is expected to represent 42% of the City's revenues in FY 2023/24. Mr. Nichols detailed the chain of economic implications including increased labor costs, increased average daily room rates, and decreased occupancy. The relationship between the

implications explains a percentage change in demand. He estimated the increase would be a 0.5% to 2.5% increase for next year. The long-term TOT impact would be negative due to reduced hotel profitability which will lead to a slower TOT growth rate. Additional considerations included a higher average daily rate leading to shorter visitor stays and a less profitable hotel industry would lead to fewer hotels being built in Anaheim.

DISCUSSION: In response to Council Member Faessel, Mr. Nichols elaborated on the impacts to the productivity of daily cleaning requirements

In response to Council Member Meeks, Mr. Nichols explained the decrease in construction of potential new hotels was considered in the report and confirmed the value of current hotels would decrease.

Mayor Pro Tem Rubalcava clarified the need for retaining two consultants to accommodate a limited deadline pursuant to deadlines as required by State law and to capture the effects on the TOT and impacts to City assets, respectively.

Council Member Diaz reiterated the potential negative economic impacts of the initiative as currently proposed.

In response to Council Member Faessel, Mr. Nichols elaborated on the comparisons between Orange County and Los Angeles (LA) County. He noted the value of hotel permits in Orange County has been higher than in LA County. Occupancy rates in LA are lower compared to occupancy rates in Anaheim.

In response to Council Member Kurtz, Mr. Nichols elaborated on the impact the initiative would have on the Convention Center.

Mayor Aitken thanked Mr. Nichols for the report and inquired on the stakeholders Mr. Nichols spoke to regarding the economic implications. In response to Mayor Aitken, Mr. Nichols stated that he spoke to hoteliers, Convention Center employees, and individuals at Visit Anaheim. The studies did not include comments from hotel workers or initiative proponents.

In response to Mayor Aitken, Mr. Nichols stated they did not evaluate how higher wages would affect Sales Tax, however, generally, there is a net negative impact.

In response to Mayor Pro Tem Rubalcava, Mr. Nichols confirmed the City would absorb costs associated with the Convention Center due to existing contracts.

Ms. Moreno introduced Baker Tilly Managing Director Andy Belknap to present the impacts on event centers such as the Anaheim Convention Center. Baker Tilly analyzed the economic and operational impacts of the initiative. The focus of the analysis was the Anaheim Convention Center and other city-owned centers. The analysis did not include individual benefits to workers from higher wages, explore associated impacts on the City, and evaluate potential effects on employment opportunities. Mr. Belknap detailed the number of Full-Time and Part-Time employees at the Anaheim Convention Center and presented an example of the proposed annual adjustments if they were adopted in 2018. Mr. Belknap highlighted the revenue from major vendors and potential negative impacts to net revenues at the Convention Center. Major vendor Aramark estimates an impact of \$2.5 million if the proposed initiative is adopted.

The projected impact to personnel costs would be between \$4.7 and \$5.1 million. To address wage compaction, the total impact would be between \$5.6 million and \$6 million. Mr. Belknap summarized the total negative impact including labor costs, Aramark contract revenue reduction, and other negative impacts would be between \$7.3 million and \$8.6 million.

Mr. Belknap stated the economic impacts to the City include the Convention Center budget breaking even, Convention contracts, market limitations, affordability in the competitive convention market, and all additional annual costs will hit the City General Fund.

Additional considerations include an approximate 19% increase in labor to the Convention Center, negative impacts wherever the City derives revenue from, and it will be difficult for most event centers to raise prices without risking loss in market share. Enforcement of the initiative would include filing a complaint with the City which the City would investigate or initiate civil action against the hotel or event center. Mr. Belknap stated there would likely be ongoing costs associated with enforcement. He noted additional staff or an enforcement unit would be required to manage workload.

Mr. Belknap noted key takeaways including significant economic and operational impacts on the Convention Center, a comprehensive evaluation of the impacts would be needed on each facility and the City's overall economic situation, and further analysis is necessary to understand the long-term implications and explore potential strategies.

DISCUSSION: In response to Mayor Aitken, Mr. Belknap stated the unique relationship between the City and other event centers, the effect of the proposed initiative with the other event centers, and their contracts make it difficult to estimate the impacts.

In response to Council Member Faessel, Mr. Belknap stated that based on their research the company could not identify effects on other event centers in other cities. The minimum wage proposed in the initiative is higher compared to other cities that have adopted similar initiatives.

Council Member Faessel noted the City would be the first City to adopt provisions related to event center workers. In response to Council Member Faessel, Mr. Belknap stated a local YMCA could be considered an event center and would need to comply with the proposed initiative.

In response to Council Member Kurtz, Ms. Moreno confirmed there were employees earning less than \$25 an hour. She stated 33% of employees fall below the proposed \$25 an hour wage, 41% fall below \$30 an hour. Ms. Moreno detailed the financial impact the increased wages would have on the Convention Center and General Fund after a period of ten years.

Council Member Diaz noted potential employee expectations if the minimum wage is increased.

MOTION: Council Member Meeks moved to receive and file the reports from Beacon Economics and Baker Tilly on the fiscal impact of the proposed Hotel and Event Center Minimum Wage, Worker Retention, and Hotel Worker Safety and Workload Initiative, seconded by Council Member Diaz.
ROLL CALL VOTE: AYES – 7 (Mayor Aitken and Council Members Rubalcava, Diaz, Leon, Kurtz, Faessel, and Meeks); NOES – 0. Motion carried.

30. Following the receive and file of the fiscal impact report of the proposed Hotel and Event Center Minimum Wage, Worker Retention, and Hotel Worker Safety and Workload Initiative ("initiative") pursuant to California Elections Code Section 9212, the City Council shall take one of the two courses of action:

- i) Adopt the initiative ordinance, without alternation; or
- ii) Direct staff to prepare a resolution for adoption at the June 27, 2023 Council meeting, submitting the initiative measure to a vote by the electorate of the City, pursuant to California Elections Code Section 1405.

City Clerk Theresa Bass provided background on the initiative process and detailed the process to either adopt the proposed initiative via ordinance without alteration or order to submit the initiative to the voters without alteration. The City Council can elect to place the initiative measure to the next regularly scheduled General Municipal Election set for November 5, 2024 or call a special election to be held 88 to 103 days after the election is called. Ms. Bass detailed dates that would be compliant pursuant to California Elections Code Section 1405. The total cost estimate for placing the initiative measure on the next General Election ballot is between \$198,891 to \$233,625. The cost for a special election would be between \$1,477,297 to \$1,632,776. Ms. Bass reported consolidation for the March 2024 Primary Election is not an option due to the dates falling outside the dates of a special election pursuant to California Elections Code Section 1405(b).

In response to Mayor Aitken, City Attorney Robert Fabela stated the recommended action for the City Council is to place the measure for consideration at the next General Municipal Election or call a special election within the window provided by the Elections Code. If a special election was not selected, the calling of a special election would occur by resolution at the next scheduled City Council meeting.

Council Member Meeks expressed concern regarding misinformation about the proposed initiative and the contents of the initiative. She referenced the overtime provision listed in the initiative and the negative economic impacts of the initiative. She expressed her support for a special election rather than wait until the next General Municipal Election. She mentioned educating voters regarding the proposed initiative.

MOTION: Council Member Meeks moved to submit the initiative measure to a vote by the electorate of the City at a special municipal election to be held on September 12, 2023, seconded by Council Member Faessel.

DISCUSSION: Council Member Diaz noted the economic impacts of the proposed initiative on the City's budget. He expressed support to submit the initiative measure to a special election on September 12, 2023.

In response to Mayor Pro Tem Rubalcava, City Clerk Theresa Bass confirmed the special election will follow the provisions of the Voters Choice Act which will include vote centers, mail-in ballots, and ballot drop box locations available to registered voters. She noted, pursuant to the Elections Code, a minimum of three vote centers would be open ten days prior to the date of the election and six vote centers on election day. Pursuant to the Elections Code, voters have 15 days prior to the election day to register to vote. Ms. Bass detailed conditional voting registration provisions which would follow the same prerequisites for General Elections.

Council Member Leon expressed his gratitude to Paul Sanford and Ada Briceño for starting the conversation regarding the proposed initiative.

Council Member Kurtz noted various businesses depend on the success of the Resort area. She supported Council Member Diaz's comments and scheduling the proposed initiative to be sent to the voters on September 12, 2023.

Mayor Aitken thanked members of the public for their participation at the meeting. She thanked hoteliers and union members for educating her on the impacts of the initiative. She expressed concerns about sending the initiative to a special election. She noted the remaining unknowns that were not addressed in the economic impact studies due to the expedited timeframe. She expressed her belief an ordinance with compromises from both sides could be reached. Mayor Aitken supported sending the initiative to the next General Municipal Election citing the potential to conduct additional studies and generate a larger voter turnout if the item was placed on a general election date.

In response to Mayor Pro Tem Rubalcava, City Manager Vanderpool stated budget appropriations for a special election can be included in the FY 2023/24 budget.

Mayor Pro Tem Rubalcava clarified the proposed initiative could not be revised. She supported a special election due to the smaller number of items that would be presented to voters at a special compared to a general election. She noted the proposed cost of a special election is less than the estimated fiscal impact of the proposed initiative.

Council Member Meeks acknowledged Mayor Aitken's comments and stated her intention to request that staff prepare a plan for outreach on the proposed initiative.

MOTION: Council Member Meeks moved to submit the initiative measure to a vote by the electorate of the City at a special municipal election to be held on September 12, 2023, seconded by Council Member Faessel. ROLL CALL VOTE: AYES – 5 (Mayor Pro Tem Rubalcava and Council Members Diaz, Kurtz, Faessel, and Meeks); NOES – 2 (Mayor Aitken and Council Member Leon). Motion carried.

31. District 2 appointment to the Budget, Investment and Technology Commission to a term ending December 31, 2026; District 3 appointment to an unscheduled vacancy to the Community Services Board to a term ending December 31, 2026; and District 6 appointments to two unscheduled vacancies to the Youth Commission to terms ending August 31, 2023.

Budget, Investment and Technology Commission:

District 2 appointment: _____ Jaime Naranjo _____ (December 31, 2026)

NOMINATION: Council Member Leon nominated Jaime Naranjo. ROLL CALL VOTE: AYES – 7 (Mayor Aitken and Council Members Rubalcava, Diaz, Leon, Kurtz, Faessel, and Meeks); NOES – 0. Nomination approved.

Community Services Board:

District 3 appointment: _____ Shandra Barrera _____ (December 31, 2026)
(*Unscheduled Vacancy*)

NOMINATION: Mayor Pro Tem Rubalcava nominated Shandra Barrera. ROLL CALL VOTE: AYES – 7 (Mayor Aitken and Council Members Rubalcava, Diaz, Leon, Kurtz, Faessel, and Meeks); NOES – 0. Nomination approved.

Youth Commission:

District 6 appointment: Brian Ta (August 31, 2023)

Youth Commission:

District 6 appointment: Avi Kewalramani (August 31, 2023)

NOMINATION: Council Member Meeks nominated Brian Ta and Avi Kewalramani. ROLL CALL VOTE: AYES – 7 (Mayor Aitken and Council Members Rubalcava, Diaz, Leon, Kurtz, Faessel, and Meeks); NOES – 0. Nominations approved.

REPORT ON CLOSED SESSION ACTIONS:

City Attorney Robert Fabela announced that Closed Session Item No. 2 was withdrawn from the agenda. The other two items were heard, but there is no reportable action.

PUBLIC COMMENTS (non-agenda items): None

COUNCIL COMMUNICATIONS:

Council Member Diaz commented on public comments regarding socialism and stated he walked away because he knows what it is like to be oppressed by socialism. He thanked the City Council for approving Item No.12 for the undergrounding of the overhead utilities on Beach Boulevard.

Mayor Pro Tem Rubalcava thanked Assistant City Manager Greg Garcia and Chief Assistant City Attorney Kristin Pelletier for their support with the Hotel Worker Protections Ordinance.

Council Member Meeks requested that staff prepare a memo explaining what the City Council's role is in providing information to the public regarding the initiative measure.

COUNCIL AGENDA SETTING:

Council Member Kurtz requested an agenda item to discuss how the City could celebrate or acknowledge Cesar Chavez Day.

Mayor Pro Tem Rubalcava requested a recognition for Carla Roque and Dr. Yadira Moreno for their work on creating murals for all 23 elementary schools in Anaheim. She also requested a staff report regarding the budget for the Anaheim Police Department. Specifically, what their budget would look like in the next four years if the City could fill the 30 frozen positions mentioned by the Deputy Chief in the Budget Workshop.

Mayor Aitken requested a staff report regarding Park In-Lieu Fees and requested that Cal Optima be invited to present and provide information regarding services and registration deadlines at a future City Council meeting.

ADJOURNMENT:

At 11:12 P.M., Mayor Aitken adjourned the City Council meeting in memory of Donn West, Evelyn Ann Bevins, Chuck Richardson, and David Klawe.

Respectfully submitted,

Theresa Bass, CMC
City Clerk