

**CITY OF SOUTH EL MONTE
REGULAR CITY COUNCIL MEETING MINUTES
APRIL 28, 2020 6:00 P.M.
COUNCIL CHAMBERS
1415 N. SANTA ANITA AVENUE
SOUTH EL MONTE, CA 91733**

1. ROLL CALL

Mayor Olmos called the meeting to order at 6:00 p.m.

PRESENT:Councilmembers: Acosta, Angel, Delgado, Olmos, and Retamoza.

Also Present: (City Attorney) Anthony R. Taylor, (City Manager) Rachel Barbosa, (City Clerk) Rose Juarez, (Public Works Director) Rene Salas, (Interim Finance Director) William Fox, (Deputy City Clerk) Paola Lara, and (Assistant Planner) Ian McAleese.

Pursuant to Government Code Section 54953, Subdivision (B) and Governor Newsom's Executive Order N-25-20, dated March 12, 2020, and Executive Order N-29-20, dated March 17, 2020, Teleconference Participation Was Utilized By All City Councilmembers and the City Attorney.

2. PLEDGE OF ALLEGIANCE

Councilmember Acosta led the Pledge of Allegiance.

3. INVOCATION

Public Works Director, Rene Salas, offered the Invocation.

4. PRESENTATIONS None.

5. APPROVAL OF THE AGENDA AND WAIVER OF FULL READING OF ORDINANCES

Mayor Pro Tem Retamoza requested to pull Item 7.c. for discussion.

A motion was made by Angel, seconded by Acosta and carried (5 - 0) to approve the agenda as amended, pull Item 7.c. for discussion, and waive full reading of Ordinances.

AYES:Councilmembers: Acosta, Angel, Delgado, Olmos, and Retamoza.
NAYS:None.

6. PUBLIC COMMENT

Mayor Olmos opened public comment.

Public Comments submitted via email regarding Agenda Items 12.b.1. and 12.c.1. in opposition of Project Room Key from Andrew Macey, Ismael Mayans, Art Frias, Patricia Frias, and in support of Project Room Key from Scott Chamberlain.

Mayor Olmos read into the record the emails received from Ismael Mayans, Art Frias, and Patricia Frias.

Erica Mesa, South El Monte Resident, requested that the City honor the South El Monte High School Class of 2020 by placing banners in the City recognizing their graduation from high school.

Sarah Dusseault, LAHSA Commission, made herself available to answer any questions regarding Project Room Key, and stated she would provide the City Manager information on the County's direct question line for cities to address questions or concerns.

After determining there was no one else wishing to speak, Mayor Olmos closed public comment.

7. **CONSENT CALENDAR**

a. **MINUTES**

Staff seeks City Council approval of the Minutes of the Regular and Special Meetings of April 14, 2020.

b. **WARRANTS**

Authorizing payment of City expenditures for the period of April 15, 2020 through April 28, 2020 totaling \$293,198.23.

c. **APPROVE EQUIPMENT LIST IN CONNECTION WITH THE \$300,000 STATE GENERAL FUND ALLOCATIONS AWARDED TO THE CITY FOR PUBLIC SAFETY MITIGATIONS**

At the October 22nd, 2019 City Council meeting, a check for \$300,000 was awarded to the City from the State General Fund Allocations to be used for public safety mitigation efforts. Staff has developed the attached equipment list, which contains the requested equipment and supplies that would aid the City's Public Safety and Code Enforcement Staff improve service to the public.

In response to Mayor Pro Tem Retamoza's questions, the Public Works Director stated the two new Chevy Colorado's are replacing two Code Enforcement vehicles and the City will be saving on maintenance costs with the new vehicles, the maintenance of all vehicles comes out of the general fund and has to be incorporated into the budget, the part-time code enforcement officer and part-time public safety officer positions will be eliminated after one year and will be advertised as temporary positions, and the emergency kits will be to serve 100 employees during an emergency.

d. **SECOND READING AND ADOPTION OF ORDINANCE NO. 1243, AMENDING SOUTH EL MONTE MUNICIPAL CODE (SEMMC) CHAPTER 17.22 "OVERLAY ZONE DISTRICTS" TO ESTABLISH THE SANTA ANITA**

CORRIDOR OVERLAY ZONE TO SET A MINIMUM OF 50 PERCENT OF THE TOTAL FLOOR AREA PROPOSED FOR ALL NEW MIXED-USE PROJECTS WILL BE DEVOTED TO RESIDENTIAL USES

Consideration of Ordinance No. 1243 whereby the Planning Commission recommends the City Council consider a Zone Text Amendment (No. 19-27), to Chapter 17.22 "Overlay Zone Districts", to set minimum residential development standards.

The City Attorney read the title of the Ordinance.

A motion was made by Acosta, seconded by Angel and carried (5 - 0) to approve Consent Calendar.

AYES:Councilmembers: Acosta, Angel, Delgado, Olmos, and Retamoza.
NAYS:None.

8. **PUBLIC HEARINGS** None.

9. **GENERAL BUSINESS**

a. **CONSIDERATION OF RESOLUTION NO. 20-41 TO ENTER INTO A CONTRACT FOR AUDITING SERVICES**

The Interim Finance Director presented the staff report.

In response to Mayor Pro Tem Retamoza's questions, the Interim Finance Director stated the not-to-exceed amount is the sum total of the three year audit cost; the cost is based on hours worked, if CDWL exceeds the cap they will bear the additional expense and if less hours are worked the City will pay less. CWDL is located in San Diego and Arizona, the fee is all inclusive, including travel costs and any additional expenses that are embedded in the rates.

A motion was made by Angel, seconded by Acosta and carried (5 - 0) to adopt Resolution No. 20-41, approving a three year contract with CWDL for auditing services.

AYES:Councilmembers: Acosta, Angel, Delgado, Olmos, and Retamoza.
NAYS:None.

10. **COMMITTEE REPORTS, INCLUDING AB 1234 REPORTS**

Mayor Olmos provided a report on her teleconferencing meetings with SEAACA, Greater El Monte Hospital, San Gabriel Valley Council of Governments, Senator Rubio's Questions and Answers Panel, and tour of the Mayans Town homes.

11. **CORRESPONDENCE** None.

12. **COUNCILMEMBERS' AGENDA**

a. **MAYOR PRO TEM GRACIE RETAMOZA**

1. **Discussion on City Cash Flow and Update on City Finances**

The City Manager stated the current fiscal year budget was approved with an anticipated \$1.3 million deficit that was to be offset with cash reserves, however, with the completion of the bank account reconciliation project the fiscal year 2018-19 resulted in a higher cash balance and with the City's conservative spending resulted in a \$1 million increase in the City's cash reserves and the current fiscal year will not end in a deficit. The next phase to close the current fiscal year is to complete the reconciliation of all bank statements through June 2020 and thereafter on a monthly basis in preparation of the annual audit.

The Interim Finance Director confirmed the reconciliation of the bank statements are caught up and the next step is to complete the financial statements through April 2020. The beginning of the fiscal year was budgeted at a \$1.3 million deficit, however, approval of the special revenues budget decreased the deficit to \$1 million, and the City will be in a positive position at the end of the year. At the mid year review of the budget a synopsis and estimated year end balance will be provided for each department which will assist with the preparation of the fiscal year 2020-21 budget. Discussion on the impacts of COVID-19 on the City's operations will be necessary and the budget will be prepared based upon these discussions and if necessary, as the year advances amendments will be made to the budget.

In response to Councilmember Delgado's question, the Interim Finance Director stated the City has \$12 million in various bank accounts including Special Revenue Funds and \$8.8 million in the General Fund.

The City Manager stated the City's tax revenues were higher than expected before COVID-19, the League of California Cities anticipates that cities are projecting a \$7 billion general revenue shortfall over the next two fiscal years which will impact core services and will increase if the Stay at Home Order extends into the summer months. The City's Tax Revenue Consultants are working on post COVID-19 projections, however, \$150,000 in savings to the General Fund can be projected for the first six months of the next fiscal year due to cancellations of community events to protect the community from mass gatherings, and staff is monitoring potential federal relief opportunities and revenue generating opportunities for the City.

In response to Councilmember Delgado's question, the City Manager stated the City received an additional \$128,000 CDBG funds due to COVID-19, staff has researched an opportunity to provide grants and identified the grant will possibly reward 12 small businesses a \$10,000 grant, candidates would have to qualify through the CDBG process and meet the standards and spending mandates.

Mayor Olmos directed staff to place the small business grant applicant on the City's website and suggested that the grants be awarded on first come first serve basis.

b. **COUNCILMEMBER HECTOR DELGADO**

1. **Project Room Key - Discussion/Action**

Councilmember Delgado stated he is adamantly opposed to Project Room Key, the public comments, residents, kids that walk by the location to get to school, people deterred from buying homes from the Mayans development, and the Ron Jenkins and Jack Owens property should all be considered, and suggested that the homeless individuals that have been identified in the City be helped. Further, although the homeless individuals will be 65 years old or older there is no guarantee they will be deterred from committing crime, it is unknown where the individuals will come from, if they have mental health or addiction issues, and the impact of the burden that will fall on the public safety, healthcare system which includes Greater El Monte Hospital, and City's resources, based on the Ramada's room capability potentially 400 additional individuals will need public services which will tax the City's system and staff. The City did not receive any notice from the Board of Supervisors, it is not known if the owner of the Ramada signed an agreement, and would like the City Attorney to advise the City Council if the City can put into place any conditions.

Councilmember Angel stated he concurs with Councilmember Delgado comments and would like to know the location of the other hotel the County is considering as it may be away from the general population. He has received calls from concerned residents and he is against Project Room Key, however, there is nothing the City can legally do to prevent it from happening in the City.

Mayor Pro Tem Retamoza stated questions, answers, and information were not provided by the County, and would like to know if the County reached out to Motel 6 which may be an option as it is away from the residential area. Unanswered questions, such as, is age restriction of 65 years or older being enforced, why are South El Monte residents not being considered before outside individuals, where are the homeless individuals going to go after the 90 days, who will be responsible for paying the bill, how much will be received from the Transient Occupancy Tax, and will the hotel become an apartment complex post COVID-19, which is why she is opposed to Project Room Key but does not know where the City stands legally.

Councilmember Acosta stated two years ago Supervisor Hilda Solis brought to Whittier Narrows a program that provided the homeless with food, haircuts, and showers, and at that time there was a lot of fear and concern that the City was going to be inundated with homeless but time has gone by and that is not seen. The program rules of Project Room Key state all costs will be reimbursed by the State, the Ramada will have to have security, people will have to check in, anyone with drugs or mental issues will be dealt with, anyone who breaks the rules will be kicked out, and \$1 million could potentially come into the City under the Transient Occupancy Tax. He has also been receiving many phone calls and although everyone is concerned he wants to make sure that they are not run by fear, the goal is to minimize COVID-19 exposure to the homeless community because upon exposure they have nowhere else to go, will inundate the healthcare system, and can literally die on the street. Project Room Key is an opportunity to be safe, provide shelter, sick people will not be brought in, the homeless will be monitored by mental health care providers on-site, 24 hour security will be provided, and there are a lot of benefits besides being humane.

Mayor Pro Tem Retamoza clarified that it is not that they do not want to help but the County is not being transparent and there is no exit plan for where the homeless individuals are going to go after the 90 days, and the individuals coming in are susceptible to chronic illnesses and are sick.

Councilmember Acosta clarified that they may be sick but not with COVID-19 and there is a possibility that if the City refuses the program the County can sue the City and it will be the City's bill.

The City Manager stated the homeless individuals that would be placed in the hotels have already been entered in the Coordinated Entry System, which is an extensive assessment of homeless individuals which immediately places them on a plan, and the individuals will be transported from shelters and medical facilities where they are occupying beds that need to be made available to COVID-19 patients. The City belongs to Service Planning Area 3, the San Gabriel Valley, and homeless individuals in the region are placed within the region, priority homeless individuals coming into Project Room Key would be from the Service Planning Area 3. The City has established a cohort with the cities of El Monte and Baldwin Park and continues to pursue grant opportunities and provide services to the homeless in the immediate area and all three cities are looking at housing opportunities for the homeless population. The potential income for any hotel provider will be \$85 per night per room and the Ramada can possibly make \$826,000 if they are at full capacity for 90 days. In conference calls with other City Managers, they have expressed their concern of the impact it will have on their communities, however, if each city has a hotel or motel housing homeless individuals the burden will balance itself out throughout the region instead of on just one city. Project Room Key is funded 75% by FEMA and 25% by the State, they are giving the local continuum of care or money to operate the shelter opportunities and the City exists in LAHSA's continuum of care.

Mayor Olmos read an excerpt from the Governor's Office on Project Room Key which stated FEMA will reimburse 75% of the costs of acquired rooms as long as each person is COVID-19 positive, exposed to the virus, or is a high risk of getting the virus, and spoke of her concern that if individuals are exposed to the virus they can also be carriers. During a San Gabriel Valley Council of Governments discussion with other Mayors, it was mentioned that the individuals would be tested twice a day for COVID-19 and she spoke of her concern with the lack of sense of security that having individuals tested twice a day provides. The City Council is not acting based on fear but on the responsibility to take care of the residents and hear their concerns, it is not a matter of disliking the homeless but of where they will go after since statistically 90% of the homeless stay within their own vicinity. The City has 80 homeless individuals, each City should take care of their own homeless, however, during the discussion with other Mayors, she was not reassured that the City would be responsible for only the City's 80 homeless individuals or if they could be housed in their own areas. Regardless if the hotel receives the money for the 90 days, a long stay advancement is being sought and it was not made clear where the additional money would continue to come from and at that point the homeless will already be in the City and be the City's problem. It is the City Council's job as elected officials to make sure the City is running properly and safely for the residents and businesses and if the County wanted to be partners with the City they should have contacted them, however, she found out about Project Room Key because the owner of

the Ramada contacted her about what the County was asking from the hotel. This will negatively affect the City, it is not a City Council decision, it is between the owner, County, and State, and the City Council needs to stand together and fight for the City.

The City Attorney stated this is a very complex issue with the County not reaching out to the City, based on the City Council's comments a dialogue is needed with the County to ensure that the concerns of the residents, especially those in the immediate vicinity of the hotel are heard and that the residents know that the City supports them and is always trying to do the right thing which includes protecting the residents. There are cities that have taken strong positions against the County and the County has already sued one city over this issue, however, this is not something that cities insurance cover so many cities are hesitant because they have to protect taxpayers dollars and they do not want to involve the courts in a legal fight. As everyone is in agreement of being unhappy that the County did not reach out to the City and inform the City Council of what was going on, a discussion will ensure that everything that can possibly be done has been done to address the concerns of the residents. Therefore, it is his suggestion that instead of the City Council taking any action, the City Manager and the City Attorney's office have a dialogue with the County to try to find solutions.

c. **MAYOR GLORIA OLMOS**

1. **Concerns, Do's and Don'ts Regarding Project Room Key in South El Monte.**

Item 12.c.1 was discussed with Item 12.b1.

2. **Vouchers from Los Chillitos for those South El Monte Families in need.**

Mayor Olmos thanked Vacco Industries for donating 300 food vouchers to the City which can be redeemed at Los Chillitos for a hot meal for the City's seniors and families in need.

3. **Food Baskets Distribution for South El Monte Residents**

Mayor Olmos thanked Pastor Charlie Corum, South El Monte Community Outreach, for providing food baskets to families and residents in need, appointments are required, and the baskets are distributed on Wednesdays at Shively School.

Mayor Olmos indicated her disappointment to hear that Lilian Rey, Emergency Resource Association, turned down South El Monte residents requests for assistance and urged Ms. Rey help South El Monte residents as she is funded by the City as well as by the State and Federal Government to provide services to the community and indicated Vacco Industries recently provided her with \$10,000 which should be used to assist South El Monte residents.

Councilmember Delgado stated Lilian Rey, Emergency Resource Association, does not turn anybody down, it depends on the resources they are asking for, such as motel vouchers which tend to finish first, their budget

gets used up fast with the hundreds of people that are helped out throughout the year and he would like the City to continue to provide them funding. He thanked Vacco Industries for their contribution to the Emergency Resource Association and stated the money will be used for motel vouchers, food, and clothing for South El Monte residents.

In response to Mayor Pro Tem Retamoza's suggestion that the Emergency Resource Association provide information and the amount of resources they receive, Councilmember Delgado stated they will work on providing a resources report to the City.

Mayor Olmos stated if additional funds are going to be allocated the funds should be given to Pastor Charlie Corum because he has always served the community.

Councilmember Delgado stated he does not like to pit non-profit organizations against each other and would like to get to the bottom of what happened and resolve it because all the resources from different agencies are needed during this time of need.

In response to Councilwoman Retamoza's question, Mayor Olmos stated the food baskets are given out at Shively School on Wednesdays on a first come first serve basis, over 395 baskets have been given out and the distribution of baskets will continue as long as he has the resources.

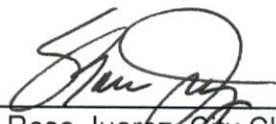
13. **CLOSED SESSION** None.

14. **RECESS COUNCIL MEETING**

The meeting was recessed at 7:35 p.m. and reconvened at 7:38 p.m.

15. **ADJOURNMENT**

There being no further business coming before this body, Mayor Olmos adjourned the meeting at 7:38 p.m.



Rose Juarez, City Clerk



Gloria Olmos, Mayor