



City of Commerce

Meeting Minutes

Tuesday, April 30, 2019 - 5:00 PM

SPECIAL CITY COUNCIL MEETING

Council Chamber, 5655 Jillson Street, CA
and TELECONFERENCING LOCATION
Sirena Del Mar Wells Resort

Ctra. Traspeninsular Km. 4.5 Cabo Bello, Cabo San Lucas BCS, Mexico

5:00 P.M. CLOSED SESSION

CALL TO ORDER

Mayor Soria called teh meeting to order at 5:00 p.m. in the Council Chambers

ROLL CALL

Councilmember Mendoza participated via teleconference

Present: 5 - Mayor Soria
Mayor Pro Tem Altamirano
Councilmember Argumedo
Councilmember Mendoza
Councilmember Rebollo

PUBLIC COMMENT ON CLOSED SESSION ITEMS

There were no individuals wishing to address the City Council/Successor Agency on any items on the Closed Session agenda.

RECESS TO CLOSED SESSION

1. Pursuant to Government Code §54957.6 the City Council will confer with its labor negotiator, Edgar Cisneros, with respect to labor negotiations pertaining to:
 - A. The Memoranda of Understanding between the City and the City of Commerce Employees Association on behalf of the part -time employees.
 - B. The Memoranda of Understanding between the City and the City of Commerce Employees Association on behalf of the mid-management and non-management full-time employees.
2. Pursuant to Government Code §54956.8, the City Council will confer with its real property negotiator, Edgar Cisneros, with respect to real estate negotiations with City Ventures

concerning proposed price and other terms relating to the properties located at:

A. 5550 Harbor St., Commerce, CA 90040 (6335-025-009), 2300 S. Eastern Ave. (6335-025-010)

B. 5625 Jillson St., Commerce, CA 90040 (6335-025-905)

C. 5555 Jillson St., Commerce, CA Property (APN 6335-025-906)

3. Conference with Legal Counsel Pursuant to Government Code Sections 54956.9(d)(2) and 54956.9(e)(3) Regarding Anticipated/Potential Litigation - Two (2) Matters

RECONVENE TO OPEN SESSION

ORAL CLOSED SESSION ANNOUNCEMENT

City Attorney Copado reported on Closed Session items:

Item #3- Staff provided an update. Direction was provided to staff and Legal staff. No final action was taken.

Item #2A, 2B and 2C - Staff provided an update. Consensus was reached on two (2) matters. Direction was provided to staff. No final action was taken.

Item #1A and 1B - Staff provided an update. No final action was taken.

6:00 P.M. - CITY COUNCIL MEETING

CALL TO ORDER

Mayor Soria called the meeting to order at 6:05 p.m in the Council Chambers

ROLL CALL

Councilmember Mendoza participated via teleconference.

Present: 5 - Mayor Soria
Mayor Pro Tem Altamirano
Councilmember Argumedeo
Councilmember Mendoza
Councilmember Rebollo

PUBLIC COMMENT

Jennie Muro spoke about Street Racing on Washington. Believes that a racer could possibly crash into a residence or a pipe line. Concerned that dog owners are not cleaning up after their dogs.

Sharon Basic stated she opposes Cannabis & 7-11. Believes there is no need for

another 7-11 because the one that already exists has poor maintenance and is frequented by homeless people begging to the customers.

Cindy Donis Opposes 7-11. Eastyard member believes that the new 7-11 spot could be used for a different vision and could be used to help instead of doing harm. She believes there are already many gas stations in Commerce including the Costco gas station and the Chevron & wants the council to “put the neighbor first”.

Maribel Sanchez Approves 7-11. Concerned that the business that was there before was not cleaned or maintained. Urged council to take into consideration the way other 7-11s had security and are well maintained.

Richard Hernandez Opposes 7-11. Believes the new 7-11 will bring in undesirable people due to its close proximity to the freeway. Urged Council to take the other businesses around the 7-11 into consideration.

Gloria Nezahuacoyotl Supports 7-11. Believes a new 7-11 off of the freeway is convenient and although it is competition for other gas stations, she believes it gives another opportunity to look for the cheapest gas.

PUBLIC HEARING

1. Appeal of the Planning Commission's Decision to Deny Conditional Use Permit No. 528 and Variance No. 18-01

Councilmember Argumedo recused himself on voting on this item due to the potential conflict of interest and left the dias.

Manuel Acosta provided a brief overview of this item. In response to Mayor's inquiry regarding possible traffic issues and dedicated turns that may potentially mitigate some concerns, Consultant Acosta advised it may be a solution but further studies are necessary.

Mayor Soria called a recess at 6:54 p.m. Meeting reconvened at 7:01 p.m.

Applicant for permit #528 delivered his presentation. Provided City Council with proposed rendering of project area. Regional Manager provided information on environmental concerns at proposed site.

Rebollo expressed concern for an additional gas station in the City and stated she is not in support. CM Rebollo requested applicant provide another option besides a 7-11 and advised she may be willing to consider the 7-11 proposal without a gas station.

Councilmember Rebollo moved, seconded by Mayor Pro Tem Altamirano, to continue this item to May 7, 2019 City Council meeting.

The motion carried by the following vote:

Ayes: 4 - Mayor Soria, Mayor Pro Tem Altamirano, Councilmember Mendoza, and Councilmember Rebollo

Recused: - Councilmember Argumedo

ORDINANCES

2. Introduction and First Reading of Seven (7) Ordinances Approving Seventeen (7) Development Agreements for the Operation of Commercial Cannabis Activities, for Commercial Cannabis Permit Application Nos. 18-004, 18-006, 18-009, 18-017, 18-036, 18-074, and 18-086

Public Comments:

Iris Alcantara opposes cannabis and is concerned about the increases to crime and graffiti.

Sandra Bustamante opposes cannabis and believes that cannabis will open the doors for worse things. She feels the cannabis would be too close to the church and to the children.

Jackie Cornejo stated that her business could serve as a resource for the City of Commerce. She believes that setting up policies on cannabis can help the employees come out of the shadows to the legal market.

Alma Suarez opposes cannabis. She believes that bringing cannabis to the City has been mainly financial. The effects the establishment will have on the City were not taken into consideration.

Beatriz Velasquez opposes cannabis. She has seen families fall apart and left devastated due to drugs. She believes there would be an increase in violent behavior.

Nathaniel Monroy opposes cannabis. He believes marijuana to be a drug that will open the doors to bad things. And worries about his friends going down the wrong path after seeing the cannabis company grow.

Oneida Borja opposes cannabis. She believes marijuana can cause anxiety, depression, fast heart rates and suicidal thoughts. She feels the space given for cannabis will allow users to feel as though they are allowed to smoke around it and possibly drive while high.

Victor Lopez opposes cannabis. He feels it will not benefit the City or the residents of Commerce and believes that people will be able to order marijuana like it is

candy and allow temptation to come into their church.

Dora Torres opposes cannabis. She is concerned for the youth and thinks it will be too close to her children. She says it doesn't make sense that the City of Commerce tries to help the youth with programs, while keeping children near drugs.

John Ondrosik opposes cannabis. He feels that people will feel that it is okay.

Flo Santos opposes cannabis and stated that it leads to an increase in arrests, thefts and other related incidents.

Oscar Ruiz supports cannabis. He stated that there are a lot of misconceptions about cannabis but regulated cannabis will decrease crime because it will be controlled and under the law.

Frank Afoa supports cannabis. He believes we are repeating history because alcohol was once illegal and believes it will protect children from the black market.

Eric Villegas supports cannabis. As a cannabis engineering company employee, he feels that the City of Commerce job seekers should be given that opportunity that he had and believes the jobs would benefit college students that are pursuing degrees.

Lou Villalvazo supports cannabis and believes that, as a representative of workers that are in the alcohol business, he feels it creates good opportunities.

Angela Rodriguez supports cannabis. She believes it will provide jobseekers, with not only work, but with employment opportunities. It will make a great impact on the quality of living.

Manuel Cruz supports cannabis and stated that it will benefit the community and provide the opportunity for the enrichment of education.

Keith Park believes the City is relying too heavily on Ebony Anderson's advice and would like to have more transparency. He wants to know how bias she is and who hired her.

Jason Castillo opposes Cannabis. He said he wants to bring the word of God to the Chambers to lead the Council to the right decision.

Anna Naumova supports cannabis. She believes cannabis industries are giving opportunities and many resources for higher education.

Richard Hernandez opposes Cannabis. He does not understand why everyone is in such a rush to get everything done. He asked to consider stopping the entire thing.

Ann Arnow opposes cannabis. She believes that Ms, Anderson has no credibility and does not give examples of people she has worked for nor, the college she received her master's from. She asked for a full disclosure on arrangements made.

Camila Gonzalez opposes cannabis. She believes it is harmful to the children who use the buses stop at Gerhart and Olympic and stated that cannabis destroys the human mind, body and soul.

Dave Rodriguez opposes cannabis. He wants to see the public given the opportunity to vote on cannabis. He wants to see transparency.

Gilbert Martinez supports cannabis. He feels the business will give employment opportunities. He believes this business will give people better lives.

James Herman opposes cannabis. He has seen the effects drugs have on students. He believes marijuana leads to an increase in violence and mental illness. He wants the City to have a referendum to have the voices of the residents heard.

Jesus Cervantes congratulated Jason. He believes it is the first time he has done something good in his life.

Sharon Basic opposes cannabis. She would like the Council to reconsider cannabis in the city. She is concerned about cannabis coming into the hands of the youth and young adults

Jaime Valencia opposes cannabis. He is concerned about the impact of the 31 shops.

Ron Williams opposes cannabis. He stated that ten percent of the population of Commerce is needed to recall the members.

Jud Posner opposes cannabis. He would like to see the City prosperous and safe.

Mason Savage opposes Cannabis. He feels we should not stand by idle and allow the marijuana industry in the City, no matter what hopes of revenue they might bring with them

Ken Meng opposes Cannabis. He said recent studies shed light on the risks that marijuana poses on youth.

Myriam Salcedo commented on the lack of communication between Council and the residents. And believes that many residents had no idea about cannabis coming to Commerce.

Manuel Rivero presenting 82 signatures saying "I hereby express my opposition to the licensing and establishment of a cannabis facility right next door to my workplace".

Tom Meng opposes cannabis stating that the facilities pose a threat to the community.

Joel Beaton opposes cannabis. He asked the Council to listen to the people and the community and reject the applications.

Robert Condon opposes cannabis. He hopes the Council chooses what is best for the community.

Angela Furness opposes cannabis. She asked for change and to leave it up to the community to vote.

Urs Sporri made a statement about Council misrepresenting the residents. He believes they are working against what they are supposed to do. He would like Council to explain their decisions to the community.

Cliff Tomas opposes cannabis and believes that they are growing weed to feed the

greedy and thus ignore the needy. He wants to create honest expansion production and bright ideas to have innovation and education in the community

Derek McCaffrey opposes cannabis and believes that not everything legal is right. The decision is being only based on money and not on what the community wants.

Foster Tomkins stated that the vast amount of residents want Commerce to be drug free and asked that Council respect the residents' decisions.

Jeff Ferro supports cannabis and is confident that the City will do their best to protect the community. And believes it will provide many job opportunities, health benefits and is no worse than the alcohol down the street.

Consultant Ebony McGee Anderson presented this item and provided an overview of applicants 18-004, 18017 and 18-074.

Representative for Applicant 18-004 responded to Councilmembers inquiries regarding minimum wage, number of employees and labor peace agreements. Assistant City Attorney clarified that agreement discusses wages and references City of Los Angeles comprehensive study.

Representative for Applicant 18-017 provided information in reference to expected employee wages and spoke about projected number of employees.

Representative for Applicant 18-074 provided information on anticipated amount of employees and assured City Council they will connect with Organized labor companies to ensure a successful operation.

Brief discussion ensued and concentrated mostly on wages and labor peace agreements.

Mayor Pro Tem Altamirano moved, seconded by councilmember Rebollo to approve Applications number 18-004, 18-017, and 18-074 as recommended.

The motion carried by the following vote:

Ayes: Mayor Soria, Mayor Pro Tem Altamirano, Councilmember Rebollo

Nayes: Councilmember Argumedo, Councilmember Mendoza

Consultant Ebony McGee Anderson continued her presentation and provided a brief overview of applicants 18-009 and 18-036. Ms. Anderson informed the Councilmembers that applications were presented to the Planning Commission for approval and included the relocation provision based off the Planning Commission's recommendation due to proximity to residential uses.

Representative for Applicant 18-0036 provided information in reference to operational activities, technical aspects of facility, wage range and benefits provided.

Representative for Applicant 18-009 provided information regarding location and advised that company is willing to do whatever possible to be a good neighbor and part of the Commerce community.

Councilmember Rebollo moved, seconded by Mayor Pro Tem Altamirano to approve Applications number 18-036 and 18-009 as recommended.

The motion carried by the following vote:

Ayes: Mayor Soria, Mayor Pro Tem Altamirano, Councilmember Rebollo

Nays: Councilmember Argumedo, Councilmember Mendoza

City Manager addressed an inquiry presented by Councilmembers and provided amounts spent to date for this program.

Consultant Ebony McGee Anderson continued her presentation and provided a brief overview of applicants 18-006 and 18-086.

In response to Councilmember Rebollo's concern regarding the proximity of homes of the proposed location and their consideration to relocate, representative for applicant 18-006 stated they would prefer to establish a location then search for a separate location but accepted Councilmember's concerns and agreed to look for a new location before beginning their operations.

Councilmember Rebollo moved, seconded by Mayor Pro Tem Altamirano to table approval of applicant 18-006 until applicant has secured a location.

The motion carried by the following vote:

Ayes: Mayor Soria, Mayor Pro Tem Altamirano, Councilmember Rebollo, Councilmember Argumedo

Absent: Councilmember Mendoza

Councilmember Rebollo Moved, seconded by Mayor Pro Tem Altamirano to approve application #18-086.

Ayes: Rebollo, Altamirano, Soria

Nays: Argumedo, Mendoza

Mayor Pro Tem Altamirano moved, seconded by Councilmember Rebollo, to approve . The motion failed by the following vote:

- 3. Denial or Introduction and First Reading of Eight (8) Ordinances Approving Eight (8) Development Agreements for the Operation of Commercial Cannabis Activities, for Commercial Cannabis Permit Application Nos. 18-023, 18-031, 18-043, 18-052, 18-053, 18-064, 18-065, and 18-094**

Consultant Ebony McGee Anderson presented an overview of applicants 18-023 and 18-052.

Representative for applicant 18-023 provided the Council with brief information on their operations.

City Manager Cisneros clarified that this applicant was noticed for distribution but item was inadvertently left out of the staff report and presentation but published notice states distribution is included.

Representative for applicant 18-052 provided information on square footage and proposed usage which includes cultivation, manufacturing and distribution.

Discussion ensued on the reasons for applicant's denial by the Planning Commission, Ms. Anderson explained that applicants location is in close proximity to the City's Capital Outlay section. In response to Mayor Soria's inquiry Assistant City Attorney Copado advised the Development agreement has relocation clause and informed that the LPA can be orally amended to reflect the change.

Ms. Anderson explained that Development Agreement for this applicant contains a

relocation clause that requires applicant to relocate at the request of the City.

Councilmember Rebollo moved, seconded by Mayor Pro Tem Altamirano to table discussion of applicant 18-023 to the May 7, 2019 City Council meeting. The motion carried by the following vote:

Ayes: Argumedo, Rebollo, Altamirano, Soria

Nayes: Mendoza

Councilmember Rebollo moved, seconded by Mayor Pro Tem Altamirano to approve application 18-052 with an amendment to the LPA to reflect change from 20 employees to 10 employees. The motion carried by the following vote:

Ayes: Rebollo, Altamirano, Soria

Nayes: Argumedo, Mendoza

Ms. Anderson continued her presentation and presented an overview of applicant 18-053. Ms. Anderson informed the Council that the initial location was denied by the Planning Commission; a new location has been secured but property has not been noticed nor gone through the Planning Commission process. Recommendation proposed is to table this item or direct staff to renegotiate development agreement.

Councilmember Rebollo moved, seconded by Mayor Pro Tem Altamirano to allow applicant 18-053 to negotiate development agreement with new proposed location. Motion carried by the following vote:

Ayes: Rebollo, Altamirano, Soria

Nayes: Argumedo, Mendoza

Ms. Anderson presented an overview of applicant 18-031 and presented City Council with staff's recommendation to deny.

Councilmember Rebollo moved, seconded by Mayor Pro Tem Altamirano to accept Staff's recommendation of denial. Motion carried by the following vote:

Ayes: Argumedo, Rebollo, Altamirano, Soria

Nayes: Mendoza

ADJOURNMENT

Meeting adjourned at 1:30 a.m.