

MINUTES

CUDAHY CITY COUNCIL REGULAR MEETING and CITY OF CUDAHY AS SUCCESSOR AGENCY and HOUSING SUCCESSOR AGENCY TO THE CUDAHY DEVELOPMENT COMMISSION JOINT MEETING

January 17, 2023 6:30 P.M.

1. CALL TO ORDER

Mayor / Chair Lomeli called the meeting to order at 6:33 p.m.

2. ROLL CALL

PRESENT: Council / Agency Member Elizabeth Alcantar
Council / Agency Member Martine Fuentes
Council / Agency Member Cynthia Gonzalez
Vice Mayor / Vice Chair Jose R. Gonzalez (joined 6:36 p.m.)
Mayor / Chair Daisy Lomeli

ABSENT: None

ALSO PRESENT: City Manager, Alfonso Noyola, City Attorney, Stephanie Arechiga, City Clerk, Richard Iglesias, Assistant City Clerk, Estefania Zamora, Finance Director, Joshua Calhoun, Administrative Services Director, Brenda Rodriguez, Community Development Director, Juan Arauz, Public Works Director, Aaron Hernandez, Management Analyst, Andres Rangel, Administrative Analyst, David Reyes, and Assistant Planner, Jessica Guillen

3. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Council Member Fuentes.

4. LAND ACKNOWLEDGEMENT

The Land Acknowledgment was led by Council Member Alcantar.

We would like to acknowledge that the land we inhabit today was once known as Tovangaar, the home of the Gabrieleño-Tongva people. We show our respects to the Gabrieleño-Tongva people, as well as all Indigenous people, past, present, and future, and honor their labor as original caretakers of this land. We commit to uplifting the Gabrieleño-Tongva people, invite you to acknowledge the history, and join us in caring for this land.

5. PRESENTATIONS

- A. Certificate of Recognition presented to Johnny Guereca, Elizabeth Learning Center Student
- B. Certificate of Recognition presented to Eloy Adame, Elizabeth Learning Center Band
- C. Plaque presented to East Los Angeles Sheriff's Deputy Montes
- D. Grant Application Submittal for the Former Successor Agency Sites
- E. City Manager's Annual Update
- F. Housing Element Update
- G. Strategic Plan Update

6. CLOSED SESSION PUBLIC COMMENTS – NONE

City Attorney, Stephanie Arechiga advised to move items 7. Closed Session and 8. Closed Session Announcement to the end of the meeting.

Motion: Council Member Alcantar motion to move items 7 and 8 to the end of the meeting, seconded by Vice Mayor Gonzalez. Motion passed 5-0 by the following roll call vote:

AYES: Alcantar, Fuentes, C. Gonzalez, J. Gonzalez and Lomeli
NOES: None
ABSENT: None
ABSTAIN: None

9. PUBLIC COMMENTS

Michael Shones mentioned the properties he owns in the City and stated he has been generous on not increasing the rent but due to insurance, taxes, and utilities going up has been affecting him to where he is not going forward at all.

Elena Edin mentioned she is the Director of Media Outreach and Education at the Housing Rights Center which is a non-profit that provides free fair housing services to tenants and landlords, mentioned they are having the first workshop where it will cover fair housing laws, discuss COVID-19 laws that are in effect right now in LA County, rent increase moratorium and invited everyone to come out.

Susie de Santiago commented on the presentations, stated communication needs a lot of growth especially on Nixel, mentioned the city needs more active programs for youth throughout the year but to include to include everyone not just youth or seniors, also commented on the street sweeping leaving trash behind and asked staff to looked into monitoring the street sweeper.

Laura Ibarra questioned how decisions are made regarding the moratorium, mentioned owning unit in the city for over 50 years and their rent is very low and are trying to get them to market rent.

Miriam thanked Mayor Lomeli for addressing her concerns regarding graffiti, reiterated Susie's comments on the Nixel communications, mentioned she would like to be notified on days that there are city council meetings, commended the Sheriff's department customer service for modifying their behavior and for being professionals, also welcomed new faces on the Council and looking forward to working with everyone.

Bertha Martinez expressed her gratitude for Deputy Montes from Ellen Ochoa Learning Center for his engagement mentioned his professionalism and wished him well, welcomed the new members to the City Council Cynthia and Martin and also mentioned wanting to get information from Parks and Recreation to shared with students.

Letter Emailed by Apartment Association of Greater Los Angeles

Dear Hon. Mayor Lomeli and Members of the Cudahy City Council:

At tonight's City Council meeting, the Council will consider adopting an ordinance that will extend the temporary ban on residential rent increases for a period of 90 additional days, and potentially for a longer period of time. The Apartment Association of Greater Los Angeles (Association) is strongly opposed to any further extension of the temporary rent increase freeze and strongly urges the City Council to allow it to expire, as scheduled on January 18, 2023.

For nearly three years, no other service provider has been subjected to greater government restrictions on revenue collections and pricing than the rental housing industry. Many of our members are small independent housing providers who have endured dire financial challenges due to the COVID-19 pandemic, collecting little, if any, rental income, and consequently many have depleted retirement and other savings or financed critical items with credit cards to maintain essential building operations. They are now contemplating or being forced into leaving the business entirely. This situation has only worsened due to massive increases in operational and other building costs.

The City's Staff Report provides no data reflective of a widespread issue of rent increases, the majority of which are limited by Assembly Bill 1482, the Tenant Protection Act of 2019, nor widespread evictions. Furthermore, no evidence was presented by staff regarding any related emergency that exists today to warrant extending such extreme measures. After almost three years of rent collection challenges and now skyrocketing inflation, the City's independent, small business rental housing providers are struggling to maintain their buildings. This will only result in accelerating the loss of the City's already scarce affordable housing as these properties will be bought by large developers that convert them into luxury condominiums or rentals.

Additionally, the Staff Report references the City's Ad Hoc Rent Control subcommittee, which APARTMENT ASSOCIATION OF GREATER LOS ANGELES AAGLA "Great Apartments Start Here!" 2 during the past nearly 90 days of the rent increase freeze has been exploring housing issues and are to provide recommendations for the City Council's consideration. The report indicates that the basis for the extension is to enable the Subcommittee to complete its research. Yet, to date, nominal information has been provided on the work that has been done and whether the Subcommittee has

conducted any stakeholder engagement over the last 90 days with all the involved parties, rental housing providers and renters, who would be directly impacted. While the Subcommittee was to provide an update on their work at a previous City Council meeting, no update had been given. As part of tonight's City Council agenda, the Subcommittee is set to provide an update. We urge the Council to inquire about the Subcommittee's outreach and engagement with all affected parties. Stakeholder feedback is essential throughout the process and should be a core component of any study or analysis of rent control. In addition to the substantive concerns, raised above, there appears to be a definitional error with the base rent effective date included in the draft ordinance. The base rent date, as defined in the original ordinance (Ordinance No. 725) establishing the rent increase freeze, stated that the "Base Rent" is the monthly rent that was in effect on October 20, 2022. This definition aligns with the effective date of the adopted ordinance. The proposed draft ordinance extension being considered tonight defines "Base Rent" as the monthly rent that was in effect on January 17, 2022. As this would be an earlier date than the original date listed in the adopted ordinance, this appears to be done in error. We believe that the intended base rent date is January 17, 2023, which would be in line with the effective date of the draft urgency ordinance.

The Association strongly urges the City Council to reject any further extension of the City's rent increase freeze and to direct the Subcommittee to conduct stakeholder engagement prior to advancing any housing policy recommendations. We welcome the opportunity to share our wealth of industry knowledge and participate in this important dialogue. Thank you for your time and consideration of these matters. If you have any questions, please call me at (213) 384-4131; Ext. 306 or contact me via electronic mail at max@aagla.org.

Yours sincerely,
Max Sherman

10. CITY COUNCIL COMMENTS / REQUESTS FOR AGENDA ITEMS

Council Member C. Gonzalez thanked everyone and all staff for the information in the PowerPoint presentations and all the attendees that have been sticking through to make sure that their voices are heard, mentioned tabling until we get a new deputy due to safety reports that she would like to see but will wait until settled.

Council Member Alcantar mentioned a meeting held last week with Angeles Por Siempre Unidos which is a non-profit that services all over Southeast Los Angeles but several of their families are from Cudahy, mentioned the Southeast Community Development Corporation fundraiser, it was a success we were able to fundraise and bring out families to support and also wanted to add to next agenda or following to add on an ordinance first and second reading on "just cause" supporting our tenants here in Cudahy.

Vice Mayor J. Gonzalez mentioned his attendance at the United Soccer Coaches Convention in Philadelphia representing Southeast LA to prepare for the World Cup, wants to make sure our city and students are part of the World Cup, and looking for ways to be part of the decision-making process and thanked everyone for being here.

Mayor Lomeli thanked everyone who joined tonight, mentioned her attendance at the LA County Vector Control District Board of Trustees meeting, spoke on the unfortunate equipment that was stolen at the incident at Lugo Park, thanked staff for working so diligently, appreciate the city being able to contribute financially to replace the equipment, gave a praise to LA County Supervisor Janice Hahn who was also able to contribute the same amount, also attended the Southeast YMCA Youth and Government Delegation Presentation where a group of students from all over the Southeast who present bills, and took a moment to uplift Hailey which is a student from Cudahy who attended and would like to recognize her at a future meeting.

11. CITY MANAGER REPORT (information only)

12. REPORTS REGARDING AD HOC, ADVISORY, STANDING OR OTHER COMMITTEE MEETINGS

A. Reports regarding Rent Control Ad Hoc Committee and Education Ad Hoc Committee meetings

Council Member Alcantar reported on Rent Control Ad Hoc Committee mentioned there are two members of council, two tenants and one landlord serving, feels that they are getting close to having a proposal for Council but not the final yet reason why on tonight's agenda they are proposing an extension.

Mayor Lomeli reported out on the Education Ad Hoc Committee, thanked Principal Tetitla from ELC and Principal Mr. Hernandez from Ellen Ochoa Learning Center who joined. Principal Tetitla shared how their wellness center is available 5 days a week, discussed Johnny's recognition, thanked her for continuing to join and communicate with us. Ellen Ochoa Learning School working on renovating their parents center, connected on issues like traffic but it was really refreshing to hear that those issues are improving, thanked staff for working with them and continuing to be solution oriented.

13. WAIVER OF FULL READING OF RESOLUTIONS AND ORDINANCES

Motion: Council Member Alcantar motioned to waive full reading of resolutions and ordinances, seconded by Vice Mayor J. Gonzalez. Motion passed 5-0 by the following roll call vote:

AYES: Alcantar, Fuentes, C. Gonzalez, J. Gonzalez and Lomeli
NOES: None
ABSENT: None
ABSTAIN: None

14. CONSENT CALENDAR

A. Approval of the Local Agency Investment Fund (LAIF) for the Month of December 2022

Presented by the Finance Director

Recommendation: The City Council is requested to approve the Local Agency Investment Fund (LAIF) Report for the month of December 2022 in the amount of \$11,261,389.49.

- B.** Approval of the City Demands and Payroll Including Statement of Investment for the Month of December 2022

Presented by the Finance Director

Recommendation: The City Council is requested to approve the Demands and Payroll in the amount of \$1,395,830.23 including the Statement of Investments for the month of December 2022.

- C.** Informational Item – ARPA Utilization Plan Monthly Report (December 2022)

Presented by the Finance Director

Recommendation: The City Council is requested to receive and file the ARPA Utilization Plan Monthly Report for the month of December 2022.

- D.** Consideration to Review and Approve the Draft Minutes of August 16, 2022, and December 6, 2022, for the Regular Meeting of the City Council and the Joint Meeting of the City of Cudahy as Successor Agency and Housing Successor Agency to the Cudahy Development Commission

Presented by the City Clerk

Recommendation: The City Council is requested to review and approve the City Council / Successor Agency Draft Minutes for August 16, 2022, and December 6, 2022.

- E.** Adoption of Proposed Resolution No. 23-01 Proclaiming a Local Emergency, Ratifying the Proclamation of a State of Emergency by Governor Newsom on March 4, 2020, and Re-Authorizing Remote Teleconference Meetings of the City Council, City Boards, and all Commissions of the City of Cudahy, for the Period from January 17, 2023, through February 16, 2023, Pursuant to Brown Act Provisions

Presented by the City Attorney

Recommendation: The City is requested to approve proposed Resolution No. 23-01 proclaiming a local emergency, ratifying the proclamation of a State of Emergency by Governor Newsom on March 4, 2020, and re-authorizing remote teleconference meetings of the City Council, City Boards, and all Commissions of the City of Cudahy, for the period from January 17, 2023, through February 16, 2023, pursuant to Ralph M. Brown Act provisions.

- F.** Receive and File Proposed Change to Staffing in City Attorney's Office

Presented by the City Attorney

Recommendation: It is staff's recommendation that the City Council receive and file the proposed change in staffing with the City Attorney's Office.

AS SUCCESSOR AGENCY

G. Approval of the Recognized Obligation Payment Schedule for the Fiscal Period of July 1, 2023 to June 30 2024 (ROPS 23-24)

Presented by the Finance Director

Recommendation: The Successor Agency is requested to approve the Recognized Obligation Payment Schedule (ROPS) for the fiscal period of July 1, 2023 to June 30, 2024 (ROPS 23-24), for submission to the City of Cudahy Oversight Board.

H. Consideration to Adopt Resolution No. SA 23-01 for Approval of the Administrative Budget for Fiscal Period of July 1, 2023 to June 30, 2024

Presented by the Finance Director

Recommendation: The Successor Agency is requested to adopt a proposed Resolution No. SA 23-01 approving the Administrative Budget for the Recognized Obligation Payment Schedule (ROPS) for the fiscal period of July 1, 2023 to June 30, 2024 (ROPS 23-24).

Motion: Council Member/Agency Member Alcantar motioned to approve Consent Calendar items, seconded by Vice Mayor/Vice Chair J. Gonzalez. Motion passed 5-0 by the following roll call vote:

AYES: Alcantar, Fuentes, C. Gonzalez, J. Gonzalez and Lomeli
NOES: None
ABSENT: None
ABSTAIN: None

15. PUBLIC HEARING

A. A Public Hearing to Consider and Adopt Resolution No. 23-02 of the City of Cudahy City Council Approving Projects / Programs to the City Council for Community Development Block Grant (CDBG) Funding During the Fiscal Year (FY) 2023-24

Presented by the Management Analyst

Recommendation: Staff Council is requested to Adopt Resolution No. CDAB 23-02, recommending Projects/Programs to the City Council for the Community Development Block Grant (CDBG) Funding for Fiscal Year 2023-2024.

At 8:56 p.m. Mayor Lomeli opened public comment

Public Comments:

Miriam inquired about the Clara Street Park restroom improvement plan and questioned the expenditures for it.

Susie de Santiago commented on the Housing Rehab program and suggested to increase it and do more outreach for the program, also mentioned the food distribution program stated the city should put more funds towards that program to make it better.

At 9:02 p.m. Mayor Lomelí closed public comment.

Motion: Council Member Alcantar motioned to Adopt Resolution No. CDAB 23-02, recommending Projects/Programs to the City Council for the Community Development Block Grant (CDBG) Funding for Fiscal Year 2023-2024, seconded by Council Member Fuentes. Motion passed 5-0 by the following roll call vote:

AYES: Alcantar, Fuentes, C. Gonzalez, J. Gonzalez and Lomelí
NOES: None
ABSENT: None
ABSTAIN: None

16. BUSINESS SESSION

- A.** Consideration to Adopt a Proposed Urgency Ordinance of the City Council of the City of Cudahy Establishing an Interim Prohibition on Residential Rent Increases

Presented by the City Attorney

Recommendation: It is staff’s recommendation that the City Council take one of the following actions: 1. Adopt Urgency Ordinance No. 731 extending the temporary prohibition on residential rent increases for a period of 90 additional days with the ability to extend further; or 2. Take no further action, thereby allowing the current rent increase moratorium to expire on January 18, 2023.

Motion: Council Member Alcantar motioned to Adopt Urgency Ordinance No. 731 extending the temporary prohibition on residential rent increases for a period of 90 additional days with the ability to extend further, seconded by Mayor Lomelí. Motion passed 5-0 by the following roll call vote:

AYES: Alcantar, Fuentes, C. Gonzalez, J. Gonzalez and Lomelí
NOES: None
ABSENT: None
ABSTAIN: None

- B.** Receive and File of the FY 2021-22 Audited Financial Statements and Related Reports

Presented by the Finance Director

Recommendation: The City Council is requested to receive and file the FY 2021-22 Audited Financial Statements and Related Reports

Motion: Vice Mayor Gonzalez motioned to receive and file the FY 2021-22 Audited Financial Statements and Related Reports, seconded by Council Member Fuentes. Motion passed 5-0 by the following roll call vote:

AYES: Alcantar, Fuentes, C. Gonzalez, J. Gonzalez and Lomeli
NOES: None
ABSENT: None
ABSTAIN: None

C. Approval of Professional Services Agreement for Municipal Financial Advisory Services

Presented by the Finance Director

Recommendation: The City Council is requested to award a Professional Services Agreement (PSA) to NHA Advisors, LLC to conduct as needed Municipal Financial Advisory Services not to exceed \$85,000.

Motion: Council Member Alcantar motioned to award a Professional Services Agreement (PSA) to NHA Advisors, LLC to conduct as needed Municipal Financial Advisory Services not to exceed \$85,000, seconded by Vice Mayor Gonzalez. Motion passed 5-0 by the following roll call vote:

AYES: Alcantar, Fuentes, C. Gonzalez, J. Gonzalez and Lomeli
NOES: None
ABSENT: None
ABSTAIN: None

D. Approval of Professional Services Agreement and Proposed Resolution for City Council Chambers Procurement and Installation Services for Audio/Visual Systems

Presented by the Finance Director

Recommendation: City Council is requested to: 1. Award a Professional Services Agreement (PSA) to Sunset Audio Visual to conduct Procurement and Installation Services for City Council Chambers Audio/Visual Systems for \$66,774.15; and 2. Adopt Resolution No. 23-03, appropriating seventy-five thousand dollars (\$75,000.00) to fund the City Council Chamber Audio Visual Upgrades Project.

Motion: Vice Mayor Gonzalez motioned to award a Professional Services Agreement (PSA) to Sunset Audio Visual to conduct Procurement and Installation Services for City Council Chambers Audio/Visual Systems for \$66,774.15; and adopt Resolution No. 23-03, appropriating seventy-five thousand dollars (\$75,000.00) to fund the City Council Chamber Audio Visual Upgrades Project, seconded by Council Member Gonzalez. Motion passed 5-0 by the following roll call vote:

AYES: Alcantar, Fuentes, C. Gonzalez, J. Gonzalez and Lomeli
NOES: None
ABSENT: None
ABSTAIN: None

E. Annual Council Member Appointments to Serve on Various Committees

Presented by the City Clerk

Recommendation: The City Council is requested to consider appointing a delegate and an alternate member to the various committees.

Motion: Vice Mayor Gonzalez motioned to appoint the following delegates and alternates to each respective committee:

Economic Development Ad Hoc Committee
Council Member Alcantar and Vice Mayor J. Gonzalez

Public Safety Committee
Council Member Alcantar and Council Member C. Gonzalez

Commissions Ad Hoc Committee
Council Member Fuentes and Mayor Lomeli

Education Ad Hoc Committee
Council Member C. Gonzalez and Mayor Lomeli

Public Utilities Ad Hoc Committee
Vice Mayor J. Gonzalez and Mayor Lomeli

Ad Hoc Rent Control Committee
Mayor Alcantar, Vice Mayor Gonzalez, Landlord, Susie De Santiago, Resident, Irma Lopez and Tevina Quintana

California Contract Cities Association (CCCA)
Delegate: Gonzalez, J. Alternate: Fuentes

Gateway Cities Council of Governments Board of Directors
Delegate: Alcantar Alternate: Lomeli

Gateway Cities Council of Governments I-170 EIS/EIR Project Committee
Delegate: Alcantar Alternate: Lomeli

Hub Cities Consortium
Delegate: Alcantar Alternate: Lomeli

League of California Cities
Delegate: Fuentes Alternate: Lomeli

- A. Closed Session Pursuant to Government Code Section 54957 – Public Employee Performance Evaluation
Title of Employee: City Manager
Closed Session Pursuant to Government Code Section 54957.6 – Conference with Labor Negotiator
City’s Designated Representative: Stephanie Arechiga, City Attorney
Unrepresented Employee: City Manager

8. CLOSED SESSION ANNOUNCEMENT

At 11:33 p.m., City Attorney, Stephanie Arechiga reconvened to open session, announced that all members of the Council were present, direction was received on Item 7A, and no further action was taken.

18. ADJOURNMENT

Council Member C. Gonzalez motioned to adjourn the City Council / Agency meeting at 11:35 p.m., seconded by Council Member Alcantar. Motion passed 4-0-1 by the following roll call vote:

AYES: Alcantar, Fuentes, C. Gonzalez, and Lomelí
NOES: None
ABSENT: J. Gonzalez
ABSTAIN: None

Daisy Lomelí
Mayor

ATTEST:

Richard Iglesias
City Clerk