

**REGULAR MEETING OF THE CITY COUNCIL, HOUSING AUTHORITY, AND
SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY – 5:45 P.M.**

April 5, 2016

CALL TO ORDER

The Closed Session meeting was called to order by the Mayor at 5:14 p.m. in the Council Chambers at Costa Mesa City Hall, 77 Fair Drive, Costa Mesa, California.

ROLL CALL

Council Members Present: Mayor Mensinger, Mayor Pro Tem Righeimer, and Council Member Monahan
Council Members Absent: Council Member Foley and Council Member Genis

PUBLIC COMMENTS ON CLOSED SESSION ITEMS – NONE

CLOSED SESSION

The City Council recessed into Closed Session at 5:16 p.m. to consider the following items:

1. Conference with legal counsel regarding anticipated litigation, significant exposure to litigation pursuant to California Government Code Section 54956.9(d)(2) for 1 potential case – Correspondence received regarding Voting Rights Act.
2. Conference with legal counsel regarding existing litigation: Timothy Dadey, et al. v. City of Costa Mesa, Superior Court of California, County of Orange, Case No. 30-2014-00757962-CU-CR-CJC, pursuant to California Government Code Section 54956.9(d)(2).
3. Conference with legal counsel regarding existing litigation: Solid Landings Behavioral Health, Inc.; and Sure Haven, Inc. in its own name and dba Rock Solid Recovery; FPS, LLC: Stephen Fennelly; and Elizabeth Perry v. City of Costa Mesa, District Court for the Central District of California, Case No. 8:14-cv-01838-JVS-JCG, pursuant to California Government Code Section 54956.9(d)(2).
4. Conference with legal counsel regarding existing litigation: Solid Landings Behavioral Health, Inc.; and Sure Haven, Inc. and Rock Solid Recovery v. City of Costa Mesa, Orange County Superior Court, Case No. 30-2015-00815218-CU-WM-CJC, pursuant to California Government Code Section 54956.9(d)(2).

5. Conference with legal counsel regarding existing litigation: Yellowstone Women's First Step House, Inc., and Sober Living Network, Inc., v. City of Costa Mesa, District Court for the Central District of California, Case No. 8:14-cv-01852, pursuant to California Government Code Section 54956.9(d)(2).
6. Conference with legal counsel regarding anticipated litigation, significant exposure to litigation pursuant to California Government Code Section 54956.9(d)(2) for 1 potential case.

The City Council reconvened at 5:45 p.m.

CALL TO ORDER (00:00:17)

The meeting was called to order by the Mayor at 5:45 p.m. in the Council Chambers at Costa Mesa City Hall, 77 Fair Drive, Costa Mesa, California.

PLEDGE OF ALLEGIANCE (00:00:37) – Mayor Mensinger

MOMENT OF SOLEMN EXPRESSION (00:00:59)

Pastor Jon Mestas, Newport Mesa Church, Costa Mesa

ROLL CALL (00:00:22)

Present: Council Member Monahan, Mayor Pro Tem Righeimer and Mayor Mensinger

Absent: Council Member Foley, Council Member Genis

Officials Present: Chief Executive Officer Tom Hatch, City Attorney Thomas Duarte, Assistant Chief Executive Officer Rick Francis, Assistant Chief Executive Tamara Letourneau, Economic and Development Services Director Gary Armstrong, Public Services Director Ernesto Muñoz, and City Clerk Brenda Green.

CITY ATTORNEY CLOSED SESSION REPORT (00:02:44)

- COIN: Ex Parte Communications pursuant to Municipal Code Section 2-238 (b) - NONE
- Solid Landings litigation update - Deputy City Attorney Tarquin Preziosi announced the tentative settlement agreement between the City and Solid Landings Behavioral Health, Inc.

Mayor Pro Tem Righeimer spoke on the tentative settlement agreement.

ANNOUNCEMENTS (00:08:22)

"Costa Mesa Minute" was played featuring upcoming events and activities in the community.

PRESENTATIONS (00:10:48)

1. Mayor's Award – Tesla
Peter Najera, Store Manager for the Costa Mesa showroom, accepted the Mayor's award. (00:10:50)
2. Proclamation – April as Community College month and April 21st as Coast Community College District Day in the City (00:19:06)
3. Proclamation – April as Donate Life Month (00:24:48)

PUBLIC COMMENTS (00:28:37)

Donald Dumain, Costa Mesa, spoke on a permit parking request on Cleveland Avenue. (00:29:48)

Dan Goldmann, Costa Mesa, spoke on adding more picnic areas at TeWinkle Park. (00:31:06)

Ted Butch, Costa Mesa, spoke on a permit parking request on Cleveland Avenue. (00:33:18)

Flo Martin, Costa Mesa, expressed concern regarding new developments and the water supply. (00:34:10)

Eric Wisener, Costa Mesa, spoke on a permit parking request on Cleveland Avenue. (00:37:04)

Eric Beach, Costa Mesa, spoke on accepting new flag football leagues for Fall 2016. (00:38:00)

Tom Pollitt, Costa Mesa, spoke on police officer salaries and raises. (00:39:29)

Gene Hutchins, Costa Mesa, spoke on police officer raises. (00:42:44)

Beth Refakes, Costa Mesa, spoke on the Military Affairs Team Easter Egg Hunt. (00:45:40)

Greg Tunnell, Costa Mesa, spoke on unity and public safety. (00:48:11)

John Hawley, Costa Mesa, spoke on the General Plan Draft relating to Industrial Development on the West Side. (00:51:19)

Derek Davis, Costa Mesa, thanked the City Council for the improvements on Harbor Boulevard; spoke on problems by Nady's liquor store on Date Street. (00:53:13)

Chuck Perry, Costa Mesa, thanked the City Council for improvements in the City; spoke in opposition to the Community Center development. (00:57:18)

Jim Kerins, Costa Mesa, spoke in support of City Council decisions. (00:59:26)

Speaker, spoke on the SR55 agreement and traffic problems. (01:03:01)

Robin Leffler, Costa Mesa, spoke in opposition to the Community Center development; and a police situation at her home. (01:07:09)

Tamar Goldmann, Costa Mesa, spoke on density, police officer salaries, and water supply. (01:09:57)

Cynthia McDonald, Costa Mesa, spoke on the General Plan update and public input. (01:13:14)

COUNCIL MEMBER' REPORTS, COMMENTS, AND SUGGESTIONS (01:16:00)

Mayor Mensinger praised the police department; and thanked Mr. Munoz for his hard work; announced the Meet the Mayor has been cancelled for April. (01:16:04)

Council Member Monahan spoke on April as Autism Awareness Month. (01:18:53)

Mayor Pro Tem Righeimer spoke on City Council long term decisions to address problems; and spoke on employee contract negotiations. (01:19:45)

REPORT – CHIEF EXECUTIVE OFFICER (CEO) - NONE

CONSENT CALENDAR (01:27:51)

MOTION: Approve recommended actions for Consent Calendar Item Nos. 1 through 10 except for 5.

MOVED/SECOND: Council Member Monahan/Mayor Pro Tem Righeimer

The motion carried by the following roll call vote:

Ayes: Council Member Monahan, Mayor Pro Tem Righeimer and Mayor Mensinger

Nays: None

Absent: Council Member Foley and Council Member Genis

Motions carried: 3-0-2

1. READING FOLDER

- a. Claims received by the City Clerk: Sandy Do; State Farm, as subrogee for Tim Do; Arturo Hernandez; Julie Kaplan; Thomas H. Treaccar; and Scott Waterman.

ACTION:

City Council received and filed.

2. WARRANT RESOLUTION NO. 2554 OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, ALLOWING CERTAIN CLAIMS AND DEMANDS, INCLUDING PAYROLL REGISTER NOS. 16-05 "A" FOR \$323.32; 16-06 FOR \$2,135,370.67; AND 16-07 FOR \$2,094,866.76; AND CITY OPERATING EXPENSES FOR \$2,761,228.51; AND SPECIFYING THE FUNDS OUT OF WHICH THE SAME ARE TO BE PAID

ACTION:

City Council approved Warrant Resolution No. 2554.

3. MINUTES OF THE REGULAR CITY COUNCIL, HOUSING AUTHORITY, AND SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY

ACTION:

City Council approved the minutes of March 15, 2016.

4. EXTEND ONE YEAR CONTRACT FOR ANNUAL INDEPENDENT FINANCIAL AUDIT SERVICES

ACTION:

1. City Council extended one (1) year term of the Professional Services Agreement (PSA) with White Nelson Diehl Evans, LLP, for annual independent financial audit services, for fiscal year 2016, and to provide a three percent (3%) increase in Consultant's compensation in the amount of \$67,370; and
2. City Council authorized the Chief Executive Officer to execute the Second Amendment to the Professional Services Agreement with White Nelson Diehl Evans, LLP.

6. SUNFLOWER AVENUE AT ANTON BOULEVARD TRAFFIC SIGNAL MODIFICATION PROJECT, FEDERAL PROJECT NO. HSIPL-5312 (085), CITY PROJECT NO. 13-13

ACTION:

1. City Council accepted work performed by PTM General Engineering Services, Inc., and authorize the City Clerk to file the Notice of Completion; and
2. City Council authorized the release of the Labor and Materials Bond seven (7) months after the filing date; release of the Faithful Performance Bond six (6) months after the filing date; and release of the retention monies 35 days after the Notice of Completion filing date.

7. STREET STRIPING & THERMOPLASTIC MARKINGS

ACTION:

1. City Council approved and authorized the Chief Executive Officer to execute a three (3) year contract for the performance of street striping and installation of thermoplastic roadway markings to Superior Pavement Markings, Inc., 5312 Cypress St., Cypress, CA 90630, per formal bid item #16-29, in an amount not to exceed \$150,000 annually. Based upon a competitive bidding process and analysis provided by the Public Services Department; and
2. City Council authorized the Chief Executive Officer to execute the Professional Services Agreement for the contract; and
3. City Council authorized Chief Executive Officer to renew the contract for two (2) additional one (1) year terms, upon mutual agreement of both parties.

8. EMERGENCY PURCHASE FOR PROFESSIONAL ENGINEERING SERVICES TO PROVIDE AS NEEDED STAFF SUPPORT FOR VARIOUS CAPITAL IMPROVEMENT PROGRAM PROJECTS

ACTION:

City Council received and filed.

9. CITY'S PHONE SYSTEM WHOLESALE SERVICE AGREEMENT

ACTION:

City Council approved and authorized the Chief Executive Officer to execute the Avaya wholesale service agreement and wholesale service renewal options for a three year contract with Carousel Industries for the maintenance and support of the City's Avaya phone system, in an amount not to exceed \$49,177.50 annually with a one-time re-initiation fee of \$19,809.36, with the option to renew for two additional one year terms, upon mutual agreement of both parties.

10. A RESOLUTION OF THE COSTA MESA CITY COUNCIL AUTHORIZING THE CHIEF EXECUTIVE OFFICER OR HIS DESIGNEE TO EXECUTE A SUB-RECIPIENT AGREEMENT WITH THE CITY OF SANTA ANA TO RECEIVE A GRANT UNDER THE FY 2015 URBAN AREAS SECURITY INITIATIVE (UASI)

ACTION:

1. City Council adopted Resolution 16-15 which authorizes the Chief Executive Officer or his designee to execute the attached Sub-Recipient Agreement with the City of Santa Ana to receive a grant under the FY 2015 Urban Areas Security Initiative (UASI) Grant Program; and
2. City Council authorized the Police Department to accept FY 2015 UASI reimbursement funds allocated to the City of Costa Mesa in an amount not to exceed \$13,637. This amount will reimburse fire and approved city personnel who assist with the instruction and delivery of approved UASI courses; and
3. City Council approved Budget Adjustment No. 16-012 in the amount of \$13,637 to increase revenue and appropriate the grant funds to the Police Department's operating budget.

----- **END OF CONSENT CALENDAR** -----

New Business Item # 4 was considered next. (01:29:20)

4. FEASIBILITY STUDY FOR LIGHTING AND SYNTHETIC TURF AT MULTIPLE LOCATIONS

Staff presentation by Dan Baker, Public Affairs Manager. (01:29:20)

Council Member Monahan spoke on the feasibility study and supports Kaiser Elementary to be considered first. (01:31:16)

Mayor Pro Tem Rigeheimer spoke on the 55 letters received in support of the feasibility study. (01:33:51)

Public Comments:

Brett Woods, Costa Mesa, spoke in support of the feasibility study. (01:35:58)

Yumi Patterson, Costa Mesa, spoke in support of the feasibility study. (01:38:18)

Sean Patterson, Costa Mesa, spoke in support of the feasibility study. (01:38:50)

MOVED/SECOND: Council Member Monahan/Mayor Pro Tem Righeimer

The motion carried by the following roll call vote:

Ayes: Council Member Monahan, Mayor Pro Tem Righeimer and Mayor Mensinger

Nays: None

Absent: Council Member Foley and Council Member Genis

Motions carried: 3-0-2

ACTION:

1. City Council reviewed the report and provided authorization for a letter and a check for \$45,000.00 (three projects x's \$15,000.00) to be sent to the Newport-Mesa Unified School District initiating a feasibility study for sport field lighting and synthetic turf installation at Kaiser Elementary, Davis Middle School and Parsons School; and
2. City Council provided direction on the implementation of an outreach program to begin immediately for the surrounding neighborhoods at each proposed location.

The City Council resumed the meeting in order with Public Hearings.

PUBLIC HEARINGS – 7:00 p.m. (Resolution No. 05-55): (01:39:39)

1. **AMENDMENTS TO THE SOBECA AND WESTSIDE URBAN PLANS: SP-05-06 A1: SOBECA URBAN PLAN; SP-05-07 A1: 19 WEST URBAN PLAN; SP-05-08 A2: MESA WEST URBAN PLAN; SP-05-09 A1: MESA WEST RESIDENTIAL OWNERSHIP URBAN PLAN**

Staff report by Claire Flynn, Assistant Community Development Director, including a Power Point presentation. (01:40:20)

Architect, Robert Lawrence, with Landworks, reviewed the three new designs. (01:47:44)

Ms. Flynn spoke on traffic noise along major traffic corridors with residential developments; conversion of existing industrial property and clarified five units or more requires undergrounding utilities. (01:49:43)

Public Comments:

John Hawley, Costa Mesa, inquired on the development of new industrial property; supports the new designs; spoke on park fees and the need for a park on the westside; and spoke on the Sobeca Plan (01:55:36)

Robin Leffler, Costa Mesa, spoke on park fees and more parks; supports a moratorium on development and spoke on the Sobeca Plan and the variety of design styles. (01:58:44)

Wendy Leece, Costa Mesa, supports the guidelines for Air B&B listed on page 3; expressed concern with increase in parking and traffic; and concern with roof top decks. (02:01:05)

Jim Kerins, Costa Mesa, spoke in support of a good, contemporary design. (02:04:11)

Public Comments Closed

Council Member Monahan spoke on Costa Mesa's stringent parking requirements for new units; and the new developments not causing the traffic problems. (02:06:40)

Mayor Mensinger spoke on older apartment projects that were built without adequate parking (02:08:06)

Mayor Pro Tem Righeimer clarified less than an acre standards; open space and density; setbacks; problems with moratoriums and market conditions; and improvements on Westside. (02:09:42)

MOVED/SECOND: Council Member Monahan/Mayor Pro Tem Righeimer

The motion carried by the following roll call vote:

Ayes: Council Member Monahan, Mayor Pro Tem Righeimer and Mayor Mensinger

Nays: None

Absent: Council Member Foley and Council Member Genis

Motions carried: 3-0-2

ACTION:

City Council conducted the Public Hearing and approved the proposed Urban Plan Amendments by adoption of Resolution 16-14.

OLD BUSINESS (02:15:18)

1. LEASE AGREEMENT WITH THE BOYS AND GIRLS CLUB OF THE HARBOR AREA, INC.

Staff presentation by Rick Francis, Assistant CEO. (02:15:50)

Public Comment:

Chuck Perry, Costa Mesa, spoke on the 50 year lease as too long. (02:21:04)

MOVED/SECOND: Council Member Monahan/Mayor Pro Tem Righeimer

The motion carried by the following roll call vote:

Ayes: Council Member Monahan, Mayor Pro Tem Righeimer and Mayor Mensinger

Nays: None

Absent: Council Member Foley and Council Member Genis

Motions carried: 3-0-2

ACTION:

1. City Council approved the Lease Agreement with the Boys and Girls Club of the Harbor Area, Inc.; and

2. City Council authorized the Mayor and City Clerk to sign the Lease Agreement.

2. REVIEW OF AGENCY REPORT ON INITIATIVE PETITION QUALIFYING FOR BALLOT; CONSIDERATION OF ADOPTING A NEW ORDINANCE; SUBMISSION OF AN INITIATIVE TO THE NOVEMBER 8, 2016 BALLOT (02:25:51)

Public Comments:

Susan Shaw, Costa Mesa, spoke in support of the Ordinance. (02:29:18)

Cynthia McDonald, Costa Mesa, requested definition of blight; and spoke on other cities' initiatives. (02:31:48)

Tamar Goldmann, Costa Mesa, spoke in opposition to an alternative measure; and spoke on Council Member participation in a ballot measure. (02:33:25)

Robin Leffler, Costa Mesa, spoke on voters wanting the initiative. (02:35:54)

Terry Koken, Costa Mesa, spoke on the issue. (02:38:55)

Jay Humphrey, Costa Mesa, spoke on the voters deciding on the initiative. (02:39:53)

Jim Kearns, Costa Mesa, spoke on supporting the Council Members decisions and supports an alternative measure. (02:41:12)

Wendy Leece, Costa Mesa, spoke in opposition to an alternative measure. (02:43:55)

Public Comments Closed

Mayor Pro Tem Righeimer spoke on elements in the proposed measure and section (k) as confusing. (02:45:50)

Discussion ensued on the effective date of the proposed initiative. (02:51:45)

Kathe Head, Managing Principal with Keyser Marston, clarified comparisons of the initiative with Newport Beach. (02:57:04)

Mayor Mensinger commented on Affordable Housing. (03:30:15)

Mayor Pro Tem Righeimer spoke on an alternative initiative; commercial properties and park fees for development; incorporate bike paths; and reasonable triggers. (03:35:16)

Mayor Mensinger spoke on limiting density and residential development on the North side of the 405 freeway and West of Fairview. (03:38:11)

MOVED/SECOND: Mayor Pro Tem Righeimer/Council Member Monahan

The motion carried by the following roll call vote:

Ayes: Council Member Monahan, Mayor Pro Tem Righeimer and Mayor Mensinger

Nays: None

Absent: Council Member Foley and Council Member Genis

Motions carried: 3-0-2

ACTION:

City Council approved Staff's recommendation to:

1. Order placement of the measure on the November 8, 2016 consolidated municipal election. Resolutions calling for a consolidated municipal election, and submission of the measure to the ballot, to be adopted at the June 7, 2016 City Council meeting; and
2. Directed staff to prepare an alternative measure.

City Council recessed at 9:31 p.m.

City Council reconvened at 9:39 p.m.

NEW BUSINESS (03:47:52)

1. **CONSIDERATION AND DIRECTION BY CITY COUNCIL TO CEO AND CITY ATTORNEY TO INITIATE STEPS, AND UTILIZE PROFESSIONAL SERVICES, TO PLACE A LOCAL BOND MEASURE ON THE NOVEMBER 8, 2016 GENERAL ELECTION BALLOT TO AUTHORIZE THE LEVY OF A TAX AND ISSUANCE OF APPROXIMATELY \$20 MILLION OF GENERAL OBLIGATION BONDS FOR AFFORDABLE HOUSING (03:47:53)**

Report by Tom Duarte, City Attorney. (03:48:24)

Public Comments: -----

Tamar Goldmann, Costa Mesa, spoke in opposition to bonded debt. (03:50:06)

Eleanor Egan, Costa Mesa, spoke in opposition to bonded debt; and supports developers to set aside units for affordable housing. (03:53:00)

Jim Kerins, Costa Mesa, spoke in opposition to bonded debt. (03:55:32)

Beth Refakes, Costa Mesa, spoke in opposition to bonded debt and the need for a specific plan. (03:57:12)

Robin Leffler, Costa Mesa, spoke in opposition to bonded debt and increasing property taxes. (03:58:57)

Public Comments Closed

Mayor Mensinger spoke on the issue. (04:01:31)

Mayor Pro Tem Righeimer spoke on the issue. (04:04:33)

MOVED/SECOND: Mayor Pro Tem Righeimer/Council Member Monahan
The motion carried by the following roll call vote:

Ayes: Council Member Monahan, Mayor Pro Tem Righeimer and Mayor
Mensingher

Nays: None

Absent: Council Member Foley and Council Member Genis

Motions carried: 3-0-2

ACTION:

The City Council authorized the CEO and City Attorney: (a) to initiate the process to place on the November 8, 2016 general election ballot a local measure by which the electorate may vote to authorize the City to issue \$20 Million (approx.) in General Obligation Bonds for affordable housing purposes, and (b) to retain the professional consulting services of Fieldman, Rolapp & Associates ("Fieldman") to provide financial, tax, pre-election and election advisory services, at an estimated cost of \$23,000, and (c) to use the law firm Stradling Yocca Carlson & Rauth, P.C. ("Stradling") for public finance, bond counsel and other special counsel legal services under the existing legal services agreement with Costa Mesa, at an estimated cost of \$40,000.

2. CONSIDERATION OF CITY INITIATIVE PETITION(S) REGARDING MEDICAL MARIJUANA DISPENSARIES

The item was not heard and rescheduled to a future meeting.

3. GENERAL PLAN SCREENING FOR PROPOSED 150-ROOM HOTEL EXPANSION AT 3350 AVENUE OF THE ARTS FOR THE AVENUE OF THE ARTS HOTEL (FORMERLY WYNDHAM HOTEL) (04:13:32)

Staff presentation by Minoo Ashabi, Senior Planner. (04:13:49)

Council Members Ex-Parte Communications:

Mayor Mensinger and Mayor Pro Tem Righeimer met with the applicant, Paul Sanford. (04:21:12)

Report by General Manager Paul Sanford on the project. (04:21:19)

MOVED/SECOND: Council Member Monahan/Mayor Pro Tem Righeimer
The motion carried by the following roll call vote:
Ayes: Council Member Monahan, Mayor Pro Tem Righeimer and Mayor
Mensingher
Nays: None
Absent: Council Member Foley and Council Member Genis
Motions carried: 3-0-2

ACTION:

City Council accepted the General Plan screening request for processing a proposed 15-story, 150-room high-rise hotel to serve as an expansion of the Avenue of the Arts hotel (238 rooms existing, 388 rooms proposed).

ITEMS REMOVED FROM THE CONSENT CALENDAR (04:27:25)

5. PLACENTIA AVENUE AT 20TH STREET ILLUMINATED CROSSWALK PROJECT, STATE PROJECT NO. SR2SL-5312 (088), PROJECT NO. 13-20 –

Public Comment:

Robin Leffler, Costa Mesa, spoke on the problems with crosswalks being slippery when wet and requested for contractor to use a different type of concrete.
(04:27:43)

MOVED/SECOND: Council Member Monahan/Mayor Pro Tem Righeimer
The motion carried by the following roll call vote:
Ayes: Council Member Monahan, Mayor Pro Tem Righeimer and Mayor
Mensingher
Nays: None
Absent: Council Member Foley and Council Member Genis
Motions carried: 3-0-2

ACTION:

1. City Council accepted work performed by PTM General Engineering Services, Inc., and authorize the City Clerk to file the Notice of Completion; and
2. City Council authorized the release of the Labor and Materials Bond seven (7) months after the filing date; release of the Faithful Performance Bond six (6) months after the filing date; and release of the retention monies 35 days after the Notice of Completion filing date.

REPORT – CITY ATTORNEY – NONE (04:30:09)

ADJOURNMENT - The Mayor adjourned the meeting at 10:21 p.m.

Minutes adopted on this 19th day of April, 2016.



Stephen M. Mensinger, Mayor

ATTEST:



Brenda Green, City Clerk