

**REGULAR MEETING OF THE CITY COUNCIL, HOUSING AUTHORITY,
AND SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY**

TUESDAY, JUNE 6, 2017

CALL TO ORDER

The Closed Session meeting was called to order by the Mayor at 4:05 p.m. in the Council Chambers at Costa Mesa City Hall, 77 Fair Drive, Costa Mesa, California.

ROLL CALL

Present: Council Member Mansoor, Council Member Righeimer, Council Member Stephens, Mayor Pro Tem Genis, and Mayor Foley.

Absent: None

PUBLIC COMMENTS ON CLOSED SESSION ITEMS - NONE

The City Council recessed to Conference Room 5A at 4:10 p.m. for Closed Session to consider the following items:

1. CONFERENCE WITH LABOR NEGOTIATORS

Pursuant to Subdivision (a) of Section 54957.6, California Government Code
Agency Designated Representative: Tamara Letourneau, Assistant City Manager
Name of Employee Organization: Costa Mesa Firefighters Association (CMFA).

2. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

Pursuant to Subdivision (d)(1) of Section 54956.9, California Government Code
Name of Case: Timothy Dadey, et al v. City of Costa Mesa, Orange County
Superior Court of California, Case No. 30-2014-00757962-CU-CR-CJC.

3. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

Pursuant to Subdivision (d)(1) of Section 54956.9, California Government Code
Name of Case: The Kennedy Commission, et al v. City of Costa Mesa, Orange
County Superior Court of California, Case No. 30-2016-00832585-CU-WM-CJC.

4. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

Pursuant to Subdivision (d)(1) of Section 54956.9, California Government Code
Name of Case: Ming Cheng Chen; Hsiang Chu Shih Chen v. City of Costa Mesa,
United States District Court, Central District of California, Case No. 8:16-cv-
01624-JCG.

5. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

Pursuant to Subdivision (d)(1) of Section 54956.9, California Government Code
Name of Case: City of Costa Mesa, et al, v. New Harbor Inn, an unincorporated entity, et al., Orange County Superior Court of California, Case No. 30-2016-00848149-CU-OR-CJC.

6. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION, SIGNIFICANT EXPOSURE TO LITIGATION

Pursuant to Subdivision (d)(2) of Section 54956.9, California Government Code for 1 potential case.

The City Council reconvened at 6:11 p.m.

CALL TO ORDER (00:00:44)

The meeting was called to order by the Mayor at 6:11 p.m. in the Council Chambers at Costa Mesa City Hall, 77 Fair Drive, Costa Mesa, California.

PLEDGE OF ALLEGIANCE (00:01:14) Mayor Pro Tem Genis

MOMENT OF SOLEMN EXPRESSION (00:01:43)

Rev. Moushegh Tashjian, St. Mary Armenian Church

ROLL CALL (00:06:30)

Present: Council Member Mansoor, Council Member Righeimer, Council Member Stephens, Mayor Pro Tem Genis, and Mayor Foley.

Absent: None

Officials Present: City Attorney Thomas Duarte, Assistant City Manager Richard Francis, Assistant City Manager Tamara Letourneau, Development Services Department Consultant Jay Trevino, Public Services Director Raja Sethuraman, and City Clerk Brenda Green.

CITY ATTORNEY CLOSED SESSION REPORT (00:06:42) – NONE

COIN: Ex Parte Communications pursuant to Municipal Code Section 2-238 (b) - NONE

ANNOUNCEMENTS (00:06:57)

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

PRESENTATIONS (00:09:06)

City Manager's Leadership Award for May 2017- Jeffrey Pierce, Maintenance Supervisor was recognized by the City Council for receiving the City Manager's Leadership Award.

PUBLIC COMMENTS – MATTER NOT LISTED ON THE AGENDA (00:13:46)

Speaker, provided suggestions for the Harbor Median project. (00:14:01)

Jay Humphrey, Costa Mesa, commended the Public Services Department for sidewalk repairs; and spoke on density at 125 E. Baker project. (00:17:04)

Terry Koken, Costa Mesa, representing the Fairview Park Preservation Alliance, commended Park Ranger Matthew Anderson; and spoke on the budget allocations for Fairview Park. (00:19:51)

Charlene Ashendorf, Vice-Chair of Cultural Arts Committee, invited the public to the Art on the Fifth, to be held on June 20, 2017, City Hall, 5th Floor from 5-6 p.m. (00:22:26)

Dorothy McNiff, Costa Mesa, spoke on parking issues on Tustin Avenue and the need for street sweeping. (00:24:48)

Jose Ayala, Costa Mesa, spoke on crime prevention and praised the Police Department for their efforts in catching a robber . (00:26:34)

Beth Refakes, Costa Mesa, provided suggestions for the Harbor Median project; requested signal preemption; thanked Mayor Pro Tem Genis for attending the Fairgrounds meeting regarding the Master Plan; and thanked Mr. Pierce for fixing the potholes along the access road from West 18th Street to Superior. (00:30:14)

Speaker, spoke on alcohol sales at the OC Fair. (00:33:18)

Speaker, praised Assistant City Manager Richard Francis and City employees; and reflected on D-Day. (00:35:34)

Speaker, spoke on revisiting the Small Lot and Sober Living Ordinances. (00:38:12)

Speaker, spoke on community involvement; and requested a moratorium on the Small Lot Ordinance. (00:40:43)

Margaret Sharp, Costa Mesa, spoke on high density development; high rents; and affordable housing. (00:43:40)

Speaker, spoke on the Nextdoor application, tracing crime, and police activity log. (00:45:07)

**COUNCIL MEMBER COMMITTEE REPORTS, COMMENTS, AND SUGGESTIONS
(00:48:14)**

Mayor Pro Tem Genis thanked the Lions Club for the Fish Fry; reported on attending the OC Fairgrounds meeting; spoke on the budget allocations for Fairview Park; the Harbor Boulevard Medians project and emergency response vehicles; requested a moratorium on Small Lot Ordinance applications; thanked Mr. Francis for his service; and requested to adjourn in memory of Bob Dugan. (00:48:17)

Council Member Stephens thanked the Lions Club for the Fish Fry; invited the public to the St. John the Baptist Festival on June 10th and 11th; Fourth of July celebration; and thanked Mr. Francis for his service. (00:52:40)

Council Member Righeimer spoke on the Harbor Medians project; thanked the Lions Club for the Fish Fry; and praised Mr. Francis for his service. (00:59:34)

Council Member Mansoor thanked Mr. Francis for his service. (00:59:34)

Mayor Foley thanked Mr. Francis for his service; requested a report on crime reporting; spoke on crime prevention; thanked the Lions Club for the Fish Fry; spoke on working on problems in the community; and Fairview Park budget. (00:59:54)

CONSENT CALENDAR (01:03:44)

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

MOTION: Approve recommended actions for Consent Calendar item nos. 1 through 14 except for **2, 7, 8, and 9.**

The motion carried by the following roll call vote:

Ayes: Council Member Mansoor, Council Member Righeimer, Council Member Stephens, Mayor Pro Tem Genis, and Mayor Foley.

Nays: None

Absent: None

Motion carried: 5-0

1. **READING FOLDER** - Claims received by the City Clerk: Marilia Carvalho Rosa.

ACTION:

City Council received and filed.

3. **MINUTES OF THE SPECIAL CITY COUNCIL, HOUSING AUTHORITY, AND SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY MEETING OF MARCH 14, 2017 AND REGULAR MEETING OF MAY 16, 2017**

ACTION:

City Council approved the minutes of March 14, 2017 and May 16, 2017.

4. ACCEPT \$25,000 GRANT FUNDING FROM THE NATIONAL RECREATION AND PARK ASSOCIATION FOR THE HEALTHY OUT-OF-SCHOOL TIME PROGRAM

ACTION:

City Council accepted the \$25,000 grant funding offer from the National Recreation and Park Association (NRPA) for the Healthy Out-of-School Time program.

5. ADOPTION OF THE FY 2016-2017 STATEMENT OF INVESTMENT POLICY

ACTION:

City Council adopted Resolution No. 17-38, approving the Statement of Investment Policy for Fiscal Year 2016-2017 and delegating investment activities to the City Treasurer.

6. HOUSING AUTHORITY ANNUAL BUDGET FOR FY17-18

ACTION:

1. City Council approved the Housing Authority Budget for Housing and Community Development (HCD) expenses for FY17-18 by adoption of joint Resolution No. 17-39; and
2. Housing Authority approved the Housing Authority Budget for Housing and Community Development (HCD) expenses for FY17-18 by adoption of joint Resolution No. 17-39.

10. SENIOR TRANSPORTATION PROGRAM AMENDMENT NUMBER SIX TO PROFESSIONAL SERVICES AGREEMENT WITH KEOLIS TRANSIT SERVICES, LLC (F.K.A WESTERN TRANSIT, INC.)

ACTION:

City Council approved the Professional Services Agreement (PSA) Amendment Number Six between the City of Costa Mesa and Keolis Transit Services, LLC (F.K.A. Western Transit, Inc.) to increase total funding in the amount of \$50,000 to continue to provide senior transportation services through to the end of the current agreement term, June 30, 2017 and authorized the City Manager to sign on behalf of the City.

11. RELEASE OF BONDS IN CONNECTION WITH ENCROACHMENT PERMIT NO. PS13-00226 FOR TRACT 17639 LOCATED AT 635 W. 17th STREET, COSTA MESA, CALIFORNIA

ACTION:

City Council authorized release of the Performance and Labor and Material Bonds (Certificate No. 24056764) in the amounts of \$245,179.00 each for street improvements and (Certificate No. 24056763) for setting corner survey monuments in the amount of \$3,648.00 to Taylor Morrison of California, LLC (Developer), 100 Spectrum Center Drive, Suite 1450, Irvine, CA 92618.

12. RELEASE OF BONDS IN CONNECTION WITH ENCROACHMENT PERMIT NO. PS15-00087 FOR TRACT 17708 LOCATED AT 2075 PLACENTIA AVENUE, COSTA MESA, CALIFORNIA

ACTION:

City Council authorized release of the Performance and Labor and Material Bonds (Certificate No. 802520S) in the amounts of \$37,512.00 each for street improvements, and (Certificate No. 802521S) for setting corner survey monuments in the amount of \$1,500.00 to Richmond American Homes of Maryland, Inc. (Developer), 5171 California Avenue, Suite 120, Irvine, CA 92617.

13. A RESOLUTION OF THE COSTA MESA CITY COUNCIL AUTHORIZING THE CITY MANAGER OR HIS DESIGNEE TO EXECUTE A SUB-RECIPIENT AGREEMENT WITH THE CITY OF ANAHEIM TO RECEIVE A GRANT UNDER THE FY 2016 URBAN AREAS SECURITY INITIATIVE (UASI)

ACTION:

1. City Council adopted Resolution No. 17-40, which authorizes the City Manager or his designee to execute the attached Sub-Recipient Agreement with the City of Anaheim to receive a grant under the FY 2016 Urban Areas Security Initiative (UASI) Grant Program; and
2. Authorized the Police Department to accept FY 2016 UASI reimbursement funds allocated to the City of Costa Mesa in an amount not to exceed \$2,811. This amount will reimburse the Fire Department and approved City personnel who assist with the instruction and delivery of approved UASI courses; and
3. Approved Budget Adjustment No. 17-013 in the amount of \$2,811 to increase revenue and appropriate the grant funds to the Police Department's operating budget.

14. JUSTIFICATION FOR SOLE SOURCE REQUEST AND AWARD OF PROFESSIONAL SERVICES AGREEMENT TO A.P. TRITON, LLC FOR SPECIALIZED CONSULTING SERVICES

ACTION:

1. City Council approved and authorized the City Manager to execute and sign the Justification for Sole Source Request for A.P. Triton, LLC for the comprehensive administration and facilitation of the Request for Proposals (RFP) processes for both ambulance and billing services; and
2. Awarded a Professional Services Agreement for the comprehensive administration and facilitation of the Request for Proposals (RFP) processes for both ambulance and billing services to consultant A.P. Triton, LLC in an amount not to exceed \$100,000 for fiscal year 2017-2018.

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

ITEMS REMOVED FROM THE CONSENT CALENDAR:

2. **WARRANT RESOLUTION NO. 2578 OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, ALLOWING CERTAIN CLAIMS AND DEMANDS, INCLUDING PAYROLL REGISTER NOS. 17-08 "A" FOR \$4,799.23 AND 17-09 FOR \$2,253,507.29; AND CITY OPERATING EXPENSES FOR \$2,306,104.28; AND SPECIFYING THE FUNDS OUT OF WHICH THE SAME ARE TO BE PAID (01:04:29)**

Public Comments:

Speaker, spoke on legal fees pertaining to group homes; and Travel Costa Mesa monies. (01:04:59)

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

The motion carried by the following roll call vote:

Ayes: Council Member Mansoor, Council Member Righeimer, Council Member Stephens, Mayor Pro Tem Genis, and Mayor Foley.

Nays: None

Absent: None

Motion carried: 5-0

ACTION:

City Council approved Warrant Resolution No. 2578.

7. TRAFFIC MANAGEMENT SERVICES AGREEMENT WITH THE 32ND DISTRICT AGRICULTURAL ASSOCIATION FOR THE 2017 ORANGE COUNTY FAIR (01:07:37)

Mayor Foley spoke on charging full recovery of fees. (01:07:58)

Discussion ensued on rate methodology. (01:10:42)

Public Comments:

Speaker, spoke on Fairgrounds budget and requested full cost recovery of the services. (01:17:57)

Jay Humphrey, Costa Mesa, spoke on full cost recovery; and expressed traffic and noise concerns. (01:20:16)

Public Comments Closed.

Council Member Stephens requested staff for an analysis of tax revenue. (01:23:20)

Mayor Pro Tem Genis supports the motion with the provision that the contract will be re-examined in the next fiscal year. (01:24:56)

Mayor Foley spoke in support of the motion. (01:27:31)

MOVED/SECOND: Council Member Stephens/ Council Member Righeimer

MOTION: To approve the recommended actions with the provision that the contract will be re-examined in the next fiscal year.

The motion carried by the following roll call vote:

Ayes: Council Member Mansoor, Council Member Righeimer, Council Member Stephens, Mayor Pro Tem Genis, and Mayor Foley.

Nays: None

Absent: None

Motion carried: 5-0

ACTION:

City Council approved the 2017 contract for traffic management services between the Costa Mesa Police Department and the 32nd District Agricultural Association for the Orange County Fair with the provision that it will be re-examined in the next fiscal year and authorized the City Manager, or his designee, to sign the contract. The term of the agreement is June 1, 2017 through September 30, 2017 and the maximum amount shall not exceed \$375,000.

8. **TRAFFIC MANAGEMENT SERVICES AGREEMENT WITH THE 32ND DISTRICT AGRICULTURAL ASSOCIATION FOR ALL INTERIM EVENTS AT THE ORANGE COUNTY FAIR AND EVENT CENTER (01:07:49)**

MOVED/SECOND: Council Member Stephens/Council Member Righeimer

MOTION: To approve the recommended actions with the provision that the contract will be re-examined in the next fiscal year.

The motion carried by the following roll call vote:

Ayes: Council Member Mansoor, Council Member Righeimer, Council Member Stephens, Mayor Pro Tem Genis, and Mayor Foley.

Nays: None

Absent: None

Motion carried: 5-0

ACTION:

City Council approved the 2017 contract for traffic management services between the Costa Mesa Police Department and the 32nd District Agricultural Association for all designated interim events at the Orange County Fair and Exposition Center with the provision that it will be re-examined in the next fiscal year and authorized the City Manager, or his designee, to sign the contract. The term of the agreement is April 1, 2017, through March 31, 2018, and the maximum amount shall not exceed \$70,000.

9. **EARLY PREPAYMENT IN FULL OF THE CITY OF COSTA MESA REFUNDING CERTIFICATES OF PARTICIPATION (PUBLIC FACILITIES PROJECT) SERIES 2003 (01:28:46)**

Public Comments:

Jay Humphrey, Costa Mesa, spoke on information in the agenda report. (01:29:14)

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

The motion carried by the following roll call vote:

Ayes: Council Member Mansoor, Council Member Righeimer, Council Member Stephens, Mayor Pro Tem Genis, and Mayor Foley.

Nays: None

Absent: None

Motion carried: 5-0

ACTION:

City Council directed and authorized the City Manager, Interim Finance Director, legal counsel and financial advisor to cause the prepayment in full of the *City of Costa Mesa Refunding Certificates of Participation (Public Facilities Project) Series 2003* and take all steps necessary to complete the prepayment including issuance of warrants.

PUBLIC HEARINGS – 7:00 p.m. (Resolution No. 05-55) (01:33:24)

1. BUSINESS IMPROVEMENT AREA (BIA) REAUTHORIZATION AND RESOLUTION TO LEVY ANNUAL ASSESSMENT (01:33:28)

Dan Baker, Assistant to the City Manager, presented the Staff Report. (01:33:59)

No public comments on this item.

Discussion ensued on increasing the community-wide marketing and the promotion budget. (01:35:45)

Mayor Foley spoke on the request for an increase to \$200,000. (01:37:01)

MOVED/SECOND: Council Member Righeimer/Council Member Mansoor
MOTION: To approve the recommended actions and request the staff to put together a proposal for an increase to \$200,000.

The motion carried by the following roll call vote:

Ayes: Council Member Mansoor, Council Member Righeimer, Council Member Stephens, Mayor Pro Tem Genis, and Mayor Foley.

Nays: None

Absent: None

Motion carried: 5-0

ACTION:

1. City Council conducted the public hearing regarding the Business Improvement Area (BIA) reauthorization and levy of the annual assessment for the 2017-2018 fiscal year; and
2. Adopted Resolution No. 17-37, levying an annual assessment for Fiscal Year 2017-2018 for a business improvement area covering certain Costa Mesa hotels and motels; and
3. Gave second reading and adopted Ordinance No. 17-10, to be read by title only, and further reading waived, amending Ordinance No. 95-9, relating to the establishment of a business improvement area for Costa Mesa hotels and motels; and
4. Adopted the Fiscal Year 2017-2018 Community-Wide Marketing and Support Budget; and
5. Requested the staff to compile a proposal for an increase to \$200,000.

2. REVIEW OF PLANNING APPLICATION PA-16-67 AND TENTATIVE PARCEL MAP 2017-106 FOR A TWO-UNIT RESIDENTIAL SMALL LOT SUBDIVISION DEVELOPMENT AT 1933 CHURCH STREET (01:37:40)

Ryan Loomis, Associate Planner, presented the Staff Report. (01:38:03)

Public Hearing Opened:

Jay Paul, Costa Mesa, spoke on consistency within the neighborhood and expressed privacy concerns. (01:46:47)

Jay Humphrey, Costa Mesa, spoke on impacts to the neighborhood, parking issues and expressed high density concerns. (01:49:24)

Speaker, expressed concern regarding the Small Lot Ordinance, privacy concerns, and density impacts. (01:52:14)

Beth Refakes, Costa Mesa, spoke on the project and design guidelines changing the characteristics of the neighborhood. (01:54:57)

Speaker, spoke on the project and design guidelines changing the characteristics of the neighborhood; and spoke against the Small Lot Ordinance. (01:57:47)

Speaker, spoke against the aesthetic aspect of the project. (02:00:08)

Rich Russell, Costa Mesa, spoke on the project being in the R2 zone; and supports the project as it meets the zoning requirements. (02:02:41)

Speaker, spoke in support of the project. (02:05:11)

Speaker, expressed privacy, aesthetic, traffic, and parking concerns. (02:06:06)

Greg Tonkovich, Costa Mesa, lives next door to the project, supports the project as it will beautify the neighborhood. (02:08:37)

Donna Yellich, a property owner in Costa Mesa, spoke against the aesthetic aspect of the project. (02:10:04)

Ryan Oldham, applicant and architect of the project, spoke on the scope, aesthetics, and design of the project. (02:10:56)

Public Hearing Closed.

Discussion ensued on the aesthetics of neighboring projects, R2 zone designation, the Small Lot Ordinance, design standards, objectives of design guidelines, and findings regarding compatibility in scale and character. (02:14:05)

Council Member Righeimer spoke to supporting the project. (02:26:30)

Council Member Stephens spoke to supporting the motion; and meeting with Ted Lamare, the property owner. (02:32:55)

Mayor Pro Tem Genis spoke to supporting the motion. (02:35:02)

Mayor Foley spoke to supporting the motion. (02:38:13)

MOVED/SECOND: Council Member Righeimer/Council Member Mansoor

The motion carried by the following roll call vote:

Ayes: Council Member Mansoor, Council Member Righeimer, Council Member Stephens, Mayor Pro Tem Genis, and Mayor Foley.

Nays: None

Absent: None

Motion carried: 5-0

ACTION:

City Council upheld the Planning Commission's decision to approve Design Review PA-16-67 and Tentative Parcel Map 2017-106 by adoption of Resolution No.17-41.

OLD BUSINESS: NONE

NEW BUSINESS: NONE

ADDITIONAL COUNCIL MEMBER COMMITTEE REPORTS, COMMENTS, AND SUGGESTIONS (02:40:53) - NONE

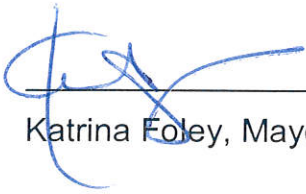
REPORT - CITY MANAGER (02:41:00)

Assistant City Manager Tamara Letourneau thanked Mr. Francis for his service.

REPORT – CITY ATTORNEY - NONE

ADJOURNMENT - The Mayor adjourned the meeting in recognition of D-Day and in honor of Bob Dugan at 8:52 p.m.

Minutes adopted on this 18th day of July, 2017.



Katrina Foley, Mayor

ATTEST:



Brenda Green, City Clerk