

**ACTION REPORT  
CITY OF COSTA MESA  
REGULAR CITY COUNCIL AND SUCCESSOR AGENCY  
TO THE REDEVELOPMENT AGENCY\* MEETING**

\*NOTE: ALL AGENCY MEMBERSHIPS ARE REFLECTED IN THE TITLE "COUNCIL MEMBER."

**TUESDAY, FEBRUARY 19, 2019  
COSTA MESA SENIOR CENTER  
695 W. 19<sup>TH</sup> STREET, COSTA MESA, CALIFORNIA  
CLOSED SESSION – 4:00 P.M. (ROOM 102)  
REGULAR MEETING – 6:00 P.M. (GRAND HALL 1)**

**KATRINA FOLEY**  
Mayor

**MANUEL CHAVEZ**  
Council Member

**JOHN B. STEPHENS**  
Mayor Pro Tem

**ANDREA MARR**  
Council Member

**ARLIS REYNOLDS**  
Council Member

**ALLAN R. MANSOOR**  
Council Member

**SANDRA L. GENIS**  
Council Member

City Attorney  
**Kimberly Hall Barlow**

Acting City Manager  
**Tamara S. Letourneau**

**CALL TO ORDER**

The Closed Session was called to order by Mayor Foley at 4:00 p.m. in Grand Hall 1 of the Costa Mesa Senior Center, 695 W. 19<sup>th</sup> Street, Costa Mesa, California.

**ROLL CALL**

Present: Council Member Chavez, Council Member Genis (arrived at 4:45 p.m.), Council Member Mansoor (arrived at 4:02 p.m.), Council Member Marr, Council Member Reynolds, Mayor Pro Tem Stephens, and Mayor Foley.

Absent: None

## FOR INFORMATIONAL PURPOSES ONLY

The City Council recessed to Room 102 at 4:02 p.m. for Closed Session to consider the following items:

### **1. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION**

Pursuant to Subdivision (d)(1) of Section 54956.9, California Government Code  
Name of Case: Orange County Catholic Worker, an unincorporated association: Lisa Bell, Shawn Carroll, Melissa Fields, Larry Ford, Cameron Ralston, Kathy Schuler, Gloria Shoemake, as individuals v. Orange County, City of Anaheim, City of Costa Mesa, and City of Orange, United States District Court, Central District of California – Southern Division, Case No. 8:18-cv-00155.

### **2. CONFERENCE WITH REAL PROPERTY NEGOTIATOR**

Property: 3175 Airway Ave., Costa Mesa, CA 92627  
APN: 427-091-12  
Pursuant to Section 54956.8, California Government Code  
Negotiating Parties: Tamara Letourneau, Acting City Manager and Dale Camera, Lee & Associates and Steve Millen, Owner.  
Negotiation: Price and Terms of Payment.

### **3. 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 v. Clean Path Recovery, LLC, a California limited liability company; Lee Heligman, an individual; Lucy Lee Holdings, LLC, a California limited liability company; Pomona Associates CM, LLC, a California limited liability company, Superior Court of the State of California, County of Orange, Central Justice Center, Case No. 30-2018-01015745-CU-OR-CJC.

### **4. 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 v. Casa Capri, LLC, a California limited liability corporation; Casa Capri Recovery Center, LLC, a California limited liability corporation; Irani Zackary, an individual; Timothy Carr, an individual; Melissa Holmes Goodmon, an individual; Jeremy Broderick, an individual, Superior Court of the State of California, County of Orange, Central Justice Center, Case No. 30-2018-01006156-CU-OR-CJC.

### **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 v. Ohio House, LLC, a California limited liability corporation; Richard Perlin, Nancy Perlin, Dolores Perlin, and Brandon Stump as individuals, Superior Court of the State of California, County of Orange, North Justice Center, Case No. 30-2018-01006173-CU-OR-NJC.

## FOR INFORMATIONAL PURPOSES ONLY

### **6. 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 v. SoCal Recovery, Inc., a California corporation; Darryl Shinder, an individual; Kenneth Norwood, an individual; Ian Grimley, an individual, Superior Court of the State of California, County of Orange, North Justice Center, Case No. 30-2018-01022764-CU-OR-NJC.

### **7. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION**

Pursuant to Subdivision (d)(1) of Section 54956.9, California Government Code  
Name of Case: Casa Capri Recovery, Inc. v. City of Costa Mesa, United States District Court, Central District of California – Southern Division, Case No. 8:18-cv-00329-JVS-PJW.

### **8. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION**

Pursuant to Subdivision (d)(1) of Section 54956.9, California Government Code  
Name of Case: National Therapeutic Services, Inc. dba Northbound Treatment Services, a Nevada corporation v. City of Costa Mesa, United States District Court, Central District of California, Case No. 8:18-cv-01080-JVS-AGR.

### **9. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION**

Pursuant to Subdivision (d)(1) of Section 54956.9, California Government Code  
Name of Case: Pacific Shores, LLC, a California corporation v. City of Costa Mesa, United States District Court, Central District of California, Case No. 8:18-cv-01170 JVS-PJW.

### **10. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION**

Pursuant to Subdivision (d)(1) of Section 54956.9, California Government Code  
Name of Case: SoCal Recovery, LLC, a California limited liability company v. City of Costa Mesa, United States District Court, Central District of California, Case No. 8:18-cv-01304-JVS-PJW.

### **11. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION**

Pursuant to Subdivision (d)(1) of Section 54956.9, California Government Code  
Name of Case: Summit Coastal Living, Inc., a California corporation v. City of Costa Mesa, United States District Court, Central District of California, Case No. 8:18-cv-01369-JVS-PJW.

The City Council reconvened at 6:01 p.m.

### **CALL TO ORDER**

The meeting was called to order by Mayor Foley at 6:01 p.m. in Grand Hall 1 of the Costa Mesa Senior Center, 695 W. 19<sup>th</sup> Street, Costa Mesa, California.

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### ROLL CALL

Present: Council Member Chavez, Council Member Genis, Council Member Mansoor, Council Member Marr, Council Member Reynolds, Mayor Pro Tem Stephens, and Mayor Foley.

Absent: None

### CITY ATTORNEY CLOSED SESSION REPORT - NONE

**REPORT – CITY MANAGER** – Ms. Letourneau invited all to a neighborhood meeting on the Lions Park Playground Improvements Project on Saturday, March 9 from 10:00-12:00 p.m. at the Costa Mesa Senior Center and spoke on a new web page, online survey, and mailers regarding the project; provided I-405 updates on the City website; and spoke on the City Manager recruitment.

**REPORT – CITY ATTORNEY** – Ms. Barlow spoke on the new laws for sober living homes and bringing forward amendments to the ordinance; and the FPPC's recent rule change regarding real properties and Council Members recusing themselves from participation in certain decisions.

### CONSENT CALENDAR:

**MOVED/SECOND:** Mayor Pro Tem Stephens/Council Member Genis

**MOTION:** Approve recommended actions for Consent Calendar Item Nos. 1 through 7 except for 3, 5, 6 and 7.

The motion carried by the following roll call vote:

Ayes: Council Member Chavez, Council Member Genis, Council Member Mansoor, Council Member Marr, Council Member Reynolds, Mayor Pro Tem Stephens, and Mayor Foley.

Nays: None

Absent: None

Motion carried: 7-0

- 1. PROCEDURAL WAIVER: MOTION TO APPROVE THE READING BY TITLE ONLY OF ALL ORDINANCES AND RESOLUTIONS. SAID ORDINANCES AND RESOLUTIONS THAT APPEAR ON THE PUBLIC AGENDA SHALL BE READ BY TITLE ONLY AND FURTHER READING WAIVED**

#### **ACTION:**

City Council and Agency Board waived reading of Ordinances and Resolutions.

- 2. READING FOLDER**

Claims received by the City Clerk: Dean Lob/Statefarm Insurance, Ann Parker and Tracie Todd.

#### **ACTION:**

City Council received and filed.

## FOR INFORMATIONAL PURPOSES ONLY

### 4. MINUTES OF THE REGULAR CITY COUNCIL AND SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY MEETING OF JANUARY 15, 2019

**ACTION:**

City Council approved the minutes of January 15, 2019.

### ITEMS PULLED FROM THE CONSENT CALENDAR:

### 3. WARRANT RESOLUTION NO. 2613 OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, ALLOWING CERTAIN CLAIMS AND DEMANDS, INCLUDING PAYROLL 19-01 "A" FOR \$6,168.95; 19-02 FOR \$2,507,712.38; 19-02 "A" FOR \$-4,892.30; 19-03 FOR \$2,635,598.81; AND CITY OPERATING EXPENSES FOR \$1,761,533.53; AND SPECIFYING THE FUNDS OUT OF WHICH THE SAME ARE TO BE PAID

**MOVED/SECOND:** Council Member Marr/Council Member Chavez

**MOTION:** Approve Warrant Resolution No. 2613.

The motion carried by the following roll call vote:

Ayes: Council Member Chavez, Council Member Genis, Council Member Mansoor, Council Member Marr, Council Member Reynolds, Mayor Pro Tem Stephens, and Mayor Foley.

Nays: None

Absent: None

Motion carried: 7-0

**ACTION:**

City Council approved Warrant Resolution No. 2613.

### 5. ACCEPTANCE AND APPROVAL OF MONETARY DONATIONS AND ACCOMPANYING BUDGET ADJUSTMENT FOR LIONS PARK PROJECTS

**MOVED/SECOND:** Council Member Genis/Council Member Reynolds

**MOTION:** Approve recommended actions.

The motion carried by the following roll call vote:

Ayes: Council Member Chavez, Council Member Genis, Council Member Mansoor, Council Member Marr, Council Member Reynolds, Mayor Pro Tem Stephens, and Mayor Foley.

Nays: None

Absent: None

Motion carried: 7-0

**ACTION:**

1. City Council accepted the ten monetary donations for the Lions Park Projects from the Costa Mesa Community Foundation; and
2. Authorized a budget adjustment recognizing \$254,860 in donations and appropriating the funds to the Lions Park Projects capital budget for the specified purposes.

6. **CDBG PROJECT: POMONA AVENUE PAVEMENT REHABILITATION FROM 16TH STREET TO 18TH STREET, CITY PROJECT NO. 18-03**

**MOVED/SECOND:** Council Member Chavez/Council Member Reynolds

**MOTION:** Approve recommended actions.

The motion carried by the following roll call vote:

Ayes: Council Member Chavez, Council Member Genis, Council Member Mansoor, Council Member Marr, Council Member Reynolds, Mayor Pro Tem Stephens, and Mayor Foley.

Nays: None

Absent: None

Motion carried: 7-0

**ACTION:**

1. City Council accepted the work performed by Copp Contracting, Inc. for the subject project, and authorized the City Clerk to file the Notice of Completion; and
2. Authorized the Acting City Manager to release the Labor and Material Bond seven (7) months after the filing date; release the Faithful Performance Bond if appropriate, at the conclusion of the one-year warranty period; and release the retention monies 35 days after the Notice of Completion filing date.

7. **APPROVE RESOLUTION TO REPAY REMAINDER OF LOAN BETWEEN GENERAL FUND AND PARK DEVELOPMENT FEE FUND AND EARMARK FOR REPLACEMENT OF ERP AND LMS SYSTEMS**

**MOVED/SECOND:** Mayor Pro Tem Stephens/Council Member Marr

**MOTION:** Approve recommended actions.

The motion carried by the following roll call vote:

Ayes: Council Member Chavez, Council Member Genis, Council Member Mansoor, Council Member Marr, Council Member Reynolds, Mayor Pro Tem Stephens, and Mayor Foley.

Nays: None

Absent: None

Motion carried: 7-0

**AGENDA CONTINUED ON THE NEXT PAGE.**

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### **ACTION:**

1. City Council approved Resolution No. 19-08, authorizing repayment of the remainder of the 2007 loan from the General Fund to the Park Development Fees Fund, which has a remaining balance as of January 31, 2019 of \$1,731,074; and
2. To facilitate the repayment of the loan, authorized the following budget adjustments:
  - a) Appropriate \$1,731,074 from restricted fund balance in the Park Development Fees Fund for the repayment of the loan from the General Fund;
  - b) Increase budgeted revenues by \$1,731,074 in the General Fund; and
  - c) Transfer \$1,731,074 from the General Fund to the IT Replacement Fund and commit it for the replacement of the land management system (LMS) and enterprise resource planning (ERP) systems; and
3. Directed staff to return at a later date to recommend contractors for the purchase and implementation of the LMS and ERP systems.

City Council recessed into a break at 7:41 p.m.

City Council reconvened at 7:55 p.m.

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

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

1. [\*\*CITY COUNCIL REVIEW OF PLANNING APPLICATION PA-17-11, A MASTER PLAN FOR THE FUTURE EXPANSION OF VANGUARD UNIVERSITY AT 55 FAIR DRIVE\*\*](#)

**MOVED/SECOND:** Mayor Pro Tem Stephens/Council Member Mansoor

**MOTION:** Modify the Planning Commission's decision to approve Planning Application 17-11 with changes to the Conditions of Approval.

The motion carried by the following roll call vote:

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

Nays: Council Member Marr, Council Member Reynolds.

Absent: None

Motion carried: 5-2

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### **ACTION:**

City Council modified the Planning Commission's decision to approve PA-17-11 with the following changes to the Conditions of Approval:

**(a)** The driveway leading to the maintenance facilities off of Vanguard Way shall be posted with a sign stating "Access for Vanguard Employees and Deliveries Only".

**(b)** Noise-generating work at the Maintenance and Operations/Warehousing area shall be conducted outside the building only between the hours of 8:00 AM to 6:00 PM, Monday through Friday. Compactors shall be fully enclosed for sound attenuation. If noise complaints are received, additional measures shall be implemented to further reduce noise. Such measures may include but are not limited to, the use of machinery inside the building only with the roll-up doors in a closed position.

**(c)** The new driveway approach on Vanguard Way for the Maintenance and Operation/Warehouse Facility (Project C) shall not be used for construction vehicle access for any phases of the Master Plan.

**(d)** No more than two (2) semi-truck deliveries to the Maintenance and Operation/Warehouse Facility (Project C) shall be allowed per week. Hours of semi-truck deliveries shall be limited to between the hours of 10:00 AM and 3:00 PM.

**(e)** All loading and unloading of delivery vehicles for the Maintenance and Operation/Warehouse Facility (Project C) shall be done on site. No loading, unloading, or idling of delivery vehicles shall occur on Vanguard Way.

**(f)** Roof-mounted mechanical equipment for the Maintenance and Operation/Warehouse Facility (Project C) shall be placed so as to be on the portion of the roof furthest from abutting residential properties.

**(g)** Final design of the Maintenance and Operation/Warehouse Facility (Project C) shall be forwarded to the Planning Commission for consideration and approval (public hearing required).

City Council recessed into a break at 10:30 p.m.

City Council reconvened at 10:40 p.m.

**OLD BUSINESS: NONE**



**NEW BUSINESS:**

1. [APPROVAL OF A LEASE AGREEMENT WITH THE COSTA MESA LIGHTHOUSE CHURCH OF THE NAZARENE FOR USE OF A PORTION OF EXISTING PROPERTY TO BE UTILIZED AS THE CITY'S TEMPORARY BRIDGE SHELTER](#)

**MOVED/SECOND:** Mayor Pro Tem Stephens/Mayor Foley

**MOTION:** Approve recommended actions with the following changes to Addendum 1 (Lease):

- (a) Change the terms to April 15, 2019 or the date of occupancy, whichever is earlier;
- (b) Include a 6-month termination notice provision by the Lighthouse church;
- (c) Exhibit B of the addendum, which references Temporary Trailers, may be modified as needed;
- (d) Allow the Acting City Manager/City Manager to approve minor changes with the concurrence of the City Attorney and consistent with the City Council's direction.

The motion carried by the following roll call vote:

Ayes: Council Member Chavez, Council Member Mansoor, Council Member Marr, Council Member Reynolds, Mayor Pro Tem Stephens, and Mayor Foley.

Nays: Council Member Genis

Absent: None

Motion carried: 6-1

**ACTION:**

1. City Council approved the Commercial Lease Agreement and Addendum 1 (Lease) between the City of Costa Mesa and the Costa Mesa Lighthouse Church of the Nazarene (Property Owner) to allow the City to utilize a portion of the existing property for a temporary bridge shelter for those experiencing homelessness with the following changes to Addendum 1 (Lease):
  - (a) Change the terms to April 15, 2019 or the date of occupancy, whichever is earlier;
  - (b) Include a 6-month termination notice provision by the Lighthouse church;
  - (c) Exhibit B of the addendum, which references Temporary Trailers, may be modified as needed;
  - (d) Allow the Acting City Manager/City Manager to approve minor changes with the concurrence of the City Attorney and consistent with the City Council's direction.
2. Authorized the Acting City Manager and City Clerk to execute the proposed Lease and future authorized changes and amendments to the agreement; and
3. Authorized the creation of an escrow account for the lease payments from the City to the Property Owner; and

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4. Authorized a budget adjustment from unassigned fund balance in the General Fund in the amount of \$480,000 to fund the lease payments, modular trailer rentals and additional equipment and furniture that will eventually be moved to the permanent bridge shelter.

**ADJOURNMENT** – The Mayor adjourned the meeting at 11:32 p.m. in memory of Council Member Stephens' friend, Bob Stern.