

**SPECIAL MEETING OF THE CITY COUNCIL
CITY OF COSTA MESA**

December 15, 2009

The City Council meeting of the City of Costa Mesa, California met in special meeting on December 15, 2009, at 5:04 p.m., in the Council Chambers of City Hall, 77 Fair Drive, Costa Mesa. The meeting was called to order by the Mayor.

I. ROLL CALL

Council Members Present: Mayor Allan R. Mansoor
Mayor Pro Tem Wendy Leece
Council Member Eric R. Bever
Council Member Katrina Foley
Council Member Gary Monahan

Council Members Absent: None

Officials Present: City Manager Allan Roeder
Assistant City Manager Thomas Hatch
City Attorney Kimberly Hall Barlow
Acting Development Services Director Kimberly Brandt
City Clerk Julie Folcik

II. PUBLIC COMMENT

C.M. Brahmbhatt, Vice Chancellor of Administrative Services, Coast Community College District, informed that the Board of Trustees supports the city's position and would be adopting a resolution expressing opposition to the sale of the Orange County Fairgrounds. He also indicated that should the City of Costa Mesa and the County successfully bid on the fairgrounds that the Coast Community College District would like to become a partner with the city and county.

Sandra Genis, Costa Mesa, commenting on the Memorandum of Understanding, noted specific sections and requested clarification of the City of Costa Mesa's land use authority, expressing concern that the voting rights was based upon the amount of money that was paid by each agency. She expressed hope that the MOU would not remove any land use authority of the city.

III. CLOSED SESSIONS

1. Conference with Legal Counsel - Potential Litigation: Significant exposure to litigation pursuant to subdivision (b) of Government Code Section 54956.9 (one case).
2. Conference with Real Property Negotiators - Property: 88 Fair Drive. Agency Negotiator: Allan Roeder, City Manager. Negotiating parties: State of California, Under negotiation: price, terms of payment. Pursuant to Government Code Section 54956.8.

The Mayor recessed the meeting to the Closed Session in Conference Room 1B at 5:12 p.m.

The Mayor reconvened the meeting at 6:30 p.m.

IV. REGULAR AGENDA

1. Memorandum of Understanding with the County of Orange for a submission of a bid for the Orange County Fairgrounds.

City Manager Allan Roeder gave an overview of the history of the sale of the Orange County Fairgrounds by the State due to the state budget deficit. He noted that the while several properties were possibilities for sale by the State that the only property identified to remain for sale was that of the OC Fairgrounds. He highlighted the efforts that have been made to express to the state of the City's opposition to the sale of the OC Fairgrounds and Event Center and despite those efforts the that the Request for Proposals for the fairgrounds was moving forward. He reported that the focused efforts of the city have been to:

1. Stop the Sale of the fairgrounds.
2. To prepare for the possibility that the state will not stop the sale and therefore to prepare to submit a bid.

He reported that the County of Orange had also shared the same focus as expressed and was supportive of working with the City in partnership in submitting a bid as it was the desire of both parties to maintain the fairgrounds as a fair and events center; and in submitting a bid for acquisition it was necessary to have an MOU with the county.

The City Attorney highlighted the modifications that were made to the MOU by the Board of Supervisors at their meeting held earlier that day which included such changes as adding language that each body must approve any agreements that are binding to both parities, language relative to sharing of cost and liability as well as profit, and clarification of obligations of the City and the County to include that modification of the General Plan was in the control of the City. She along with the City Manager responded to questions from the Council regarding language relative to the land use, and the timeline for escrow.

City Manager Allan Roeder explained that if the MOU were to be

approved that the City would work with the County of Orange to prepare a qualified sealed bid that would be presented to the state by the designated due date of January 8, 2010. He noted that on January 14, 2010, according to the state's procedure, that a voice auction will be held to include the responsible qualified bidders, after which the State Department of General Services will review and escrow will be entered into with the successful bidder with escrow expected to be closed by the early part of November. He informed that during the bidding process as well as after the bids have been received that the State has the ability to reject all bids and reject the sale.

Assistant City Manager Thomas Hatch noted the agencies that have adopted a resolution or sent a letter to the Governor's office in support of stopping the sale of the Orange County Fairgrounds to include that of the cities of Fountain Valley, Laguna Niguel, Orange Coast College, the Mesa Consolidated Water District, the Cities of Orange, Seal Beach, Yorba Linda and Newport Beach. He noted that Assembly Member Jose Solorio and Assembly Member Van Tran have co-authored an Assembly Bill (AB 1590), noted that additional co-authors and support was being sought and noted January 12, 2010, would be the first hearing on the bill.

Council Member Monahan encouraged the public to keep pushing to stop the sale and expressed appreciation to City Manager Allan Roeder and the Council for their efforts.

Council Member Foley suggested that the students in the community write a letter to the Governor noting the need to send a stronger message from the community to stop the sale.

In response to Council Member Foley's question, Robert Richardson, Orange County Executive Office, noted that the Orange County Board of Supervisors adopted a resolution to support an Assembly Bill (AB 1590) to stop the sale, and that it will be communicated through out their state delegation as to the County's position in relation to the fairgrounds. Council Member Foley expressed her concern of it being communicated in time to each county representative and the Governor's office noting that many of the representatives had not voiced their position. Mr. Richardson noted that the lobbyist had been hard at work with key advisors in the Governor's office to communicate their position and that the Board of Supervisors had sent a letter to the Governor's office also expressing that fact.

Council Member Foley expressed the concern of the mixed messages that were being expressed by state representatives and that of the local jurisdictions and encouraged the need for a decisive statement from each of the representatives as to their position.

Mayor Mansoor noted that time is of the essence and encouraged the

public to contact the representatives to stop the sale.

MOTION: Approve the amended Memorandum of Understanding with the County of Orange.

Moved by Council Member Gary Monahan, seconded by Mayor Allan R. Mansoor.

Council Member Foley noted that she would reluctantly support the motion as she felt "that the taxpayers should not be buying their own property." She also expressed her concern that there had not been the same amount of effort in stopping the sale as there had been to submit a bid. She noted the need for the public to put pressure on their state representative to "Stop the Sale" and strongly encouraged the Orange County delegation to each publicly state their position opposing the sale of the fairgrounds.

Mayor Mansoor disagreed, in part, noting that the council has been on record as to their opposition to the sale but agreed that there were some state officials that had not publically made it known as to their position "one way or the other," and also encouraged a public statement by state legislators.

Mayor Pro Tem Leece noted that she and Council Member Foley had gone to Sacramento but noted the importance and the great opportunity for the public to get involved, to get to know their respective state representatives and to write to them regarding their position regarding the Orange County Fairgrounds.

The motion carried by the following roll call vote:

Ayes: Mayor Allan R. Mansoor, Mayor Pro Tem Wendy Leece, Council Member Eric R. Bever, Council Member Katrina Foley, Council Member Gary Monahan

Noes: None.

Absent: None.

V. ADJOURNMENT

The Mayor adjourned the special meeting at 7:21 p.m.

Mayor of the City of Costa Mesa

ATTEST:

City Clerk of the City of Costa Mesa