

# **MINUTES OF THE REGULAR MEETING OF THE CITY COUNCIL AND SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY**

**OCTOBER 20, 2020**

**CALL TO ORDER (00:00:12)** - The meeting was called to order by Mayor Foley at 6:05 p.m. via Zoom webinar

**NATIONAL ANTHEM AND PLEDGE OF ALLEGIANCE (00:00:31)**  
Led by Council Member Reynolds

**MOMENT OF SOLEMN EXPRESSION (00:03:22)**  
Led by Mayor Pro Tem Stephens

**ROLL CALL (00:04:37)**  
Present by Zoom: 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 (00:05:03)** – No reportable action.

## **PRESENTATIONS: (00:05:15)**

1. Mayor Foley presented the National Association of Telecommunications Officers and Advisors Government Programming Awards to CMTV honoring excellence in broadcast, cable, multimedia and electronic programming produced by local government agencies. (00:05:21)
2. Mayor Foley presented the Crime Prevention Month Proclamation. (00:09:50)
3. Ms. Farrell Harrison, City Manager provided an update on accomplishments during the pandemic. (00:13:02)

**PUBLIC COMMENTS – MATTERS NOT LISTED ON THE AGENDA (00:32:52)**  
Comments are limited to 3 minutes, or as otherwise directed.

Speaker, spoke on development and impacts on the community. (00:33:42)

Speaker, spoke on former Police Chief Sharpnack's lawsuit against the city. (00:35:37)

Speaker, spoke on committee meetings and public input. (00:38:34)

Ms. Barlow, City Attorney, responded to claims regarding the Chief Sharpnack lawsuit and public records requests. (00:42:19)

## **COUNCIL MEMBER COMMITTEE REPORTS, COMMENTS, AND SUGGESTIONS**

Council Member Reynolds spoke on reviewing the budget and spending, committee meetings and community input, thanked staff for their efforts related to COVID-19 and parking issues, inquired on the ADU Ordinance, and requested to release information on homelessness and encampments. (00:48:35)

Council Member Chavez spoke on the homeless solutions hotline and responding at night, and spoke on the voting process and vote center locations. (00:54:36)

Council Member Marr spoke on Assembly Women Cottie Petrie-Norris taking nominations for Veteran of the year award. (00:59:01)

Council Member Mansoor thanked the public speakers for their comments. (00:59:42)

Council Member Genis spoke on filming in public parks and updating the policy, requested the Dudek report on Fairview Park be made public, and recording committee meetings and making them public. (01:00:20)

Mayor Pro Tem Stephens spoke on former Chief Sharpnack's lawsuit, committee meetings, releasing the Dudek report when finalized, the Study Session on Short Term Rentals, and the importance of voting. (01:02:59)

Mayor Foley reported on attending the League of Cities Conference, congratulated Rob Dimel on his retirement, spoke on reStore Costa Mesa and making PowerPoint presentation available on the city website. (01:06:26)

**REPORT – CITY MANAGER –** Mr. Dempsey, Emergency Services Administrator, provided and update on the Hazard Mitigation Plan. (01:17:35)

**REPORT – CITY ATTORNEY –** Ms. Hall Barlow, clarified the requirements of film permits for commercial filming, and posting the litigation report on the city website. (01:25:01)

### **CONSENT CALENDAR: (Items 1-9) (01:26:30)**

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

**MOTION:** Approve recommended actions for Consent Calendar Item Nos. 1 through 9 except for 9.

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: APPROVE THE READING BY TITLE ONLY OF ALL ORDINANCES AND RESOLUTIONS**

**ACTION:**

City Council and Agency Board approved the reading by title only and waived full reading of Ordinances and Resolutions.

**2. READING FOLDER**

Claims received by the City Clerk: Roxann Marie Duncan, Julio Hernandez, Kitty O'Neil, Melissa Torres, Quoc Hung Tran

**ACTION:**

City Council received and filed.

**3. WARRANT RESOLUTION NO. 2648 – Finance Department**

**ACTION:**

City Council approved Warrant Resolution No. 2648 of the City Council of the City of Costa Mesa, California, allowing certain claims and demands, including Payroll Register Nos. 20-19 "A" for -\$507.68, 20-20 for \$2,571,653.74; and City operating expenses for \$1,161,531.57.

**4. MINUTES OF THE SPECIAL AND REGULAR CITY COUNCIL AND SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY MEETINGS OF DECEMBER 10, 2019, JUNE 16, 2020, JUNE 23, 2020, JUNE 25, 2020, AND OCTOBER 6, 2020**  
City Manager's Office/City Clerk's Division

**ACTION:**

City Council approved the minutes of December 10, 2019, June 16, 2020, June 23, 2020, June 25, 2020, and October 6, 2020.

**5. TRAFFIC MANAGEMENT SERVICES AGREEMENT WITH THE 32ND DISTRICT AGRICULTURAL ASSOCIATION - Police Department**

**ACTION:**

1. City Council approved the 2020 agreement between the City and the 32nd District Agricultural Association for traffic management services for all designated year-round events at the Orange County Fair and Event Center (OCFEC).
2. Authorized the City Manager to execute the agreement.
3. Authorized the City Manager or the City Manager's designee to execute any amendments to the agreement.

**6. SCHEDULE LS-1, OPTION E RATE AGREEMENT WITH SOUTHERN CALIFORNIA EDISON FOR THE ENERGY EFFICIENCY LIGHT EMITTING DIODE (LED) STREETLIGHT FIXTURE – Public Services Department**

**ACTION:**

1. City Council approved Schedule LS-1 Option E, Energy Efficiency-Light Emitting Diode (LED) Fixture Replacement Rate Agreement.
2. Authorized the City Manager to execute the Agreement on behalf of the City.

**7. CITYWIDE STREET REHABILITATION PROJECT (MAINTENANCE ZONES 6 AND 7), CITY PROJECT NO. 20-18**

Public Services Department/Engineering Division

**ACTION:**

1. City Council adopted plans, specifications, and working details for the Citywide Street Rehabilitation Project (Maintenance Zones 6 and 7), City Project No. 20-18.
2. Awarded a construction contract to R.J. Noble Company, Inc., Orange, California 92865, in the amount of \$2,624,860.
3. Authorized an additional ten percent (10%) contingency totaling \$262,500 as needed for unforeseen costs.
4. Authorized the City Manager and City Clerk to execute the Public Works Agreement (PWA), and authorize the City Manager to execute future contract amendments within City Council authorized limits.

**8. AMENDMENT NO. 6 TO THE MAINTENANCE SERVICE AGREEMENT WITH CLEANSTREET FOR SIDEWALK PRESSURE WASHING SERVICES**

Public Services Department/Maintenance Division

**ACTION:**

1. City Council approved Amendment No. 6 to the Maintenance Services Agreement (MSA) with CleanStreet for sidewalk pressure washing services, extending the term of the contract for an additional one year, through October 23, 2021.
2. Authorized the City Manager and the City Clerk to execute the Amendment No. 6.

## ITEMS PULLED FROM THE CONSENT CALENDAR

### 9. REALLOCATION OF CARES ACT FUNDING FOR COVID SMALL BUSINESS RELIEF GRANT PROGRAM (01:27:59)

Development Services Department/Economic Development

Staff presentation by Mr. Inloes, Economic Development Administrator.

Discussion ensued on commercial and industrial zones, advertising, and identifying specific locations.

Public Comments:

Speaker, thanked City Council for their efforts and spoke on shop small in November. (01:57:34)

Speaker, requested clarification if businesses can still apply. (01:59:17)

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

**MOTION:** Approve the recommended actions.

Council Member Reynolds requested to include in the motion that Commercial/Industrial zoned properties be first priority and home occupation businesses be second priority.

Council Member Marr agreed to the change.

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

Abstain: None

Motion carried: 7-0

### **ACTION:**

1. City Council determined this action is exempt from the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) and 15060(c)(3) of the CEQA Guidelines because this action will not result in a physical change to the environment, directly or indirectly.
2. Authorized the City Manager to take any and all actions necessary to develop and administer a second round of the Small Business Relief Grant Program to allocate \$792,469.39 in the remaining Coronavirus Relief Funds to the Small Business Relief Grant Program in accordance with the Grant Agreement between the City of Costa Mesa and County of Orange.

3. Approved commercial/Industrial zoned properties be first priority and home occupation businesses be second priority.

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

**PUBLIC HEARINGS:**

(Pursuant to Resolution No. 05-55, Public Hearings begin at 7:00 p.m.)

1. **SUBSTANTIAL AMENDMENT TO THE FY 2019-2020 ANNUAL ACTION PLAN TO ADD COMMUNITY DEVELOPMENT BLOCK GRANT – CORONAVIRUS (CDBG-CV) FUNDS (02:14:29)**

Staff presentation by Ms. Bouwens-Killeen, Zoning Administrator.

Public Comments: None.

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

**MOTION:** Approve the recommended actions.

Mayor Foley requested the change of up to \$400,000 for rental assistance and the balance of \$177,300 for food assistance.

Mayor Pro Tem Stephens and Council Member Marr agreed.

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

Abstain: None

Motion carried: 7-0

**ACTION:**

1. City Council approved the recommended allocation and appropriation of \$1,168,216 in Community Development Block Grant-Coronavirus (CDBG-CV) funds with the following change: up to \$400,000 for rental assistance and the balance of \$177,300 for food assistance.
2. Adopted a Resolution No. 2020- 58 to:
  - Approve the Substantial Amendment to the 2019-2020 Annual Action Plan and authorize the City Manager, or designee, to submit the Substantial Amendment to the U.S. Department of Housing and Urban Development.
  - Designate the City Manager, or the City Manager's designee, as the official representative to sign all certifications and assurances, and sub-agent agreements for the use of funds approved in the Substantial Amendment to the 2019-2020 Annual Action Plan.

**OLD BUSINESS: NONE**

**NEW BUSINESS:**

**1. CITY COUNCIL POLICY 500-5 SINGLE ROOM OCCUPANCY (SRO) FOR RESIDENTIAL HOTELS (02:25:07)**

Staff presentation by Ms. Bouwens-Killeen, Zoning Administrator.

Discussion ensued on furnishing requirements, handicap accessibility, affordability levels, and long term homes.

Public Comments: None.

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

**MOTION:** Staff update the policy as recommended in the staff report.

Council Member Genis stated she would like to keep the affordability covenants the same.

Discussion ensued on the income and rental rates required to be at the very low income level (50% Area Median Income, AMI).

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

**MOTION:** Staff update the policy as recommended in the staff report.

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

Abstain: None

Motion carried: 6-1

**ACTION:**

City Council approved staff recommended changes to City Council Policy 500-5 Single Room Occupancy for Residential Hotels.

**2. AUTHORIZE THE CITY MANAGER TO FILE AN APPEAL OF THE REGIONAL HOUSING NEEDS ASSESSMENT (RHNA) ALLOCATION FOR THE 6TH CYCLE HOUSING ELEMENT (02:48:49)**

Staff presentation by Mr. Arios, Assistant Planner.

Discussion ensued on cost for submitting the appeal, methodology, the COVID-19 pandemic effects on the numbers, effective arguments that other cities have used to be able to lower their numbers, appealing other cities allocations, and regional numbers.

Public Comments:

Jose Trinidad Castaneda, spoke on a need for a substantial argument on the appeal. (03:19:49)

Art Goddard, Costa Mesa, spoke on supporting the appeal and partnering with other government agencies that own public lands in the city. (03:22:10)

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

**MOTION:** Approve the 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

Abstain: None

Motion carried: 7-0

**ACTION:**

City Council authorized the City Manager to submit an appeal of the City's RHNA allocation for the 6th Cycle Housing Element.

City Council recessed into a break at 9: 41 p.m.

City Council reconvened at 9:50 p.m.

**3. REVIEW FISCAL YEAR 2019-20 PRELIMINARY, UNAUDITED GENERAL FUND FINANCIAL RESULTS (03:35:21)**

Staff presentation by Ms. Molina, Finance Director.

Discussion ensued on CIP funds, reserve funding, TOT, the General Fund budget, disaster reserves, golf course revenue, and recovery of COVID-19 expenses from FEMA.

Public Comments: None

**MOVED/SECOND:** Mayor Foley/Council Member Marr

**MOTION:** Receive and file.

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

Abstain: None

Motion carried: 7-0



**ACTION:**

City Council received and filed the report on the Fiscal Year (FY) 2019-20 General Fund preliminary, unaudited financial results and projected ending fund balances.

**4. COMMUNITY CHOICE ENERGY UPDATES (04:18:24)**

Staff presentation by Mr. Sethuraman, Public Services Department.

Ryan Baron, Gary Saleba, and Mark Steuer from the City of Irvine presented on their Community Choice Energy program. (04:30:13)

Discussion ensued on when a decision needs to be made, expected revenue, repayment of debt, voting shares formula, the differences in each program, other cities interested in the program, diversity of load, member guarantee, staff availability and resources, fees for joining, and residents opting out of the program.

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

**MOTION:** To extend the meeting past midnight.

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

Abstain: None

Motion carried: 7-0

Public Comments:

Speaker, thanked Council and spoke on the importance of local power. (05:43:06)

Jose Trinidad Castaneda presented a PowerPoint in favor of the item. (05:44:10)

Linda Kraemer, Costa Mesa, presented a PowerPoint in favor of the item. (05:48:34)

Ayn Craciun, Irvine, spoke in support of the item and on Edison pricing and rate increases. (05:52:54)

Craig Preston, Costa Mesa spoke in support of the item, on cost savings, local control, clean energy, and economic recovery. (05:55:48)

Danny Gray, spoke in support of the item. (05:58:25)

Philip Chipman spoke in support of the item. (06:01:43)

**MOVED/SECOND:** Council Member Marr/Mayor Foley

**MOTION:** Direct staff to continue negotiations for the JPA with the City of Irvine and to make it a goal to bring a financial feasibility study to council at the November 17, 2020 City Council meeting.

Council Member Marr spoke on the motion and moving forward with enough information.

Mayor Foley spoke on the motion and moving forward comfortably in the timeline provided.

Discussion ensued on the support that the City of Irvine would be providing during the process, the expectation of the City of Costa Mesa, possible issues with the delay of joining, advantages to moving quickly, and staff time.

Council Member Mansoor spoke against the motion, has concerns on unanswered questions, rushed timelines, and staff time.

**SUBSTITUTE MOVED/SECOND:** Council Member Mansoor

**SUBSTITUTE MOTION:** To continue to receive information from the City of Irvine and Edison and not vote on the item until the next meeting.

The motion failed for lack of a second.

**ORIGINAL MOVED/SECOND:** Council Member Marr/Mayor Foley

**ORIGINAL MOTION:** Direct staff to continue negotiations for the JPA with the City of Irvine and to make it a goal to bring a financial feasibility study to council at the November 17, 2020 City Council meeting.

The motion carried by the following roll call vote:

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

Nays: Council Member Mansoor

Absent: None

Abstain: None

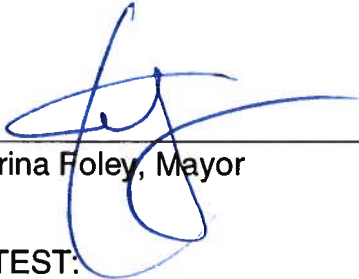
Motion carried: 6-1

**ACTION:**

City Council directed staff to continue negotiations for the JPA with the city of Irvine and to make it a goal to bring a feasibility study back on November 17, 2020 City Council meeting.

**ADJOURNMENT (06:36:17)** – Mayor Foley adjourned the meeting at 12:53 a.m.

Minutes adopted on this 17<sup>th</sup> day of November, 2020.



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Katrina Foley, Mayor

ATTEST:



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Brenda Green, City Clerk