

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

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

**TUESDAY, JUNE 15, 2021  
COUNCIL CHAMBERS AND VIRTUAL LOCATIONS,  
77 FAIR DRIVE COSTA MESA, CALIFORNIA  
REGULAR MEETING 6:00 P.M.**

**JOHN STEPHENS**  
Mayor

**MANUEL CHAVEZ**  
Council Member - District 4

**ANDREA MARR**  
Mayor Pro Tem - District 3

**JEFFREY HARLAN**  
Council Member - District 6

**LOREN GAMEROS**  
Council Member - District 2

**ARLIS REYNOLDS**  
Council Member - District 5

**DON HARPER**  
Council Member - District 1

City Attorney  
**Kimberly Hall Barlow**

City Manager  
**Lori Ann Farrell Harrison**

**CALL TO ORDER** - The Regular City Council and Successor Agency to the Redevelopment Agency and special Housing Authority meeting was called to order by Mayor Stephens at 6:00 p.m. via Zoom webinar.

**ROLL CALL**

Present: Council Member Chavez, Council Member Gameros, Council Member Harlan, Council Member Harper, Council Member Reynolds, Mayor Pro Tem Marr, and Mayor Stephens.

Absent: None.

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

**MOTION:** Change the order of business to consider the New Business items prior to the Public Hearing items.

The motion carried by the following roll call vote:

Ayes: Council Member Chavez, Council Member Gameros, Council Member Harlan, Council Member Harper, Council Member Reynolds, Mayor Pro Tem Marr, and Mayor Stephens.

Nays: None

Absent: None

Motion carried: 7-0

## For Informational Purposes Only

### CONSENT CALENDAR: (Items 1-14)

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

**MOTION:** Approve recommended actions for Consent Calendar Item Nos. 1 through 14 except for 6, 8, and 12.

The motion carried by the following roll call vote:

Ayes: Council Member Chavez, Council Member Gameros, Council Member Harlan, Council Member Harper, Council Member Reynolds, Mayor Pro Tem Marr, and Mayor Stephens.

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, Agency Board, and Housing Authority approved the reading by title only and waived full reading of Ordinances and Resolutions.

#### 2. **READING FOLDER**

Claims received by the City Clerk: Jose Valdez Delgado, Guadalupe Portillo, Arrah Valdez.

**ACTION:**

City Council received and filed.

#### 3. **WARRANT RESOLUTION NO. 2662** – Finance Department

**ACTION:**

City Council approved Warrant Resolution No. 2662 of the City Council of the City of Costa Mesa, California, allowing certain claims and demands, including Payroll Register Nos. 21-11 for \$2,705,877.74; and City operating expenses for \$4,206,321.44.

#### 4. **MINUTES** - City Manager's Office/City Clerk's Division

**ACTION:**

City Council approved the Minutes of the Special Study Session meeting of May 25, 2021.

#### 5. **REQUEST TO CANCEL THE REGULAR CITY COUNCIL MEETING OF JULY 6, 2021**- City Manager's Office/City Clerk's Division

**ACTION:**

City Council canceled the regular meeting of Tuesday, July 6, 2021.

**For Informational Purposes Only**

**7. AMENDMENT #1 TO SUBRECIPIENT AGREEMENTS FOR PROGRAM ADMINISTRATION OF A COMMUNITY DEVELOPMENT BLOCK GRANT CORONAVIRUS (CDBG-CV) RENTAL ASSISTANCE PROGRAM**  
City Manager's Office

**ACTION:**

1. City Council and the Housing Authority Board of Directors approved Amendment No. 1 to the Subrecipient Agreement (SRA) with Mercy House Living Centers increasing the compensation by \$150,000, for a total Not-To-Exceed amount of \$330,321 and to add two one-year renewal terms for program administration of the City's CDBG-CV Rental Assistant Program for lower-income households without children.
2. Approved Amendment No. 1 to the Subrecipient Agreement (SRA) with Serving People in Need (SPIN), Inc. increasing the compensation by \$250,000, for a total Not-To-Exceed amount of \$457,000 and to add two one-year renewal terms for program administration of a Rental Assistance Program for lower-income households with children.
3. Authorized the City Manager and the City Clerk to execute the amendments and future authorized amendments to the agreements.

**9. SERVICES AGREEMENT FOR PUBLIC SAFETY HELICOPTER SUPPORT BETWEEN THE CITY OF HUNTINGTON BEACH AND THE CITY OF COSTA MESA - Police Department**

**ACTION:**

1. City Council approved the Services Agreement for public safety helicopter support services between the City of Huntington Beach and the City of Costa Mesa.
2. Authorized the City Manager to execute the Services Agreement, in substantially the form as attached and in such final form as approved by the City Attorney, and future amendments to the Agreement.

**10. TRAFFIC MANAGEMENT SERVICES AGREEMENTS WITH THE 32ND DISTRICT AGRICULTURAL ASSOCIATION – Police Department**

**ACTION:**

1. City Council approved the 2021 agreement between the City and the 32nd District Agricultural Association for traffic management services for the Orange County Fair.
2. Approved the 2021 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").

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3. Authorized the City Manager to execute the agreements.
4. Authorized the City Manager to execute any amendments to the agreements, including, but not limited to, amendments increasing the maximum compensation to be paid to the City.

### **11. APPROVAL OF MEASURE Q – WAREHOUSE LEASE AGREEMENT**

Police Department

#### **ACTION:**

1. City Council approved the lease agreement with Norwood Management, LLC for a 8,554 square foot warehouse space in Costa Mesa for additional evidence storage in connection with illegal dispensary operations for an initial twelve (12) month term from July 1, 2021 to June 30, 2022, with four (4) one-year renewal options. Rent will be \$12,500 per month during the initial term and will increase by 3% during each renewal period.
2. Authorized the City Manager and City Clerk to execute the lease agreement and future authorized changes and amendments to this Agreement.

### **13. SECOND READING OF AN ORDINANCE 2021-10 FOR AN EXTENSION TO THE PACIFIC ARTS PLAZA DEVELOPMENT AGREEMENT 00-04 (19-02), GENERALLY LOCATED AT 3200 BRISTOL STREET**

Development Services Department

Mayor Stephens recused himself on this item as his place of business is within 500 feet.

Council Member Harlan recused himself on this item as he previously voted on it when he was on the Planning Commission.

#### **ACTION:**

1. City Council found the project is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) per CEQA Guidelines Section 15061 (b) (3) (general rule) of the CEQA Guidelines because the amendment is merely a time extension for an existing development agreement and does not change the underlying project. In addition, the environmental analysis for the Project described in Environmental Impact Report No. 1047 (SCH No. 2000041100) and the subsequent Mitigated Negative Declaration described herein are applicable.
2. Gave second reading to Ordinance No. 2021-10 to approve the two-year time extension and amendment to Development Agreement 00-04 (Development Agreement 19-02).

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14. **SECOND READING AND ADOPTION OF AN ORDINANCE TO ADOPT CODE AMENDMENT CO-2021-01 TO AMEND TITLE 13 (PLANNING, ZONING, AND DEVELOPMENT) AND AN ORDINANCE TO AMEND TITLE 9 (LICENSES AND BUSINESS REGULATIONS) OF THE COSTA MESA MUNICIPAL CODE REGARDING THE TAXATION, REGULATION, OPERATING REQUIREMENTS AND STANDARDS FOR CANNABIS USES INCLUDING RETAIL CANNABIS STOREFRONT AND NON-STOREFRONT USES TO IMPLEMENT THE CITY OF COSTA MESA RETAIL CANNABIS TAX AND REGULATION MEASURE (MEASURE Q) – Development Services Department**

**ACTION:**

- City Council gave second reading to and adopted Ordinance No. 2021-08 to adopt Zoning Code Amendment CO-2021-01 amending Title 13, Chapter IX, Article 21 and Chapter IV, Table 13-30 of the Costa Mesa Municipal Code.
  
- Ordinance No. 2021-09 to amend Title 9, Chapter I, Article 5, Chapter II, Article 1, and Chapter VI of the Costa Mesa Municipal Code regarding the taxation and regulation for retail cannabis uses including storefronts and non-storefronts.

**ITEMS PULLED FROM THE CONSENT CALENDAR**

6. **MONTHLY UPDATE OF STRATEGIC PLAN GOALS AND SIX MONTH OBJECTIVES - City Manager's Office**

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

**MOTION:** Approve recommended actions.

The motion carried by the following roll call vote:

Ayes: Council Member Chavez, Council Member Gameros, Council Member Harlan, Council Member Harper, Council Member Reynolds, Mayor Pro Tem Marr, and Mayor Stephens.

Nays: None

Absent: None

Motion carried: 7-0

**ACTION:**

City Council approved the June update to the work plan for the 2021 Strategic Plan's six-month objectives.

**For Informational Purposes Only**

**8. PURCHASE OF SIX NEW 2021 BMW R1250RT-P POLICE MOTORCYCLES**

Police Department

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

**MOTION:** Approve recommended actions.

The motion carried by the following roll call vote:

Ayes: Council Member Chavez, Council Member Gameros, Council Member Harlan, Council Member Harper, Council Member Reynolds, Mayor Pro Tem Marr, and Mayor Stephens.

Nays: None

Absent: None

Motion carried: 7-0

**ACTION:**

1. City Council approved the purchase of six (6) new 2021 BMW R1250RT-P police motorcycles, based on pricing provided through a cooperative agreement with the City of Stockton, CA No. PUR-20-028.
2. Authorized the City Manager to execute the necessary documents for the purchase of six (6) new 2021 BMW R1250RT-P police motorcycles in the amount of \$191,078.51 from Long Beach BMW Motorcycles located at 2125 E. Spring Street, Long Beach, CA 90806.
3. Approved General Fund savings transfer of \$191,078.51 to the Equipment Replacement fund.

**12. RENEWED MEASURE M (M2) ELIGIBILITY – Public Services Department**

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

**MOTION:** Approve recommended actions.

The motion carried by the following roll call vote:

Ayes: Council Member Chavez, Council Member Gameros, Council Member Harlan, Council Member Harper, Council Member Reynolds, Mayor Pro Tem Marr, and Mayor Stephens.

Nays: None

Absent: None

Motion carried: 7-0

**ACTION:**

1. City Council approved the City's Maintenance of Effort (MOE) for Fiscal Year 2021-22.
2. Approved the M2 Seven-Year Capital Improvement Program (CIP) comprised of the City's Five-Year and future year CIP for Fiscal Year 2021-22 through Fiscal Year 2027-28.
3. Adopted Resolution No. 2021-25 for the Master Plan of Arterial Highways Conformance and Mitigation Fee Program.

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

**NEW BUSINESS:**

- 1. PROFESSIONAL SERVICES AGREEMENT TO PROVIDE BRIDGE SHELTER OPERATOR AT THE PERMANENT BRIDGE SHELTER AT 3175 AIRWAY AVENUE – City Manager’s Office**

**SUBSTITUTE MOTION/SECOND:** Mayor Pro Tem Marr/Council Member Harper  
**SUBSTITUTE MOTION:** Approve recommended actions with the exception of the contingency monies coming back to council at a later date if needed.

The motion carried by the following roll call vote:

Ayes: Council Member Chavez, Council Member Gameros, Council Member Harlan, Council Member Harper, Council Member Reynolds, Mayor Pro Tem Marr, and Mayor Stephens.

Nays: None

Absent: None

Motion carried: 7-0

**ACTION:**

1. City Council and the Housing Authority Board of Directors awarded a Professional Services Agreement (PSA) to Mercy House Living Centers in an annual amount of \$2,000,000 as the City’s bridge shelter operator for a three-year term from July 1, 2021 – June 30, 2024, with two one-year extension options.
2. Authorized the City Manager, Executive Director of the Housing Authority, City Attorney and City Clerk, to sign and execute the proposed agreement, in substantially the form as attached and in such final form as approved by the City Attorney, and future authorized changes and amendments to the agreement.

- 2. APPROVE A MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF COSTA MESA AND THE SAVE OUR YOUTH (SOY) FOR JOINT RECREATIONAL PROGRAMMING OPPORTUNITIES**  
Parks and Community Services Department

**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 Gameros, Council Member Harlan, Council Member Harper, Council Member Reynolds, Mayor Pro Tem Marr, and Mayor Stephens.

Nays: None

Absent: None

Motion carried: 7-0

## For Informational Purposes Only

### **ACTION:**

1. City Council approved a Memorandum of Understanding between the City of Costa Mesa and the Save Our Youth (SOY) for joint recreational programming opportunities.
2. Authorized the City Manager and City Attorney to enter into any and all documents needed to implement the MOU and absorb the estimated cost of \$42,000 from the City Manager's Contingency included in the budget.

City Council recessed into a break at 8:33 p.m.

City Council reconvened at 8:48 p.m.

### **PUBLIC HEARINGS:**

1. **BUSINESS IMPROVEMENT AREA (BIA) REAUTHORIZATION AND RESOLUTION TO LEVY ANNUAL ASSESSMENT** – City Manager's Office

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

**MOTION:** Approve recommended actions.

The motion carried by the following roll call vote:

Ayes: Council Member Chavez, Council Member Gameros, Council Member Harlan, Council Member Harper, Council Member Reynolds, Mayor Pro Tem Marr, and Mayor Stephens.

Nays: None

Absent: None

Motion carried: 7-0

### **ACTION:**

1. City Council conducted a public hearing regarding the Business Improvement Area (BIA) reauthorization and levy of the annual assessment for Fiscal Year 2021-2022.
2. Adopted Resolution No. 2021-26, confirming the annual report filed by Travel Costa Mesa and levying an annual assessment for Fiscal Year 2021-2022 for a business improvement area covering certain Costa Mesa hotels and motels.



**For Informational Purposes Only**

**2. FISCAL YEAR 2021-22 PROPOSED OPERATING AND CAPITAL IMPROVEMENT PROGRAM BUDGET**

City Manager's Office/Finance Department

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

**MOTION:** Approve recommended actions 1 and 3-7.

The motion carried by the following roll call vote:

Ayes: Council Member Chavez, Council Member Gameros, Council Member Harlan, Council Member Harper, Council Member Reynolds, Mayor Pro Tem Marr, and Mayor Stephens.

Nays: None

Absent: None

Motion carried: 7-0

**ACTION:**

1. City Council approved Resolution No. 2021-21, adopting the Fiscal Year 2021-22 Operating and Capital Improvement Budget as originally proposed on May 25, 2021; or
3. Adopted Resolution 2021-27, adding the following job classifications and related pay ranges:
  - a. Active Transportation Coordinator; and
  - b. Arts Specialist; and
4. Authorized the City Manager and/or Finance Director to appropriate and transfer Federal American Rescue Plan (ARP) Funds as needed to comply with U.S. Treasury Guidelines and to facilitate audit review and compliance; and
5. Authorized the City Manager and/or Finance Director to appropriate and transfer current year (FY 2020-21) General Fund Reserves to the Equipment Replacement Fund to provide sufficient cash flow for the upcoming fiscal year.
6. Authorized the City Manager and City Attorney to enter into any and all agreements with Costa Mesa organizations to provide financial assistance for families with a financial hardship to participate in Parks and Community Services programs.
7. Authorized the City Manager and/or Finance Director to appropriate funds from the Golf Course Improvement Fund (Fund 413), as and if needed, to begin the process of updating the Golf Course's Five-Year Plan.

City Council recessed into a break at 9:22 p.m.

City Council reconvened at 9:32 p.m.

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3. **FINAL ENVIRONMENTAL IMPACT REPORT (SCH NO. 2019050014), GENERAL PLAN AMENDMENT GP-20-01, REZONE R-20-01, SPECIFIC PLAN SP-20-01, MASTER PLAN PA-19-19, TENTATIVE TRACT MAP NO. 19015, AND DEVELOPMENT AGREEMENT DA-20-02 FOR DEVELOPMENT OF A MIXED-USE PROJECT (ONE METRO WEST) LOCATED AT 1683 SUNFLOWER AVENUE – Development Services Department**

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

**MOTION:** Extend the meeting past midnight.

The motion carried by the following roll call vote:

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

Nays: Council Member Harper

Absent: Council Member Harlan

Abstain: None

Motion carried: 5-1-1

City Council recessed into a break at 12:05 a.m.

City Council reconvened at 12:10 a.m.

**MOVED/SECOND:** Council Member Gameros/Mayor Stephens

**MOTION:** Approve recommended action numbers 1 and 3.

The motion carried by the following roll call vote:

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

Nays: Council Member Harper

Absent: None

Abstain: Council Member Harlan recused himself on this item as he previously voted on it when he was on the Planning Commission.

Motion carried: 5-1-0-1

**ACTION:**

1. City Council conducted a public hearing including presentations from staff and the applicant and receipt of public comments; and
  
3. Approved the EIR, General Plan Amendment, Master Plan, Tract Map and language of the Development Agreement, and give first reading to the Zoning Code Amendment, Specific Plan, and Ordinance adopting the Development Agreement.

**OLD BUSINESS: NONE**

**ADJOURNMENT –** Mayor Stephens adjourned the meeting at 12:29 a.m.