

**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, SEPTEMBER 17, 2019
CITY COUNCIL CHAMBERS, 77 FAIR DRIVE
CLOSED SESSION – 4:00 P.M.
REGULAR MEETING – 6:00 P.M.**

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

City Manager
Lori Ann Farrell Harrison

CALL TO ORDER

The Closed Session was called to order by Mayor Foley at 4:00 p.m. in the Council Chambers at Costa Mesa City Hall, 77 Fair Drive, Costa Mesa, California.

ROLL CALL

Present: Council Member Chavez, Council Member Genis, Council Member Mansoor (arrived at 4:06 p.m.), Council Member Marr, Council Member Reynolds, Mayor Pro Tem Stephens, and Mayor Foley.

Absent: None

The City Council recessed to Room 5A at 4:03 p.m. for Closed Session to consider the following items:

FOR INFORMATIONAL PURPOSES ONLY

1. CONFERENCE WITH REAL PROPERTY NEGOTIATOR

APN: 424-211-12

Property: 1885 Anaheim Street, Costa Mesa, CA 92627

Pursuant to Section 54956.8, California Government Code

Agency Negotiator: Justin Martin, Acting Assistant City Manager

Negotiating Parties: Pastor Phil Eyskens, Church of the Nazarene/Lighthouse Church;
Cities in the Central Orange County Service Planning Area (SPA)

Negotiation: Price and Terms of Payment

2. CONFERENCE WITH REAL PROPERTY NEGOTIATOR

APN: 427-091-12

Property: 3175 Airway Avenue, Costa Mesa, CA 92627 Pursuant to Section 54956.8,
California Government Code

Agency Negotiator: Justin Martin, Acting Assistant City Manager

Negotiating Parties: Hajoca Corporation (Tenant), Matt Moore and Chris Bounds
(Real Property Negotiators); and, Cities in the Central Orange County Service
Planning Area (SPA)

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: 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 for the Central District of
California – Southern Division, Case No. 8:18-cv-00155

4. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

Pursuant to Subdivision (d)(1) of Section 54956.9, California Government Code

Name of Case: Yellowstone Women's First Step House, Inc., and Sober Living
Network, Inc. v. City of Costa Mesa, United States District Court, Central District of
California, Case No. SACV14-01852 JVS.

5. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

SIGNIFICANT EXPOSURE TO LITIGATION – ONE POTENTIAL CASE

Pursuant to Subdivision (d)(2) of Section 54956.9, California Government Code

CALL TO ORDER

The Regular Meeting was called to order by Mayor Foley at 6:05 p.m. in the Council
Chambers at Costa Mesa City Hall, 77 Fair Drive, Costa Mesa, California.

FOR INFORMATIONAL PURPOSES ONLY

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

CONSENT CALENDAR:

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

MOTION: Approve recommended actions for Consent Calendar Item Nos. 1 through 13 except for 3, 5, 12, and 13.

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: Jennifer Parry

ACTION:

City Council received and filed.

- 4. MINUTES OF THE REGULAR CITY COUNCIL AND SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY MEETING OF JUNE 18, 2019 AND ADJOURNED REGULAR MEETING OF JUNE 25, 2019**

ACTION:

City Council approved the minutes of June 18, 2019 and June 25, 2019.

FOR INFORMATIONAL PURPOSES ONLY

6. SECOND READING AND ADOPTION OF AN ORDINANCE AMENDING CHAPTER I OF TITLE 1 OF THE COSTA MESA MUNICIPAL CODE RELATING TO LATE PENALTIES, INTEREST, AND COLLECTION OF UNPAID FEES, RESOLUTION ESTABLISHING PENALTIES RELATING TO THE SAME, AND APPROVAL OF PROFESSIONAL SERVICES AGREEMENT WITH RAY KLEIN, INC. DBA PROFESSIONAL CREDIT FOR COLLECTION AGENCY SERVICES

ACTION:

1. City Council gave second reading to and adopted Ordinance No. 19-16, amending Chapter I of Title 1 of the Costa Mesa Municipal Code relating to the collection of unpaid fines and fees; and
2. Adopted Resolution No. 19-64, establishing late penalties and interest in connection with the collection services and unpaid amounts due to the City; and
3. Approved the proposed Professional Services Agreement (PSA) with Ray Klein, Inc. dba Professional Credit for collection services of unpaid and delinquent receivables for a five-year term ending September 16, 2024; and
4. Authorized the City Manager and the City Clerk to execute the proposed PSA and future amendments to the PSA within Council authorized limits.

7. TENANT LEASE AGREEMENT BETWEEN COSTA MESA AND HAJOCA

ACTION:

1. City Council approved the tenant lease agreement between the City of Costa Mesa and Hajoca Corporation to utilize a portion of the existing warehouse property located at 3175 Airway Avenue and to perform capital upgrades in the existing space, in exchange for the City's contribution of up to \$200,000, which will be provided in the form of monthly rental credits throughout the lease term; and
2. Authorized the City Manager and the City Clerk to execute the lease agreement and future changes and amendments to the agreement, including approval of an additional contingency contribution of \$50,000 by the City toward the capital improvements, if necessary.

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8. APPROVAL OF PROFESSIONAL SERVICES AGREEMENT WITH CLEARSOURCE FINANCIAL CONSULTING FOR CITYWIDE FEE STUDY AND COST ALLOCATION PLAN

ACTION:

1. City Council approved the proposed Professional Services Agreement (PSA) with ClearSource Financial Consulting for completion of an initial Citywide Fee Study and Cost Allocation Plan and potential subsequent updates for a five-year term ending September 16, 2024 for a total not-to-exceed amount of \$88,880; and
2. Authorized a ten (10) percent contingency for additional analyses, if needed; and
3. Authorized the City Manager and the City Clerk to execute the agreement and future amendments to the agreement within Council authorized limits.

9. ADOPTION OF A RESOLUTION AUTHORIZING THE APPLICATION FOR, AND ACCEPTANCE OF, A GRANT AWARD FROM THE OFFICE OF TRAFFIC SAFETY FOR THE SELECTIVE TRAFFIC ENFORCEMENT PROGRAM

ACTION:

1. City Council adopted Resolution No. 19-63, which authorizes the application for, and acceptance of, a grant award from the State of California – Office of Traffic Safety (OTS) for the Selective Traffic Enforcement Program (STEP) and authorizes the City Manager to execute the Grant Agreement; and
2. Approved a budget adjustment recognizing \$260,000 in grant revenue and appropriating \$260,000 to the Police Department budget for overtime, professional development, and equipment associated with the 2019 OTS STEP Grant

10. APPROVAL OF AMENDMENT NO. 6 TO THE PROFESSIONAL SERVICES AGREEMENT WITH WARE DISPOSAL TO ADD ORGANIC WASTE PROGRAM AT CITY FACILITIES

ACTION:

1. City Council approved Amendment No. 6 to the Professional Services Agreement (PSA) with Ware Disposal, Inc. for Solid Waste Collection Services at City Facilities, amending the scope of services to include services relating to an Organic Waste Recycling Program and increasing the compensation by \$1,800.00, for a total not-to-exceed amount of \$121,382.43 for the current year; and
2. Authorized the City Manager and City Clerk to execute the Amendment.

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11. REFUND OF CASH DEPOSIT IN CONNECTION WITH ENCROACHMENT PERMIT NO. PS12-00620 FOR STREET IMPROVEMENTS AT 450 E. 17TH STREET, COSTA MESA, CALIFORNIA

ACTION:

Refund the cash deposit in connection with Encroachment Permit No. PS12-00620 in the amount of \$20,000.00 for street improvements to 450 E. 17th Street Association, LLC, 1100 Newport Center Drive, Suite 200, Newport Beach, CA 92660.

ITEMS PULLED FROM THE CONSENT CALENDAR:

5. SECOND READING OF ORDINANCE NO. 19-15 FOR AMENDMENT TO TITLE 13, THE CITYWIDE LAND USE MATRIX TO ALLOW EMERGENCY SHELTERS TO BE LOCATED IN THE INDUSTRIAL PARK ZONE AND THE EMERGENCY SHELTER DEVELOPMENT STANDARDS IN THE SPECIAL LAND USE REGULATIONS

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

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:

City Council gave second reading to and adopted Ordinance No. 19-15 (Code Amendment CO-19-01) read by title only, which amends Title 13, Chapter IV and IX of Costa Mesa Municipal Code as follows:

- 1) Amend the Citywide Land Use Matrix to allow an emergency shelter to locate in the Industrial Park (MP) zone subject to a conditional use permit and add Footnote 10 to the Citywide Land Use Matrix to state that shelters located on sites owned, controlled, and/or operated by the City in the MP or PDI zones would be a permitted use and that standards in subsections (1), (2), (4), (8), (10) and (13) of section 13-200.79 would not apply to such use; and

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- 2) Revise four existing Development Standards to clarify intent; add a new standard to require shelter operators to patrol the area within one-half mile of a shelter site to ensure that shelter clients and other individuals are not congregating in the area around a shelter; and a new standard to require that the procedures of the Public Utilities Code calling for compatibility with the John Wayne Airport Environs Land Use Plan apply to all emergency shelters located in the MP Industrial Park Zone that are also located in an area that is subject to the jurisdiction of the Orange County Airport Land Use Commission, excepting only those owned and/or operated by the City.

12. **RELEASE OF BOND IN CONNECTION WITH TRACT MAP 17705 FOR LOT CORNER MONUMENTATION AT 2294 PACIFIC AVENUE, COSTA MESA, CALIFORNIA**

MOVED/SECOND: Council Member Marr/Council Member Chavez

MOTION: Release the Performance Bond (Certificate No. 0666043) in the amount of \$2,000 to Collective Westside, LLC, a California Limited Liability Company, 26050 Acero, Suite 302, Mission Viejo, California 92691.

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 released the Performance Bond (Certificate No. 0666043) in the amount of \$2,000 to Collective Westside, LLC, a California Limited Liability Company, 26050 Acero, Suite 302, Mission Viejo, California 92691.

13. **LICENSE AGREEMENT BETWEEN THE CITY OF COSTA MESA AND THE COSTA MESA-NEWPORT HARBOR LIONS CLUB TO HOST THE ANNUAL FISH FRY EVENT AT THE LIONS PARK CAMPUS BEGINNING IN 2020**

MOVED/SECOND: Mayor Foley/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

FOR INFORMATIONAL PURPOSES ONLY

ACTION:

1. City Council approved the license agreement between the City of Costa Mesa and the Costa Mesa-Newport Harbor Lions Club to host the annual Fish Fry event at the Lions Park Campus beginning in 2020; and
 2. Authorized the City Manager and City Clerk to execute the agreement and future amendments to the agreement.
3. **WARRANT RESOLUTION NO. 2626 OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, ALLOWING CERTAIN CLAIMS AND DEMANDS, INCLUDING PAYROLL REGISTER NOS. 19-17 “A” FOR \$1,318.73; 19-18 FOR \$2,610,594.81; AND CITY OPERATING EXPENSES FOR \$1,538,135.22; AND SPECIFYING THE FUNDS OUT OF WHICH THE SAME ARE TO BE PAID**

MOVED/SECOND: Council Member Reynolds/Council Member Marr

MOTION: Approve Warrant Resolution No. 2626.

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, and Mayor Pro Tem Stephens.

Nays: None

Absent: None

Abstain: Mayor Foley

Motion carried: 6-0-0-1

ACTION:

City Council approved Warrant Resolution No. 2626.

AT THIS TIME COUNCIL WILL ADDRESS ANY ITEMS PULLED FROM THE CONSENT CALENDAR

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

City Council recessed into a break at 8:32 p.m.

City Council reconvened at 8:42 p.m.

PUBLIC HEARINGS – 7:00 p.m. (Resolution No. 05-55): NONE

OLD BUSINESS: NONE

FOR INFORMATIONAL PURPOSES ONLY

NEW BUSINESS:

- 1. APPROVAL OF A COOPERATIVE AGREEMENT BETWEEN THE COUNTY OF ORANGE AND THE CITY OF COSTA MESA FOR FUNDING, DESIGN, CONSTRUCTION AND MAINTENANCE OF THE SANTA ANA AVENUE AND UNIVERSITY DRIVE DRAINAGE AND PAVEMENT IMPROVEMENTS, RESULTING IN A NEW MULTI-BENEFIT PARK SPACE**

MOVED/SECOND: Council Member Chavez/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

ACTION:

1. City Council approved the proposed cooperative agreement between the County of Orange and the City of Costa Mesa for funding, design, construction, and maintenance of the Santa Ana Avenue and University Drive drainage and pavement improvements, resulting in a new multi-benefit park space for a term of 50 years, with one renewal option to extend the agreement for an additional 49 years; and
 2. Authorized the City Manager and the City Clerk to execute the agreement and future amendments to the agreement.
- 2. INTRODUCTION AND FIRST READING OF AN ORDINANCE TO AMEND ARTICLE 11 ½ OF CHAPTER II OF TITLE 9 OF THE COSTA MESA MUNICIPAL CODE RELATING TO SPECIAL EVENT REGULATIONS**

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

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:

City Council introduced for first reading, to be read by title only, Ordinance No. 19-17, amending Article 11 ½ (Regulatory Permits for Special Events) of Chapter II (Regulation of Certain Businesses) of Title 9 (Licenses and Business Regulations) of the Costa Mesa Municipal Code.

FOR INFORMATIONAL PURPOSES ONLY

3. DISPLAY OF THE “BLUE LIVES MATTER” AND “IN GOD WE TRUST” FLAGS AT CITY HALL

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

MOTION: To receive and file the report, work with the Police Department to find an appropriate memorial for fallen Police officers and those who risk their lives every day in the line of duty, and recognize and participate in National Law Enforcement Week in January.

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

Motion carried: 6-1

Action:

To receive and file the report, work with the Police Department to find an appropriate memorial for fallen Police officers and those who risk their lives every day in the line of duty, and recognize and participate in National Law Enforcement Week in January.

ADJOURNMENT

Mayor Foley adjourned the meeting at 9:45 p.m. in memory of Christine Goodfellow.