

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

July 06, 2010

The City Council Meeting of the City of Costa Mesa, California met in regular session July 06, 2010, at 5:05 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 Gary Monahan

Council Members Absent: Council Member Katrina Foley

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

II. PUBLIC COMMENTS

There were no public comments.

III. CLOSED SESSION

1. Pursuant to Government Code Section 54957.6, conference with Allan L. Roeder, City Manager and Labor Negotiator, Agency Negotiator: Stephen N. Mandoki, Administrative Services Director, regarding Employee Organizations: Costa Mesa City Employee Association (CMCEA), Costa Mesa Firefighters Association (CMFA), Costa Mesa Police Association (CMPA), Costa Mesa Police Management Association (CMPMA) and Unrepresented Employees (Executive and Confidential).
2. Conference with Legal Counsel - Existing Litigation: Asociacion De Jornaleros De Costa Mesa and the Colectivo Tonantzin v. City of Costa Mesa; United States District Court, Central District, Court Case Number SACV10-00128 CJC (RNBx), pursuant to Government Code Section 54956.9 (a).

The Mayor recessed the meeting at 5:07 p.m. to Conference Room 1B for the Closed Sessions.

The Mayor reconvened the regular meeting at 6:19 p.m.

PLEDGE OF ALLEGIANCE - Mayor Allan Mansoor

MOMENT OF SOLEMN EXPRESSION - Pastor Chris Warner, OC Crosspoint

ROLL CALL

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

Council Members Absent: Council Member Katrina Foley

Officials Present: City Manager Allan Roeder
Assistant City Manager Thomas Hatch
City Attorney Kimberly Hall Barlow
Development Services Director Kimberly Brandt
Public Services Director Peter Naghavi
Budget and Research Officer Bobby Young
Police Lieutenant Bryan Glass
Senior Planner Mel Lee
Senior Planner Minoo Ashabi
City Clerk Julie Folcik

CLOSED SESSION REPORT

The City Attorney reported that no action was taken on the closed session items.

PRESENTATIONS

The Mayor congratulated Police Officer Frank Christian on being selected Employee of the Month for July. He was recognized for his role in responding to a 9-1-1 call and assisting an elderly resident.

The Mayor congratulated EMS Coordinator Larry Grihalva on being selected Employee of the Month for July, and was recognized for his efforts in planning and implementing the citywide public access defibrillation program.

PUBLIC COMMENT

Stephanie Barger, Executive Director of Earth Resource Foundation, thanked the Council for their hard work regarding the Fairgrounds, and urged Council to support the statewide ban of plastic bags (AB1998) and the banning of styrofoam.

Ariana (no last name given), UCI student, reported her results in surveying local

restaurants relative to their efforts in the ban of styrofoam.

Eloise Ott, Costa Mesa, reported trash on the I-405, SR-55 and the 73 Freeway, and asked Council to write a letter to Caltrans regarding its removal.

Sandra Genis, Costa Mesa, encouraged the City to have a presentation at a public meeting regarding the Fairgrounds and Facilities Management West; and commented on the differences in approach concerning dog and cat regulations and licensing in the city.

Steve Mensinger, Costa Mesa, thanked the Council on behalf of Estancia Cheer, Costa Mesa Pop Warner, and Estancia Football for allowing the sales of handheld devices (fireworks) and extending of the hours for fireworks sales on July 4th. He reported that sales the handheld devices were successful and accounted for approximately \$25,000 of their total sales.

Frank Albers, Costa Mesa, echoed the previous speakers comments regarding the sale of fireworks and the success of the fundraiser efforts for youth sports.

V COUNCIL MEMBERS' REPORTS, COMMENTS, AND SUGGESTIONS

Mayor Pro Tem Wendy Leece complimented staff on the new Fairview entrance design, urged staff to put more pressure on CalTrans relative to the trash on the freeways; thanked the firefighters and police for keeping the City safe on the 4th of July; announced that Concerts in the Park have started at Fairview Park; announced "Movie Mondays" to take place at the Orange County Performing Arts Center; announced upcoming CERT Training on October 1-3; and recognized Save Our Youth (SOY) and Think Together for their successful fundraising efforts to provide college scholarships for youths within the programs.

Council Member Eric Bever expressed his appreciation to the community for keeping the fireworks under control; commented on Animal Control's enforcement of the regulations as they refer to cats; praised Barrett-Jackson for bringing the event to Costa Mesa, and suggested that a thank you letter be sent; and expressed appreciation to Steve Mensinger for organizing the Costa Mesa High School and Estancia High School football teams for a Canyon Park clean-up event, and suggested that the event be held annually.

VI CONSENT CALENDAR ITEM NOS. 1 THROUGH 13.

MOTION: Approve the recommended actions for Consent Calendar Item Nos. 1 through 13, except for Consent Calendar Item No. 12, and continued the meeting minutes for the regular meetings of May 4, 2010, May 18, 2010, and June 1, 2010.

Moved by Council Member Gary Monahan, seconded by Council Member Eric R. Bever.

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 Gary Monahan
Noes: None.
Absent: Council Member Katrina Foley

1. Reading Folder.

ACTION: The following Claims were received by the City Clerk for processing: Wolfgang Jurinek; State Farm Insurance on behalf of James Meschersky

The following Request for Alcoholic Beverage Control Licenses were received by the city for processing:

For Mena Noshi Abdeimessih dba Nady's Market, located at 3135 Harbor Boulevard, Costa Mesa, for a person-to-person transfer of an existing type 21 (off-sale general).

For Word Vineyards LLC dba Word Vineyards, located at 1922 Placentia, Ste. A., Costa Mesa, for type 17 license (beer and wine wholesaler) and type 20 license (off-sale beer and wine).

For Fresh & Easy Neighborhood Market Inc. dba Fresh & Easy Neighborhood Market, located at 1835 Newport Boulevard, Ste. C138, Costa Mesa, for a type 20 license (off-sale beer and wine).

For Vilune Wagner dba Napa Valley Pizza and Pasta, located at 2278 Newport Boulevard, for a person-to-person transfer of an existing type 41 license (on-sale beer and wine for a bona fide eating place).

The following notifications were received by the City Clerk:

Southern California Edison – Application of Southern California Edison Company (U 338-E) for authority to lease certain fiber optic cables to the County of Los Angeles

Southern California Gas Company – Notice of Filing of the Gas Cost Incentive Mechanism (GCIM) Application No. A.10-06-006.

T-Mobile West Corporation – Notification Letter for T-Mobile Site No. LA33508A for Sunflour Bakery, 2950 Grace Lane, Costa Mesa

T-Mobile West Corporation – Notification Letter for T-Mobile Site No. LA33506A for Baker Professional, 1551 Baker Street, Costa Mesa

2. Regular Meeting of May 4, 2010, Regular Meeting of May 18, 2010, and Regular Meeting of June 1, 2010.

ACTION: Continued.

3. Warrant Resolution 2323, funding Payroll No. 10-12 for \$2,333,249.89 and Payroll No. 10-11A for \$278.08 and City operating expenses for

\$782,877.69 including payroll deductions.

ACTION: Approved resolution.

4. Warrant Resolution 2324, funding City operating expenses for \$1,498,704.03.

ACTION: Approved resolution.

5. Warrant Resolution 2325, funding Payroll No. 10-13 for \$2,362,086.16 and City operating expenses for \$452,752.82 including payroll deductions.

ACTION: Approved resolution.

6. Award Formal Bid Item No. 1136, for parking ticket citation processing services with Data Ticket, Inc., 4600 Campus Drive, Suite 200, Newport Beach, for a two-year term beginning July 7, 2010 through July 6, 2010, with the option of three additional one (1)-year extensions in an amount not to exceed \$125,000 per year.

ACTION: Approved; authorized the Mayor and City Clerk to sign; and authorized the City Manager to sign extensions of contract upon recommendation by the Police Department.

7. Professional Services Agreement with A.C.T. GIS, 19000 Grovewood Drive, Corona, for Geographic Information System (G.I.S.) support services, for the term beginning July 1, 2010 through June 30, 2011, in the amount of \$110,475.

ACTION: Approved; authorized the Mayor and City Clerk to sign.

8. Completion of Parkway Concrete Repair and New Sidewalk Construction, City Project No. 09-10, by C.J. Construction, Inc., 10142 Shoemaker Avenue, Santa Fe Springs.

ACTION: Work was accepted; City Clerk was authorized to file a Notice of Completion; authorization was given to release of retention monies 35 days thereafter; the Labor and Material Bond was ordered exonerated seven (7) months thereafter; and the Faithful Performance Bond was ordered exonerated twelve (12) months thereafter .

9. Completion of Rehabilitation of Bear Street (From Baker Street to Bristol Street), City Project No. 09-24, by R.J. Noble Company, 15505 East Lincoln Avenue, Orange.

ACTION: Work was accepted; City Clerk was authorized to file a Notice of Completion; authorization was given to release of retention monies 35 days thereafter; the Labor and Material Bond was ordered exonerated seven (7) months thereafter; and the Faithful Performance Bond was

ordered exonerated twelve (12) months thereafter.

10. Authorize refund of cash deposit in the amount of \$9,240 to Michael Howarth, 514 Via Lido Nord, Newport Beach, in connection with Encroachment Permit No. PS09-00282 for street improvements located at 918 Sunset Drive, Costa Mesa.

ACTION: Approved.

11. Release of Maintenance Bond (Certificate No. SU 5014567), in the amount of \$64,300, to Headlands Reserve, LLC, 24849 Del Prado, Dana Point, in connection with the Coastal Sage Scrub Restoration Project at Fairview Park.

ACTION: Approved.

13. Agreement between the Costa Mesa Police Department and the 32nd District Agricultural Association, to provide traffic management services for the Orange County Fair, beginning July 16, 2010 through August 15, 2010, in an amount not to exceed \$380,000.

ACTION: Approved; and authorized the City Manager or his designee to sign.

ITEMS REMOVED FROM CONSENT CALENDAR

12. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, GRANTING ANOTHER DESIGNATED PERIOD FOR TWO YEARS ADDITIONAL SERVICE CREDIT, for local Fire Safety members of the California Public Employees' Retirement System (CalPERS)

Council Member Bever expressed his opposition. Mayor Mansoor, for the record, also expressed his opposition noting consistency with his position on the matter, however, recognized the necessity of the process to continue and therefore informed that he would be voting in favor of the item.

MOTION: Adopt Resolution No. 10-49, and authorize the City Clerk to execute the required CalPERS certifications and documents.

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

The motion carried by the following roll call vote:

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

Noes: Council Member Eric R. Bever

Absent: Council Member Katrina Foley

It was unanimously agreed to take New Business IX-1, out of order as it

was not yet the specified time for Public Hearings per Resolution No. 05-55.

IX NEW BUSINESS

1. Developmental Impact Fee Deferral Program - Council Policy 500-15

Senior Planner Mel Lee presented the staff report and responded to questions from the Council regarding the imposing of a limit for the fee deferrals.

Dan Cruise, Costa Mesa, expressed support of the fee deferral program, and also encouraged the deferral of storm drain fees.

Jim Righeimer, Costa Mesa, supported the deferral program.

MOTION: Approve and adopt Council Policy 500-15.

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

MOTION: Approve and adopt Council Policy 500-15 as amended, for the policy apply to all development and remove reference to an annual renewal of the policy, and that the deferral of storm drain fees be included.

Moved by Council Member Eric R. Bever, seconded by Mayor Pro Tem Wendy Leece.

Council Member Bever explained that the motion would simplifying the process, make the deferral applicable to all applications for development permits, opined that it should not include an annual renewal of the policy and that it should also apply the drainage fees.

Public Services Peter Naghavi and staff responded to concerns regarding the deferral of the storm drain fees. Council Member Monahan commented that he would not be supportive of including a deferral for the storm drain fees. Council Member Bever revised his motion.

MOTION: Approve and adopt Council Policy 500-15 as amended, for the policy apply to all development and remove reference to an annual renewal of the policy.

Moved by Council Member Eric R. Bever, seconded by Mayor Pro Tem Wendy Leece.

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 Gary Monahan

Noes: None.

Absent: Council Member Katrina Foley

2. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, SUPPORTING THE CALIFORNIA JOBS INITIATIVE, temporarily suspending the implementation of the California Global Warming Solutions Act (AB 32).

Mayor Pro Tem Leece presented the report.

Stephanie Barger, Costa Mesa, encouraged Council review the act further before taking action; and spoke in support of "Zero Waste" businesses.

Jim Fitzpatrick, Costa Mesa, suggested that Council either continue the item due to limited information or allow the voters to decide.

MOTION: Adopt Resolution No. 10-50.

Moved by Mayor Pro Tem Wendy Leece, seconded by Mayor Allan R. Mansoor.

The motion carried by the following roll call vote:

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

Noes: None.

Absent: Council Member Katrina Foley

It was unanimously agreed to take Public Hearing No. VII-2 out of order.

VII. PUBLIC HEARING

2. **PUBLIC HEARING: Request for Review by Mayor Pro Tem Leece of the Planning Commission's approval of Planning Application PA-09-18, for Master Plan to construct a three-story, 53-unit senior housing project over a one-story, 4,980-sq. ft. retail building (four stories total), with up to 10% compact parking spaces (seven total) in the SoBECA Urban Plan, located at 845 Baker Street, in C1/Mixed-Use Overlay zone. Environmental determination: exempt.**

Senior Planner Mel Lee presented the staff report.

Mayor Pro Tem Leece explained her reasons for reviewing the project noting concerns which included the pedestrian safety, access to public transportation, the noise generated from the existing neighboring business, The Shark Club, the number of allotted parking spaces, and how the project would fit with the SoBECA plan.

Peter Buffa, Costa Mesa, representing USA Properties, noted the amenities offered in the proposed senior housing project and the positive attributes of the project, pointing out that it was an over parked project, only requesting one minor variance and provided much needed affordable housing for seniors.

Steve Gall, Senior Vice-President of USA Properties Fund, gave a brief overview

of his company, noting its 29-year history and development of approximately 10,000 affordable housing units.

Jan Hochhauser, Hochhauser Blatter Architecture and Planning, provided a presentation describing the proposed project. He also responded to concerns relative to the project as it relates to the location of the project, noting the significant setbacks, parking, design and amenities.

Eric Nelson, representative of Red Mountain Retail Group, addressed concerns relative to traffic, noting that there would be the impacts would remain the same, and that of parking, pointed out that the parking for the project would be the parking standards.

Margaret Thibodeau, Costa Mesa, expressed her opposition to the project, due to concerns regarding noise, safety, parking, and the isolation of tenants.

Chris Bennett, Lab Holdings, expressed the company's concern regarding the proposed project, and indicated that it did not fit the vision for the SoBECA plan.

Shaheen Sadeghi, Costa Mesa, opined that the project did not fit in the SoBECA plan and encouraged the Council to oppose the project for the location.

Carrie Jimenez, Costa Mesa, spoke in opposition to the project due to the drawbacks of the location.

Margaret Van der Schaaf, Costa Mesa, expressed concern regarding safety, parking and transportation for the project.

Jon Hanour, owner of the Shark Club, spoke in opposition to the project location, noting the concern regarding noise and for the project's impact on the conduct of business at the Shark Club due to it's proximity.

Chris McEvoy, Costa Mesa, also noted his concern of the project due to the noise impacts and the quality of life issues for the senior residents.

Al Marshall, Costa Mesa, expressed his support of the project, and felt that the area should also embrace seniors.

Diane Swartz, Costa Mesa, expressed concern in the number of parking spaces and recommended that parking be reevaluated.

Jim Righemer, Costa Mesa, expressed his support of the project.

The developer confirmed for Council Member Bever that he was willing to work with the city to address issues of concern and to assume financial responsibility to place a signal light with pedestrian access closer to the development.

Council Member Monahan noted his support of the project, commenting that it not only met development requirements but that he thought the project fit the

plan for the area.

MOTION: Adopt Resolution No. 10-51 to uphold the Planning Commission's decision, as amended to include the following condition "The developer shall work with the City to provide signalized pedestrian access across Baker Street."

Moved by Council Member Eric R. Bever, seconded by Council Member Gary Monahan.

Discussion ensued between the Council and Mr. Hanour regarding details of the noise study that was prepared in 2007 for another potential project and its proximity to the Shark Club. He also expressed a concern for the proposed high-rise and the noise that would be generated from the club noting the roof structure was not insulated like the walls are to mitigate the noise.

Mayor Pro Tem Leece commented that she felt it was a good project but the wrong location.

The Mayor expressed support of the project.

The motion carried by the following roll call vote:

Ayes: Mayor Allan R. Mansoor, Council Member Gary Monahan, Council Member Eric R. Bever

Noes: Mayor Pro Tem Wendy Leece

Absent: Council Member Katrina Foley

The Mayor recessed the meeting at 8:35 p.m.

The Mayor reconvened the meeting at 8:47 p.m. and convened the Special Joint Meeting of the Redevelopment Agency and City Council.

SPECIAL JOINT MEETING OF THE REDEVELOPMENT AGENCY (RDA) AND THE CITY COUNCIL

ROLL CALL

Council/Agency Members Present:	Mayor/Chair Allan R. Mansoor Mayor Pro Tem /Vice Chair Wendy Leece Council/Agency Member Eric R. Bever Council/Agency Member Gary Monahan
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Council/Agency Members Absent:	Council/Agency Member Katrina Foley
Officials Present:	City Manager Allan Roeder Assistant City Manager Thomas Hatch City Attorney/Agency Attorney Kimberly Hall Barlow Development Services Director/Executive Director Kimberly Brandt Neighborhood Improvement Manager Muriel

PUBLIC COMMENT

There was no public comment.

MINUTES

1. Regular Redevelopment Agency meeting minutes of May 11, 2010

MOTION: Approve.

Moved by Chair Allan Mansoor, seconded by Agency Member Gary Monahan.

The motion carried by the following roll call vote:

Ayes: Chair Allan R. Mansoor, Vice Chair Wendy Leece, Agency Member Gary Monahan, Agency Member Eric R. Bever.

Noes: None.

Absent: Agency Member Katrina Foley

WARRANT RESOLUTIONS:

1. Ratify Warrant Resolution CMRA-395, approve Warrant Resolution CMRA-396.

MOTION: Ratify and approve.

Moved by Chair Allan Mansoor, seconded by Agency Member Gary Monahan.

The motion carried by the following roll call vote:

Ayes: Chair Allan R. Mansoor, Vice Chair Wendy Leece, Agency Member Gary Monahan, Agency Member Eric R. Bever.

Noes: None.

Absent: Agency Member Katrina Foley

NEW BUSINESS

1. Funding Commitments of Agency and City to USA Properties Fund Relating to Proposed Harper's Pointe Senior Apartment Project For the Redevelopment Agency:

For the Redevelopment Agency:

(a) Approve recommended Agency funding Pointe Senior Apartment Project commitment to make a 55-year residual receipts loan of up to \$990,000 to Harper's Pointe, L.P., a partnership created by USA Properties Fund ("Developer"), to fund the land

acquisition and new construction of the 53-unit Harper's Pointe Senior Apartments ("Project") located at 845 West Baker Street, contingent upon the California Tax Credit Allocation Committee (TCAC) award of 9% or 4% Tax Credits to Developer for the Project and other funding commitments, including \$743,000 from the County of Orange (HOME funds) and \$757,000 under the auspices of the Mental Health Services Act Housing Program (MHSA) program, as set forth in the Commitment Letter (Attachment No. 4); and

(b) Authorize the Executive Director to execute the Commitment Letter and to take necessary actions to effectuate the transaction contemplated by the Commitment Letter. Detailed terms and conditions of an Agency Loan Agreement and implementing documents, as defined in the Commitment Letter, are contingent upon review and approval by Special Counsel to the City and by the City Attorney and subject to the assumptions and analysis in the Keyser Marston Associates' ("KMA") economic report dated as of June 24, 2010 (Attachment No. 6) ("KMA Report").

For the City Council:

(a) Approve recommended City funding commitment to make a 55-year residual receipts loan of up to \$385,000 (funding source limited to HOME Program funds) to Developer to fund the land acquisition and new construction of the Project, contingent upon TCAC's award of 9% or 4% Tax Credits to Developer for the Project and other funding commitments, including \$743,000 from the County of Orange (HOME funds) and \$757,000 under the auspices of MHSA program, as set forth in the Commitment Letter (Attachment No. 4).

(b) Authorize the City Manager to execute the Commitment Letter and to take necessary to effectuate the transaction contemplated by the Commitment Letter. Detailed terms and conditions of a City Loan Agreement and implementing documents, as defined in the Commitment Letter, are contingent upon review and approval by Special Counsel to the City and by the City Attorney and subject to the assumptions and analysis in the KMA Report (Attachment No. 6).

Muriel Ullman presented the staff report. She responded to questions from the Council/Agency Members regarding the percentage of the loan, the submittal a fair market appraisal,

Steve Gall, USA Properties, commented that the developer is looked forward to moving forward and completing the project with the City.

MOTION: Approve recommended Agency funding Pointe Senior Apartment Project commitment to make a 55-year residual receipts loan of up to \$990,000 to Harper's Pointe, L.P., a partnership created by USA Properties Fund ("Developer"), to fund the land acquisition and new construction of the 53-unit Harper's Pointe Senior Apartments ("Project") located at 845 West Baker Street, contingent upon the California Tax Credit Allocation Committee (TCAC) award of 9% or 4% Tax Credits to Developer for the Project and other funding commitments, including \$743,000 from the County of Orange (HOME funds) and \$757,000 under the auspices of the Mental Health Services Act Housing Program (MHSA) program, as set forth in the Commitment Letter.

Moved by Chair Allan Mansoor, seconded by Agency Member Eric Bever.

The motion carried by the following roll call vote:

Ayes: Chair Allan R. Mansoor, Agency Member Gary Monahan, Agency Member Eric R. Bever.

Noes: Vice Chair Wendy Leece.

Absent: Agency Member Katrina Foley

MOTION: Authorize the Executive Director to execute the Commitment Letter and to take necessary actions to effectuate the transaction contemplated by the Commitment Letter. Detailed terms and conditions of an Agency Loan Agreement and implementing documents, as defined in the Commitment Letter, are contingent upon review and approval by Special Counsel to the City and by the City Attorney and subject to the assumptions and analysis in the Keyser Marston Associates' ("KMA") economic report dated as of June 24, 2010.

Moved by Chair Allan Mansoor, seconded by Agency Member Eric Bever.

The motion carried by the following roll call vote:

Ayes: Chair Allan R. Mansoor, Agency Member Gary Monahan, Agency Member Eric R. Bever.

Noes: Vice Chair Wendy Leece.

Absent: Agency Member Katrina Foley

MOTION: Approve recommended City funding commitment to make a 55-year residual receipts loan of up to \$385,000 (funding source limited to HOME Program funds) to Developer to fund the land acquisition and new construction of the Project, contingent upon TCAC's award of 9% or 4% Tax

Credits to Developer for the Project and other funding commitments, including \$743,000 from the County of Orange (HOME funds) and \$757,000 under the auspices of MHSA program, as set forth in the Commitment Letter.

Moved by Mayor Allan R. Mansoor, seconded by Council Member Eric R. Bever.

The motion carried by the following roll call vote:

Ayes: Mayor Allan R. Mansoor, Council Member Eric R. Bever,
Council Member Gary Monahan

Noes: Mayor Pro Tem Wendy Leece,

Absent: Council Member Katrina Foley

MOTION: Authorize the City Manager to execute the Commitment Letter and to take necessary to effectuate the transaction contemplated by the Commitment Letter. Detailed terms and conditions of a City Loan Agreement and implementing documents, as defined in the Commitment Letter, are contingent upon review and approval by Special Counsel to the City and by the City Attorney and subject to the assumptions and analysis in the KMA Report.

Moved by Mayor Allan R. Mansoor, seconded by Council Member Eric R. Bever.

The motion carried by the following roll call vote:

Ayes: Mayor Allan R. Mansoor, Council Member Eric R. Bever,
Council Member Gary Monahan

Noes: Mayor Pro Tem Wendy Leece,

Absent: Council Member Katrina Foley

The Mayor adjourned the Special Joint Meeting of the RDA and City Council at 8:58 p.m. and reconvened the regular meeting of the City Council.

PUBLIC HEARINGS - 7:00 p.m.

1. PUBLIC HEARING: Development Agreement Amendment DA-10-01 for C.J. Segerstrom & Sons, Henry T. Segerstrom Properties, LLC, and Ruth Ann Moriarty Properties, LLC, for the Segerstrom Home Ranch Development Agreement (DA-00-01), located at 1201 South Coast Drive. Environmental Determination: Final Program Environmental Report SCH No. 2000071050 adopted December 3, 2001.
 - (a) A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, FINDING DEVELOPER IN COMPLIANCE WITH HOME RANCH DEVELOPMENT AGREEMENT (DA-00-01).
 - (b) AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COSTA

MESA, CALIFORNIA, ADOPTING THIRD AMENDMENT TO HOME RANCH DEVELOPMENT AGREEMENT DA-00-01 FOR HOME RANCH PROPERTY LOCATED NORTH OF THE INTERSTATE I-405, EAST OF HARBOR BOULEVARD, AND SOUTH OF SUNFLOWER AVENUE.

Senior Planner Minoo Ashabi presented the staff report.

Justin McCuster, CJ Segerstrom and Sons, commented on the collaborative efforts with the city and their support for the amendment.

Chris McEvoy, Costa Mesa, inquired about the funding being provided by the development agreement.

Terry Shaw, Costa Mesa, requested clarification regarding the \$250,000 and \$260,000 amounts. Development Services Director Kim Brandt replied explained that the original development agreement included a \$250,000 deposit to start the endowment for the preservation and another \$10,000 to fund a historic preservation plan. The dollar amounts were combined to \$260,000 in the third amendment.

Mr. Shaw inquired about what would happen to the buildings and the site at the end of the 50-year term. Ms. Brandt stated the long-term preservation beyond the 50-year timeframe will be dealt with beyond the scope of this agreement.

Mr. Shaw referred to the stipulation that the public is allowed access to the grounds once a year, and asked if that was a change to what was currently allowed. Ms. Brandt clarified that the current agreement did not define public access, and the new amendment would allow access only to the exterior due to the financial infeasibility of updating the interior of the house to comply with stringent ADA requirements.

**MOTION: Adopt Resolution No. 10-52.
Moved by Mayor Allan R. Mansoor, seconded by Council Member Gary Monahan.**

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 Gary Monahan

Noes: None.

Absent: Council Member Katrina Foley

**MOTION: Introduce Ordinance No. 10-8, read by title only, and waive further reading.
Moved by Mayor Allan R. Mansoor, seconded by Council Member Gary Monahan.**

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 Gary Monahan
Noes: None.
Absent: Council Member Katrina Foley

3. PUBLIC HEARING: RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, AMENDING THE SOLID WASTE HAULING FRANCHISE FEE.

Budget and Research Officer Bobby Young presented the report, indicated a proposed increase of 12% to 16%, and clarified that this was a fee for commercial solid waste haulers.

George Lazaruk, Vice-President of CR&R, supported the increase, but referred to a stipulation in the resolution that did not allow haulers to list the franchise fee on the customers' bill and asked Council to consider allowing the fee to be listed.

The City Attorney explained that the provision was part of the original adoption to make a distinction that the fee was for the haulers and not the customers, and elimination of the language would be a policy choice for the Council to make.

Jim Fitzpatrick, Costa Mesa, suggested short-term committess to help with a subject like this, and recommended a public-private partnership for waste.

MOTION: Adopt Resolution No. 10-53, as amended by deleting section 1(d) from the proposed resolution.

Moved by Council Member Gary Monahan. Motion died for lack of second.

Council Member Monahan expressed that he would supported requiring the listing of a franchise fee.

MOTION: Adopt Resolution No. 10-53, as amended by deleting section 1(d) from the proposed resolution.

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

The motion carried by the following roll call vote:

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

Noes: None.

Absent: Council Member Katrina Foley

4. PUBLIC HEARING: RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, INCREASING DOG LICENSING FEES

The City Manager presented the report, noted that the license fee is

specific to dogs, indicated that the City was licensing few dogs, noted an increase in dog-related calls, and proposed an intensive canvassing program. He stated a request was made to include a \$5 fee for the doggie waste bags, but was not part of the staff recommendation.

Council Member Bever asked if there had been an increase in dog waste left in the park since funding was stopped on the doggie bags. The Public Services Director indicated that there had be an increase in dog waste and complaints.

Mayor Pro Tem Leece did not support a mandatory doggie bag fee, but suggested that the opportunity be made for optional donations.

Beth Refakes, Costa Mesa, expressed dissent in forcing a fee for doggie bags, was concerned with the way the fee averages were calculated, and opined that the fee may be a hardship for owners with multiple dogs and suggested the fee be increased to \$50, but not \$75.

Terry Shaw, Costa Mesa, noted an increase of dog waste in the parks due to the lack of bags in the parks, supported making the \$5 fee optional, and recommended a smaller or gradual increase from the current fee rather than one big increase.

Chris McEvoy, Costa Mesa, suggested signs be placed at the Bark Park to inform residents that their dogs need to be licensed, and recommended a box be placed on dog licensing forms for donations to the Bark Park.

The City Manager, explained that the license fees had not been increased for 20 years, and therefore, the apparent extensive inflation.

MOTION: Adopt Resolution No. 10-54, as amended: \$80 registration for an un-altered dog fee with \$5.00 going to the dog bags , \$25 for an altered dog fee with \$5.00 going to the dog bags, a Senior discount of \$10.00 for altered dogs, 50% of the applicable license fee for a late fee and \$5.00 replacement dog tag fee.

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

Council Member Bever suggested that the check box for Bark Park donations and and doggie bag donations be part of the form.

The motion carried by the following roll call vote:

Ayes: Mayor Allan R. Mansoor, Council Member Gary Monahan,
Council Member Eric R. Bever

Noes: Mayor Pro Tem Wendy Leece

Absent: Council Member Katrina Foley

5. PUBLIC HEARING: RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, AMENDING THE CIVIL FINES

AND PENALTIES SCHEDULE PURSUANT TO SECTION 1-40 OF THE COSTA MESA MUNICIPAL CODE.

Development Services Director Kimberly Brandt presented the report and proposed fee schedule.

Chris McEvoy, Costa Mesa, inquired of the change in the reference to a violation from a code violation to a misdemeanor, and recommended an increase for a second violation and not for a first violation.

Beth Refakes, Costa Mesa, opined that the fee for the first infraction was high.

Council Member Bever asked if there was 30 or 45-day period in which compliance was sought before any fine was assessed. Ms. Brandt stated that the current procedure based on Council policy was to seek compliance, primarily with the issuance of a 30-day violation notice before issuing a citation.

Mayor Pro Tem Leece asked if a citation needed to be paid if it was issued, or could a resident comply.

Ms. Brandt explained that once the citation was issued, it would have to be paid. However, the offender could go through the administrative hearing officer to contest the citation, but would still have to pay the fine before being heard by the hearing officer.

MOTION: Adopt Resolution No. 10-55.

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

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 Gary Monahan

Noes: None.

Absent: Council Member Katrina Foley

VIII OLD BUSINESS

No Old Business has been scheduled.

REPORTS

ADJOURNMENT - Adjourn to July 13, 2010 at 4:30 p.m. for a Study Session. Next Regular City Council Meeting is July 20, 2010.

Adjourned at 10:01 p.m.

Mayor of the City of Costa Mesa

ATTEST:

City Clerk of the City of Costa Mesa