



City of Costa Mesa

RESERVE FOR SEALING STAMP

REC'D CLERKS OFFICE
JAN 7 26 AM '26

Appeal of Planning Commission Decision:
\$1,220.00 (Tier 1)¹
\$3,825.00 (Tier 2)²

Appeal of Non-Planning Commission Decision:
\$690.00 (Tier 1)¹
\$3,825.00 (Tier 2)²

File with: City Clerk
City of Costa Mesa
77 Fair Drive
Costa Mesa, CA 92626
714-754-5225

APPLICATION FOR APPEAL OR REVIEW

Applicant Name* John Stephens, Mayor
Address _____
Phone _____

REQUEST FOR: APPEAL REVIEW**

Decision of which appeal or review is requested: (give application number, if applicable, and the date of the decision, if known.)

Special Use Permit PGSH-24-0002 to allow a new sober living home with six or fewer persons (Stephouse Recovery) at 1601 Baker St. Decision date 1/5/2026.

Decision by: Economic and Development Services Director

Reasons for requesting appeal or review:

Review of impacts to neighborhood of SLH operations.

01/07/2026

Date:

Signature:

*If you are serving as the agent for another person, please identify the person you represent and provide proof of authorization.

**Review may be requested only by Planning Commission, Planning Commission Member, City Council, or City Council Member

For office use only – do not write below this line

SCHEDULED FOR THE CITY COUNCIL/PLANNING COMMISSION MEETING OF:

If appeal or review is for a person or body other than City Council/Planning Commission, date of hearing of appeal or review

Updated September 2023

¹ Includes owners and/or occupants of a property located within 500 feet of project site (excluding owners and/or occupants of the project site).

² Includes the project applicant, owners and/or occupants of the project site, and owners and/or occupants of a property located greater than 500 feet from the project site.



January 5, 2026

George Vilagut
Stephouse Recovery, Inc.
9679 Ellis Avenue
Fountain Valley, CA 92708
georgev@stephouserecovery.com

RE: NOTICE OF DECISION FOR THE APPROVAL OF SPECIAL USE PERMIT PGSH-24-0002 TO ALLOW A NEW SOBER LIVING HOME WITH SIX OR FEWER PERSONS (NOT COUNTING THE HOUSE MANAGER) (STEPHOUSE RECOVERY INC.) AT 1601 BAKER STREET

To Mr. Vilagut,

The Special Use Permit review for the above-referenced project has been completed. The application, as described in the attached project description, has been **approved** based on compliance with Costa Mesa Municipal Code (CMMC Section) 13-311 and subject to the conditions of approval and code requirements (attached). The decision will become final at 5:00 p.m. on January 12, 2026, unless appealed by an affected party by filing the necessary application and paying the appropriate fee, or if the decision is called up for review by a member of the City Council.

Please note that issuance of the Special Use Permit is expressly conditioned upon the Applicant's continued compliance with all applicable provisions of the Municipal Code and the representations made in the application materials. Any failure to strictly adhere to these requirements may result in enforcement action or revocation of the Special Use Permit, as provided for under the Municipal Code.

If you have any questions regarding this letter, please feel free to contact the project planner, Victor Mendez, at 714-754-5276, or at victor.mendez@costamesaca.gov.

Sincerely,

Carrie Tai
Economic and Development Services Director

Attachments: Memorandum and Hearing Officer Notice of Decision

cc: Fire Marshal

77 FAIR DRIVE, POST OFFICE BOX 1200, COSTA MESA CA. 92628-1200
Building Safety Division (714) 754-5273 Community Improvement Division (714) 754-5638
Housing & Community Development (714) 754-4870 Planning Division (714) 754-5245
www.costamesaca.gov

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*MANAGING PARTNER

NOTICE OF DECISION
GROUP HOME SPECIAL USE PERMIT APPLICATION NO. PGSH-24-0002
STEPHOUSE RECOVERY, INC. (1601 BAKER STREET, COSTA MESA)

In accordance with Section 13-311 of the Costa Mesa Municipal Code (hereinafter, "CMMC" or "Municipal Code"), on or about August 26, 2024, Stephouse Recovery, Inc. and George Vilagut (hereinafter, collectively, "Applicant") submitted an application for a Special Use Permit to operate a single-unit sober living home at 1601 Baker Street, Costa Mesa (hereinafter, "Subject Property" or "Site") – which is within a Single-Family Residential ("R1") Zoning District.

Pursuant to CMMC §13-311(b), on October 23, 2025, the undersigned conducted a public hearing at Costa Mesa City Hall to receive information regarding Applicant's compliance with the applicable provisions of subsections (a) and (b) of CMMC Section 13-311.

After having considered the application and supporting material, as well as all evidence provided at the public hearing, the undersigned determined that the Applicant was *not* in compliance with the provisions of CMMC Section 13-311, subsections (a) and (b) [and, specifically, Sections 13-311(a)(10)(iii) and (a)(11)(1)], as set forth in a Memorandum of Evidence Received at Public Hearing #25-01 ("Memorandum of Evidence"), issued by the undersigned on November 6, 2025.

On November 28, 2025, the Board of Directors for Stephouse Recovery, Inc. amended its Discharge Policies to address the deficiencies noted in the Memorandum of Evidence. A copy of the amended Discharge Policies is on file with the City's Economic & Development Services Department in connection with Special Use Permit Application PGSH-24-0002.

MEMORANDUM OF EVIDENCE RECEIVED AT PUBLIC HEARING #25-01
 GROUP HOME SPECIAL USE PERMIT APPLICATION PGSH-24-0002
 STEPHOUSE RECOVERY, INC. (1601 BAKER STREET, COSTA MESA)

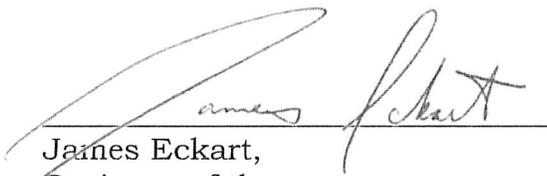
The undersigned has determined that the amended Discharge Policies do, in fact, satisfactorily address the deficiencies in the application as set forth in the Memorandum of Evidence, and that the Applicant is now in compliance with or has agreed to comply with the requirements of CMMC Sections 13-311(a)(1) through 13-311(a)(14) – and that no grounds for denial as set forth in CMMC Section 13-311(b) have been determined.

Therefore, pursuant to Costa Mesa Municipal Code Section 13-311(b), a Group Home Special Use Permit shall be issued as a ministerial matter to the Applicant to operate a Group Home at 1601 Baker Street, Costa Mesa.¹

Failure of the Applicant (and/or any agent or representative thereof) to strictly adhere to the requirements listed in CMMC Section 13-311, or any determination by the Director of any circumstances set forth in CMMC Section 13-311(b), may result in the revocation of the Group Home Special Use Permit.

Pursuant to the provisions of Chapter IX of the Municipal Code, any affected person may appeal this determination to the City Manager by filing an application with the City Clerk (and tendering all applicable processing fees in an amount determined by resolution of the City Council) within seven (7) calendar days of this Notice of Decision. The application for appeal shall contain sufficient information to identify the part, its interest in the matter, and the reason(s) for requesting an appeal.

Failure of the City Clerk to receive an application for appeal or corresponding processing fees shall render this decision final and binding.


James Eckart,
Designee of the
Director of Development Services
for the City of Costa Mesa

17 December 2025
Date

¹ Prior to operation of the sober living group home, the applicant shall schedule and pass an inspection by the Costa Mesa Fire Department to verify that the Subject Property meets the basic fire and life safety requirements for a single-family dwelling, including but not limited to the installation of smoke detectors and carbon monoxide (CO) detectors.

L A W O F F I C E S

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**MEMORANDUM OF EVIDENCE RECEIVED AT PUBLIC HEARING #25-01
 GROUP HOME SPECIAL USE PERMIT APPLICATION NO. PGSH-24-0002
 STEPHOUSE RECOVERY, INC. (1601 BAKER STREET, COSTA MESA)**

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Pursuant to CMMC §13-311(b), on October 23, 2025, the undersigned conducted a public hearing at Costa Mesa City Hall to receive information regarding Applicant's compliance with the applicable provisions of subsections (a) and (b) of CMMC Section 13-311.

ISSUES PRESENTED

Chapter XV ("Group Homes") of Title 13 ("Planning, Zoning, and Development") of the Municipal Code provides a ministerial process by which a group home may be operated within an R1 Zone of the City while allowing the City to preserve the residential character of single-family residential neighborhoods.

Pursuant to CMMC §13-311, the operator of a group home must obtain a Special Use Permit in order to operate within an R1 Zone of the City. CMMC §13-311(b) explicitly provides, in pertinent part:

The special use permit shall be issued by the director as a ministerial matter if the Applicant is in compliance or has agreed to comply with subsections (a)(1) through (a)(14) of this section. At least 10 days prior to issuing a special use permit, the director shall

cause written notice to be mailed to the owner of record and occupants of all properties within 500 feet of the location of the group home. Prior to issuance of the special use permit, the director shall hold a public hearing for the purpose of receiving information regarding compliance with the applicable provisions of subsections (a) and (b) of this section.

EVIDENCE CONSIDERED

The following exhibits, documents, and/or testimony were presented and accepted into evidence at the public hearing:

1. Notice of Public Hearing;
2. Staff Report/Memorandum – inclusive of the following attachments:
 - a) Attachment 1 – Project Data Table
 - b) Attachment 2 – Plans (including Site Plan, Elevations, Roof Plans, and Sections);
 - c) Attachment 3 – Table of Substance Use Disorder Treatment Facilities within Costa Mesa;
 - d) Attachment 4 – Table of City Approved Sober Living/Group Homes within Costa Mesa;
 - e) Attachment 5 – Special Use Permit Application and Supporting Documents (including Policies and Procedures) [Stephouse Recovery, Inc/George Vilagut];
 - f) Attachment 6 – Stephouse Recovery Policies and Procedures / OCHCA Recovery Residence Services;
 - g) Attachment 7 – Orange County Certificates of Compliance #337 [Stephouse Recovery @ 1601 Baker Street, Costa Mesa and #338 [Stephouse Recovery @ 9678 Ellis Avenue, Fountain Valley] (Expired September 4, 2025);
3. Annual Contractor Performance Evaluation [The Stephouse Recovery, Inc.] (Contract Term: July 1, 2023 – June 30, 2024)
4. Notice of Action (Huntington Beach Special Use Permit SUP-2023-002);
5. Orange County Certificate of Compliance #374 [The Stephouse Recover, Inc. @ 8422 Polder Circle, Huntington Beach] (Expires July 16, 2026)
6. In-Person/live testimony from the following witnesses:
 - a) Victor Mendez, Costa Mesa Senior Planner;
 - b) George Villagut, Applicant;

- c) Marilyn Scott-Waters;
 - d) Wyatt Russell;
 - e) Gloria Johnson;
 - f) Erika Wallace;
 - g) Jake Johnson;
7. Written correspondence/testimony from the following witnesses:
- a) Derek Davis;
 - b) Ronn Waters;
 - c) Marilyn Scott-Waters;
 - d) Theresa Parra;
 - e) Wyatt Russell;
 - f) Kristin Auslander;
 - g) George Vilagut;

SUMMARY OF TESTIMONY

The following is a brief summary of the testimony that was presented at the public hearing, and it is not meant to be a verbatim description of the testimony presented.

- **Victor Mendez** provided a presentation on behalf of the Costa Mesa Economic & Development Services Department of Stephouse Recovery, Inc.'s application, as well as applicable development standards pursuant to the Costa Mesa Municipal Code. Mr. Mendez testified that the Applicant adheres to each of the applicable development standards, as well as all other requirements of CMMC §13-311(a) and (b). Mr. Mendez confirmed that the Special Use Permit is subject only to ministerial review, and also addressed concerns raised by both written and in-person testimony regarding "Childhelp USA", which operates a Residential Care Facility at 1597 Baker Street, Costa Mesa. Mr. Mendez stated that the proximity of Childhelp USA to the proposed Stephouse Recovery location would not bar the issuance of a Special Use Permit for Stephouse Recovery because Childhelp USA is not a Sober Living Home – and the Municipal Code's 650' separation requirement would not apply to this facility.

➤ **George Vilagut** provided a presentation on behalf of Stephouse Recovery, Inc.'s application. Mr. Villigut confirmed the following information about the proposed Sober Living Group Home at the Subject Property:

- ❖ The vast majority of residents/clients of Stephouse Recovery would be referred by the Orange County Health Care Agency ("OCHCA");
- ❖ There would not be more than six (6) recovery residents at a time – with a limit of 90-day stays;
- ❖ One (1) full-time house manager would reside at the premises;
- ❖ All employees and volunteers' go through a background screening with the Orange County Sheriff's Department prior to hiring;
- ❖ The facility is only available to approved clients and is never open to the public. Visitors are not permitted in the residence;
- ❖ The Applicant would not provide supervised care, counseling, treatment, or recovery planning – and residents must be capable of living independently.

Mr. Vilagut further confirmed that while residents of the Stephouse Recovery facility at the Subject Property would be required to participate in appropriate alcohol/drug treatment (and, in fact, would have already participated in such treatment *prior* to residing at the Subject Property), no such services would be provided on-site. Rather, the residents would obtain those services at off-site locations.

Mr. Vilagut further discussed the Applicant's zero-tolerance Drug and Alcohol Policy, "Good Neighbor Policy" (including curfews for clients), screening procedures to reject services for persons who have been convicted of specified criminal activity and/or who require a higher level of care than that provided at the proposed Sober Living Group Home, and policies and procedures for discharging residents and/or involuntary termination of services to residents.

During his final comments, Mr. Vilagut denied that Stephouse Recovery, Inc. or any agent thereof is advertising for or operating a Sober Living Group Home at the Subject Property – and stated that the persons residing at the Site at this time are residential tenants who will vacate upon approval of the Special Use Permit and commencement of sober living operations at the Subject Property. He also denied any enforcement actions taken against his operations by any other municipality or the County of Orange. Mr. Vilagut stated that surveillance cameras would be installed at the Site to ensure that clients/residents adhere to applicable rules and regulations.

- **Marilyn Scott-Waters** objected to an approval of the Special Use Permit primarily based upon her assertions that (i) allowing the Applicant to operate a Sober Living Group Home at the Subject Property would conflict with the City's General Plan in that the General Plan provides for the protection and enhancement of residential neighborhoods, and (ii) it would be located in too close of proximity to the Childhelp USA facility located at 1597 Baker Street, Costa Mesa – and while this facility might not be a Sober Living Facility as defined by the Municipal Code, it has similar adverse impacts, and an approval of Stephouse Recovery's application would increase those adverse impacts upon the residential neighborhood.
- **Wyatt Russell** objected to an approval of the Special Use Permit at this time, stating that it would be premature without additional investigation by the Director. Specifically, Mr. Russell alleged that (i) Stephouse Recovery has been advertising their operation in Costa Mesa despite not having been issued a permit; (ii) the Director has not adequately verified that the Subject Property would be at least 650' from another Sober Living Home or State licensed alcohol/drug abuse recovery or treatment center; and (iii) the Applicant has negative compliance history at its other operations – including a wrongful death lawsuit and enforcement actions taken by the Cities of Huntington Beach and Fountain Valley.
- **Gloria Johnson** objected to an approval of the Special Use Permit primarily based upon (i) the proximity of the Subject Property to the Childhelp USA facility at 1597 Baker Street, Costa Mesa; and (ii) her assertions that Staff and clients would further reduce on-street parking, and some Staff are already blocking private driveways and moving trashcans to facilitate on-street parking for themselves.
- **Erika Wallace** objected to an approval of the Special Use Permit primarily based upon (i) the proximity of the Subject Property to the Childhelp USA facility at 1597 Baker Street, Costa Mesa; and (ii) the pending application has increased the difficulty in selling her home.
- **Jake Johnson** objected to an approval of the Special Use Permit primarily based upon his assertion that this type of use should not be allowed in residential neighborhoods due to adverse impacts upon the community – including reduced on-street parking and increased traffic (ranging from delivery vehicles to the client-members of the Sober Living facility).

ANALYSIS

The City of Costa Mesa requires a “group home” that seeks to operate within an R1 Zone of the City to obtain a Special Use Permit as issued by the Development Services Director.

Costa Mesa Municipal Code Section 13-6 provides, in pertinent part, that a group home is:

A facility that is being used as a supportive living environment for persons who are considered handicapped under state or federal law.... Group homes shall not include the following: (1) residential care facilities; (2) any group home that operates as a single housekeeping unit.

Although a Special Use Permit would be required, CMMC §13-311(b) explicitly provides that the “special use permit shall be issued by the director as a ministerial matter if the applicant is in compliance or has agreed to comply with subsections (a)(1) through (a)(14) of [CMMC §13-311]”. It further requires the Director (or designee thereof) to “hold a public hearing for the purpose of receiving information regarding compliance with the applicable provisions of subsections (a) and (b) of [CMMC §13-311]” at least ten (10) days prior to issuing a Special Use Permit.

In accordance with CMMC §13-311(b), on October 23, 2025, the undersigned, as designated by the Development Services Director, conducted a duly-noticed public hearing, and provided an opportunity for Staff, the Applicant, and the general public to submit information regarding whether the Applicant is in compliance and/or has agreed to comply with the requirements of CMMC §13-311, subsections (a) and (b).

After a thorough analysis of the Special Use Permit application and supporting material submitted by Stephouse Recovery, Inc./George Vilagut, Victor Mendez testified in writing and in-person that Stephouse Recovery, Inc. has satisfied all provisions and requirements of CMMC §13-311, subsections (a) and (b) – and that no disqualifying grounds have been determined to date.

Despite legitimate concerns having been raised by members of the public who provided written and/or verbal testimony as part of these proceedings regarding potential adverse impacts of a Sober Living Group Home being located within R1 Zones of the City – and specifically within the Mesa Verde neighborhood, pursuant to CMMC 13-311(b), a “special use permit **shall** be issued by the director as a ministerial matter if the applicant is in compliance or has agreed to comply with subsections (a)(1) through (a)(14)” of CMMC §13-311 (emphasis added).

Amongst other arguments, several members of the public objected to an approval of the Special Use Permit application based upon the assertion that the Subject Property would not adhere to the prohibitions set forth in CMMC Sections 13-311(a)(14)(i) and 13-311(b)(6)(iii) as the Site would be “within 650 feet of any other sober living home or state licensed alcoholism or drug abuse recovery or treatment facility”. Specifically, members of the public referred to the property at 1597 Baker Street, Costa Mesa – where Childhelp USA operates.

In this regard, CMMC §13-6 defines a “sober living home” as:

A group home for persons who are recovering from a drug and/or alcohol addiction and who are considered handicapped under state or federal law. Sober living homes shall not include the following: (1) residential care facilities; (2) any sober living home that operates as a single housekeeping unit.

Mr. Mendez provided credible testimony that Childhelp USA operates a Short-Term Residential Therapeutic Program (“STRTP”) that provides short-term care and supervision of children and non-minor dependents, including those children that have been abused, neglected, or are otherwise at risk. Mr. Mendez further testified that Childhelp USA does **not** constitute a sober living home (as defined by the Municipal Code) nor a state licensed alcohol/drug recovery or treatment center – and Stephouse Recovery, Inc. would **not** be prohibited from operating or being located within 650’ of Childhelp USA’s facility at 1597 Baker Street, Costa Mesa. It should be noted that none of the witnesses provided any testimony (in person or in writing) contradicting the operations of Childhelp USA – or otherwise providing any credible evidence that Childhelp USA would, in fact, constitute a sober living home or a state-licensed alcohol/drug recovery or treatment center.

The undersigned has reviewed each of the written policies and procedures submitted by the Applicant, and the undersigned has found insufficient evidence to determine that the Applicant is or has agreed to comply with the requirements of subsections (a)(10) and (a)(11) of CMMC §13-311.

Specifically, CMMC §13-311(a)(10) provides, in pertinent part, that:

(10) At least 48 hours prior to an occupant’s eviction from or involuntary termination of residency in a group home, the operator thereof shall:

...

(iii) Notify the city's Network for Homeless Solutions that an occupant is no longer a resident at the home, and determine the services available therefrom.

The Applicant stated in its application that "Due to HIPAA and County Regulations, Stephouse Recovery would not be able to notify any other agency of a resident's status without a signed release of information."

The Applicant's statement in the Special Use Permit application, therefore, confirms that there is at least one method of adhering to both CMMC §13-311(a)(10) and HIPAA (e.g., by requiring residents/clients upon admission to the Group Home to sign a release of information authorizing the Applicant to notify the City's Network for Homeless Solutions of an involuntary termination of residency), however, the Applicant falls short of confirming that it would do so – or to enact any other procedure to strictly adhere to the Municipal Code.¹

CMMC §13-311(a)(11) provides, in pertinent part:

(11) Prior to an occupant's eviction from or involuntary termination of residency in a group home, the operator thereof shall also:

(i) Make available to the occupant transportation to the address listed on the occupant's driver license, state-issued identification card, or the permanent address identified in the occupant's application or referral to the group home

The Applicant's procedures for "involuntary discharge" do mandate that "Each client should receive a housing resource guide upon discharge...Stephouse Recovery will assist discharged clients in securing safe, temporary shelter in the event of immediate discharge." Moreover, the "Discharge Procedures for Staff" provide that "Should transportation to treatment or a shelter be necessary, Stephouse will provide." However, these do not confirm strict compliance with

¹ The Applicant's "Discharge Procedures for Staff" provides, in pertinent part, that "In the case of homelessness, the appropriate city agency will be contacted to determine if services are available to the client." This procedure, however, does not strictly adhere to the requirement in CMMC §13-311(a)(10)(iii) in that it does not explicitly provide for notification to the City's Network for Homeless Solutions that an occupant is no longer a resident at least 48 hours prior to the eviction or involuntary termination of services, nor does it ensure notification and/or identification of the specific client/occupant so that Network Staff may offer services. Rather, it provides that Stephouse Staff will contact "the appropriate city agency...to determine if services are available to the client." While the undersigned appreciates the potential conflicts between the Costa Mesa Municipal Code and HIPAA, as set forth hereinbelow, the Applicant can seek reasonable accommodations to obtain relief from strict compliance with the provisions of Municipal Code Section 13-311(a).

Municipal Code Section 13-311(a)(11)(i) in that it does not confirm that transportation would be provided to the occupant's/client's permanent address as listed on that person's driver's license, identification card, or application or referral to the Group Home (in the alternative of providing transportation to "treatment or a shelter").

It should be noted that, pursuant to CMMC §13-311(a)(15):

An applicant may seek relief from the strict application of [CMMC §13-311] by submitting an application to the director setting forth specific reasons why accommodation over and above this section is necessary under state and federal laws, pursuant to section 13-200.62.

The procedures outlined in CMMC §13-200.62 allow an applicant to request reasonable accommodations – and, if approved, would allow the City to impose alternative conditions that would satisfy the reasonable accommodation while still achieving the City's objective.

In this instance, however, no evidence has been submitted to the undersigned that the Applicant has submitted an application to the Director pursuant to CMMC §§13-311(a)(15) and 13-200.62 to seek relief from the provisions of Subsections (a)(10) and (a)(11) of Section 13-311 of the Municipal Code.

CONCLUSION

The purpose of the public hearing is to receive information from Staff, the Applicant, and the general public "regarding compliance with the applicable provisions of subsections (a) and (b) of [CMMC §13-311].

Although the Applicant appears to comply with most provisions of CMMC Section 13-311, subsections (a) and (b) [including the distance requirement from any other sober living home or state-licensed alcohol/drug recovery or treatment center], the Applicant does **not** strictly adhere to subsections (a)(10)(iii) and (a)(11)(i) of CMMC Section 13-311 at this time.

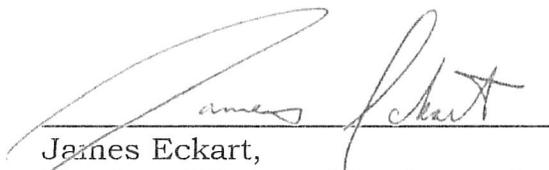
Moreover, although the Applicant may seek relief from these specific requirements in accordance with CMMC Sections 13-311(a)(15) and 13-200.62, there is no evidence that the Applicant has, in fact, sought reasonable accommodations in the manner authorized by the Municipal Code.

Although the review of a Special Use Permit application is a "ministerial matter", pursuant to CMMC §13-311(b), it may only be approved if the Applicant is in compliance with the provisions of CMMC §13-311, subsections (a) and (b). As

stated above, the Applicant is not currently in strict compliance with those provisions.

This Memorandum of Evidence is hereby submitted to the Director so that the Director may make a final determination on Special Use Permit application PGSH-24-0002 in accordance with Costa Mesa Municipal Code Section 13-311.

Before making a final determination on the application, the Director (and designees thereof) may, in consideration of this Memorandum, provide the Applicant a final opportunity either (i) to confirm compliance with CMMC Section 13-311, subsections (a) and (b) [and, specifically, Sections 13-311(a)(10)(iii) and (a)(11)(1)], or, in the alternative, (ii) to apply for reasonable accommodations and relief from subsections (a)(10)(iii) and (a)(11)(i) of Section 13-311 of the Municipal Code.


James Eckart,
Hearing Officer and Designee of
Director of Development Services

6 November 2025
Date

The following policy was revised and approved by Stephouse Recovery, Inc. Board of Directors on 11/24/25

DISCHARGE/TERMINATION POLICY

The client has completed the program when they have used their maximum allotted time or reached their transition goals. Staff will complete a Discharge Form to document the circumstances of the client's departure from sober living. Clients are not required to sign the discharge form.

Staff will complete the Recovery Residence Referral Form with the discharge date, indicate whether the client has completed or is still incomplete, and provide the reason. The form should be emailed to the OCHCA Gatekeeper within 72 hours of discharge. Failure to comply with StepHouse policies signed at intake may result in an early administrative termination from the program. Infractions will be documented, and the OCHCA Gatekeeper and Program Monitor will be notified. The client's Probation/Parole Officer will be notified of termination when applicable. In addition, there may be circumstances in which law enforcement is called, and legal action is taken against the client. Residents who have relapsed and are under the influence may be transported to Be Well Orange Campus or College Hospital Costa Mesa.

If a client discharges or is terminated from the program and does not collect personal belongings, the items will be held for seven (7) days (excluding food products) and then discarded or donated to charity. Clients who are terminated from the program must be sober before they reenter Stephouse property.

Should it be necessary upon discharge, Stephouse Recovery will assist clients in securing safe transportation and/or temporary shelter. Clients will either be assisted with Movidcare Medi-Cal transport or a bus pass to ensure they can reach their discharge destination.

The following new policy was revised and approved by Stephouse Recovery, Inc. Board of Directors on 11/28/25

BAKER HOUSE DISCHARGE POLICY

This policy applies exclusively to clients residing at the Baker Residence in Costa Mesa.

To comply with the City of Costa Mesa's Code of Ordinances, Title 13 – Planning, Zoning and Development, Chapter XV – Group Homes, §13-311 (a)(10) & (11), Stephouse Recovery staff will adhere to the following protocol:

(10) At least 48 hours before a resident's eviction from or involuntary termination of residency at Stephouse Recovery, Stephouse staff will

- i. Notify the person designated as the resident's emergency contact or contact of record that the resident will no longer be a resident at the home.

ii. Contact the Orange County Health Care Agency OC Links Referral Line and/or another entity designated by the City to determine the services available to the resident, including, but not limited to, alcohol and drug inpatient and outpatient treatment.

iii. Notify the city's Network for Homeless Solutions that a client is no longer a resident at the home and determine available services.

iv. Provide the information obtained from paragraphs ii and iii of this subsection (a)(10) and any other treatment provider or service to the resident before his or her release on a form provided by the City and obtain the resident's signed acknowledgement.

v. Provided, however, that if the resident's behavior results in immediate termination of residency pursuant to rules approved by the City, Stephouse Recovery shall comply with paragraphs i through iv of this subsection (a)(10) as soon as possible.

(11) Prior to an resident's eviction from or involuntary termination of residency in a group home, the operator thereof shall also:

i. Make available to the resident, transportation to the address listed on the resident's driver's license, state-issued identification card, or the permanent address identified in the resident's intake form or referral.

ii. Provided, however, that should the resident decline transportation to his or her permanent address or otherwise has no permanent address, then the operator shall make available to the resident transportation to another group home or residential care facility that has agreed to accept the resident.

Please note that all Health Insurance Portability and Accountability Act (HIPAA) privacy laws will be strictly followed. No resident information will be released, shared, or discussed without the resident's written consent. A valid Release of Information (ROI) must be signed by the residents and placed in their client record, authorizing Stephouse Recovery to provide personal information to the City of Costa Mesa or to any other persons, facilities, or providers as specified.

Participation in the Orange County Health Care Agency Recovery Residence Services Program and sober living services is not contingent upon providing this authorization. Clients retain the right to decline to sign the release and may specify limitations on the information Stephouse Recovery may disclose.

The requirements outlined by the City of Costa Mesa do not replace or supersede OCHCA contractual obligations. Rather, they are considered additional steps to be completed at the time of discharge for Stephouse Recovery residents.

Client Discharge Form Baker House, Costa Mesa

Client Name: _____

State Issued Identification or Driver's License Number: _____

Discharge Date: _____

Client Completed Sober Living Program: Yes No

Client's discharge destination: _____



CITY OF COSTA MESA INTEROFFICE MEMORANDUM

TO: CITY COUNCIL AND PLANNING COMMISSION
CC: CECILIA GALLARDO-DALY, CITY MANAGER
FROM: CARRIE TAI, ECONOMIC AND DEVELOPMENT SERVICES DIRECTOR
DATE: JANUARY 5, 2026
SUBJECT: SPECIAL USE PERMIT PGSH-24-0002

This is to advise you that Special Use Permit PGSH-24-0002 was approved on January 5, 2026, to allow a new sober living home with six or fewer persons (not counting the house manager) (Stephouse Recovery Inc.) at 1601 Baker Street. Please feel free to contact me by e-mail at carrie.tai@costamesaca.gov if you have any questions or would like further details. The decision will become final at 5:00 p.m. on January 12, 2026, unless appealed by an affected party, including filing of the necessary application and payment of the appropriate fee, or called up for review by a member of the City Council. If appealed or called up for review, the project would be reviewed by the Planning Commission.

On October 23, 2025, a duly noticed public hearing was held before the City's Hearing Officer to consider Special Use Permit Application No. PGSH-24-0002, submitted by Stephouse Recovery, Inc., to allow a sober living home with six or few persons (not counting the house manager) at 1601 Baker Street. The hearing was conducted pursuant to Costa Mesa Municipal Code Section 13-311, which establishes a ministerial review process for group homes located within the R1 Single-Family Residential District. The hearing was held for the purpose of receiving information regarding the Applicant's compliance with the applicable provisions of subsections (a) and (b) of Section 13-311.

Following review of the application materials, testimony, and evidence received at the public hearing, the Hearing Officer—acting as the designee of the Director of Development Services—issued a decision on behalf of the Director. As documented in the attached Hearing Officer's Notice of Decision and Memorandum of Evidence, the Applicant has demonstrated compliance with, or has agreed to comply with, all applicable requirements of Costa Mesa Municipal Code Section 13-311(a), and no grounds for denial pursuant to Section 13-311(b) were found. Accordingly, the Special Use Permit was issued as a ministerial action.