



REGULAR CITY COUNCIL AND HOUSING AUTHORITY May 21, 2024 - MINUTES

CALL TO ORDER –The Closed Session meeting was called to order by Mayor Stephens at 4:01 p.m.

ROLL CALL

Present: Council Member Chavez, Council Member Gameros (arrived 4:17 p.m.), Council Member Reynolds, Mayor Pro Tem Harlan, and Mayor Stephens.

Absent: Council Member Harper and Council Member Marr

PUBLIC COMMENTS:

Dennis D'Alessio spoke on Closed Session item number 7 regarding 1963 Wallace Avenue, and on the receivership.

Grant Hermes spoke on Closed Session item number 5 regarding 440 Fair Drive and 1779 Newport Boulevard, the pending litigation, and that Mr. D'Alessio no longer owns the properties.

CLOSED SESSION ITEMS:

1. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

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

Name of Case: SoCal Recovery, LLC, a California limited liability company v. City of Costa Mesa

United States District Court, Central District of California, Case No. 8:18-cv-01304-JVS-PJW.

2. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

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

Name of Case: Raw Recovery, LLC et al v. City of Costa Mesa

United States District Court, Central District of California, Case No. 8:18 cv 01080 JVS AGR

3. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

Pursuant to California Government Code Section 54956.9 (d)(1)

Name of Case: City of Costa Mesa v. Ohio House, LLC, a California limited liability corporation; Richard Perlin, Nancy Perlin, Dolores Perlin, and Brandon Stump as individuals

Orange County Superior Court Case No. 30-2018-01006173-CU-OR-NJC.

4. **CONFERENCE WITH LEGAL COUNSEL EXISTING LITIGATION**
Pursuant to California Government Code Section 54956.9 (d)(1)
Name of Case: Insight Psychology and Addiction, Inc. v. City of Costa Mesa
United States District Court, Central District of California, Case No. 8:20 cv 00504 JVS
JDE
5. **CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION – ONE CASE**
Pursuant to California Government Code Section 54956.9 (d)(1)
Name of Case: City of Costa Mesa; People of State of Cal. v. D'Alessio Investments
LLC, et al.
440 Fair Dr. and 1779 Newport Blvd.
Orange County Superior Court Case No. 30-2020-01170520
6. **CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION – ONE CASE**
Pursuant to California Government Code Section 54956.9 (d)(1)
Name of Case: D'Alessio Investments LLC v. City of Costa Mesa
Orange County Superior Court Case No. 30-2020-01132646
7. **CONFERENCE WITH LEGAL COUNSEL EXISTING LITIGATION–ONE CASE**
Pursuant to California Government Code Section 54956.9 (d)(1)
Name of Case: City of Costa Mesa v. D'Alessio; 1963 Wallace Ave.
Orange County Superior Court Case No. 30 2020 01133479

City Council recessed at 4:09 p.m. for Closed Session.

Closed Session adjourned at 4:55 p.m.

CALL TO ORDER –The Regular City Council and Housing Authority meeting was called to order by Mayor Stephens at 6:00 p.m.

NATIONAL ANTHEM AND PLEDGE OF ALLEGIANCE – A video was played of the National Anthem and the mayor led the Pledge of Allegiance.

MOMENT OF SOLEMN EXPRESSION – Led by Calvary Chapel Dave Manne, Pastor Emeritus.

ROLL CALL

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

Absent: Council Member Marr.

CITY ATTORNEY CLOSED SESSION REPORT – No reportable action.

PRESENTATIONS:

The Mayor presented a proclamation to Joseph Navales, Managing Attorney with Asian Americans Advancing Justice, in recognition of 2024 Asia American and Pacific Islander Heritage Month.

PUBLIC COMMENTS – MATTERS NOT LISTED ON THE AGENDA

Karen Millard spoke on being overcharged by the Costa Mesa Sanitary District.

Lynn Redman spoke on his sons projects at Fairview Park.

Speaker, spoke on bike and pedestrian safety and in support of bike lanes and bollards.

Speaker, spoke on the quality of work by All American Asphalt and spoke against traffic enhancements on W. 19th St.

Reina Cuthill, Love Costa Mesa, thanked the City Council and City staff for the support for Love Costa Mesa Day.

Speaker, expressed concern on the bike lane enhancements on W. 19th St., requested a practice run for police personnel at the local elementary school, and spoke on safety issues regarding e-bikes.

David Martinez spoke in support of active transportation projects.

Speaker, Resilience Orange County, spoke on the office open house, spoke on improving the alleyway on Center Street and Plumer Street, spoke on publishing the city council agendas earlier, and spoke on evictions in the Mesa Del Mar neighborhood.

Marc Vukceovich spoke in support of the W. 19th St. enhancements.

COUNCIL MEMBER COMMITTEE REPORTS, COMMENTS, AND SUGGESTIONS

Council Member Reynolds spoke on Love Costa Mesa Day, spoke on W. 19th St. enhancements, and on pedestrian and biking safety.

Council Member Chavez spoke on the community meetings regarding Ketchum-Libolt Park, and Shalimar Park, spoke on Love Costa Mesa Day, spoke on the alley on Center Street and Plumer Street, spoke on the W. 19th St. enhancements and continually approving the streets, and spoke on e-bike safety.

Council Member Gameros spoke on Love Costa Mesa Day and thanked the Police Department for their service and for mutual aid at University of California Irvine.

Council Member Harper spoke on children's safety and bike accidents and spoke on assisting Ms. Millard.

Mayor Pro Tem Harlan spoke on attending the Shake Shack grand opening, spoke on Love Costa Mesa Day, attending Recoup's Boot Campaign for Veterans, spoke on attending the International Shopping Center Conference, and requested an update on Harper Park.

Mayor Stephens spoke on Love Costa Mesa Day, spoke on mutual aid at University of California Irvine, spoke on attending the Recoup's Boot Campaign, spoke on attending the International Shopping Center Conference, spoke on a Memorial Day event at the Harbor Lawn and Mount Olive Cemetery, spoke in remembrance of John McLuckey and adjourning the meeting in memory of him.

REPORT – CITY MANAGER - Ms. Gallardo-Daly spoke on Love Costa Mesa Day and thanked all the volunteers, spoke on the park expansion meetings for Ketchum-Libolt Park, Shalimar Park, and the Skate Park, spoke on National Emergency Medical Services Week, spoke on the city recruitment for a Parks and Community Services Commissioner, and spoke on Memorial Day.

REPORT – CITY ATTORNEY – NONE.

CONSENT CALENDAR

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

MOTION: Approve the Consent Calendar except for Item No. 5.

The motion carried by the following roll call vote:

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

Nays: None.

Absent: Council Member Marr.

Abstain: Council Member Gameros recused himself on item 3 the Warrant Resolution due to his wife working at Priceless Pets.

Motion carried: 6-0

1. PROCEDURAL WAIVER: WAIVE THE FULL READING OF ALL ORDINANCES AND RESOLUTIONS

ACTION:

City Council and Housing Authority approved the reading by title only and waived full reading of Ordinances and Resolutions.

2. READING FOLDER

ACTION:

City Council received and filed Claims received by the City Clerk and authorized staff to reject any and all Claims: Angel Banegas Dorado.

3. ADOPTION OF WARRANT RESOLUTION

Council Member Gameros recused himself on this item due to his wife working for Priceless Pets.

ACTION:

City Council approved Warrant Resolution No. 2717.

4. MINUTES

ACTION:

City Council approved the minutes of the regular meetings of April 2, 2024 and April 16, 2024, and the special Study Session meeting of April 23, 2024.

6. ACCEPTANCE AND ALLOCATION OF THE FY 2023 OPERATION STONEGARDEN (OPSG) FUNDS

ACTION:

1. City Council approved the Agreement for the FY 2023 Operation Stonegarden (OPSG) Funds and authorized the City Manager or designee to execute the agreement.
2. Adopted Resolution No. 2024-21 authorizing the acceptance of the FY 2023 OPSG funds and authorizing the City Manager or designee to accept the funds in the amount of \$191,000.00.
3. Approved revenue and expense appropriations in the amount of \$191,000.00 for the FY 2023 OPSG funds.

ITEMS PULLED FROM THE CONSENT CALENDAR

5. PROFESSIONAL SERVICES AGREEMENTS FOR ON-CALL STAFF SUPPORT AND PROGRAM MANAGEMENT SERVICES FOR VARIOUS PARKS PROJECTS

Public Comments:

Cynthia McDonald spoke on work at Fairview Park, and inquired on the not to exceed amount.

MOVED/SECOND: Council Member Gameros/Council Member Chavez

MOTION: Approve staff recommendation.

The motion carried by the following roll call vote:

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

Nays: None.

Absent: Council Member Marr.

Abstain: None.

Motion carried: 6-0

ACTION:

1. City Council approved and authorized the City Manager and the City Clerk to execute a five-year Professional Services Agreement (PSA) with each consulting firm listed below from May 21, 2024 - May 20, 2029, in substantially the form as attached and in such final form as approved by the City Attorney for on-call staff support and program management services for various parks projects:

- Interwest Consulting Group (Interwest)
 - Ladayu Consulting Group (Ladayu)
2. Authorized the City Manager and the City Clerk to execute future amendments with the above-listed firms including any potential increases in compensation as long as the amendments are within the approved allocated amount of \$650,000.

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

PUBLIC HEARINGS:

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

1. FISCAL YEAR (FY) 2024-2025 ANNUAL ACTION PLAN IDENTIFYING FUNDING PRIORITIES FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) AND HOME INVESTMENT PARTNERSHIPS GRANT (HOME) PROGRAMS

Presentation by Ms. Daily, Grant Administrator.

Public Comments:

Becks Heyhoe, Chair of the Housing and Public Service Grants Committee, thanked all of the groups for submitting their applications and also staff for their work on the committee.

Shelby Feliciano Chevella, Project Hope Alliance, spoke on their program.

Nishtha Mohendra, Families Forward, spoke on their program.

Reina Cuthill spoke on Labors of Love.

Birdi Kumar, representing Labors of Love spoke on the program.

Speaker, spoke in support of the recommendation.

MOVED/SECOND: Mayor Stephens/Council Member Chavez

MOTION: Approve staff recommendation and direct staff to bring back with the budget process the following additions:

- Supplement Families Forward to be fully funded to \$30,000.
- Supplement Human Options to be fully funded to \$30,000.
- Supplement Project Hope Alliance to be fully funded to \$30,000.
- Supplement Trellis International – Labor of Love, to be fully funded to \$30,000.
- Supplement Community SeniorServ Meals on Wheels Program to be fully funded to \$30,000.
- Supplement Community SeniorServ lunch café program to be fully funded to \$30,000.

The motion carried by the following roll call vote:

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

Nays: None.

Absent: Council Member Marr.

Abstain: None.

Motion carried: 6-0

ACTION:

1. City Council held a Public Hearing regarding the FY 2024-2025 Annual Action Plan.
2. Approved the recommended allocation of \$1,189,331 for FY 2024-2025 Community Development Block Grant, which includes the annual allocation of \$971,431 prior year(s) uncommitted program funds in the amount of \$187,000, and \$30,900 in CDBG program income (CDBG lien/loan repayment).
3. Approved the recommended allocation of \$558,943 for the Fiscal Year 2024-2025 HOME Investment Partnerships Grant, which includes the annual allocation of \$395,571 prior year(s) unused administrative resources in the amount of \$54,702, and \$108,670 in program income (HOME lien/loan repayments).
4. Adopted Resolution No. 2024-22 in order to:
 - a. Approve the FY 2024-2025 Annual Action Plan.
 - b. Authorize the City Manager, or the City Manager's designee, to submit the FY 2024-2025 Annual Action Plan to the U.S. Department of Housing and Urban Development.
 - c. Designate the City Manager, or the City Manager's designee, as the official representative of the City to administer the programs and to execute and submit all required agreements, certifications, and documents required by HUD, and execute all subrecipient agreements for the use of funds approved in the FY 2024-2025 Annual Action Plan.
5. Provided direction on the Public Service Grant guidelines including: looking into the weighted ratings and how they impact small grants, setting a minimum grant amount, and streamlining the process.
6. Provided direction to staff to bring back with the budget process the following additions:
 - Supplement Families Forward to be fully funded to \$30,000.
 - Supplement Human Options to be fully funded to \$30,000.
 - Supplement Project Hope Alliance to be fully funded to \$30,000.
 - Supplement Trellis International – Labor of Love, to be fully funded to \$30,000.
 - Supplement Community SeniorServ Meals on Wheels Program to be fully funded to \$30,000.
 - Supplement Community SeniorServ lunch café program to be fully funded to \$30,000.

OLD BUSINESS: NONE.

NEW BUSINESS:

1. UPGRADES TO AUDIO/VISUAL EQUIPMENT AND BROADCAST SYSTEM

Presentation by Mr. Dodero, Public Information Officer.

Public Comments:

David Martinez requested audio and visual recordings for the committee meetings.

Speaker, Resilience Orange County, spoke on the importance of access to the meetings to the Latino Community, spoke on the 2020 census map 115, and languages spoke at home and meetings being provided on Youtube in English and Spanish.

MOVED/SECOND: Mayor Stephens/Council Member Harper

MOTION: Approve staff recommendation.

The motion carried by the following roll call vote:

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

Nays: None.

Absent: Council Member Marr.

Abstain: None.

Motion carried: 6-0

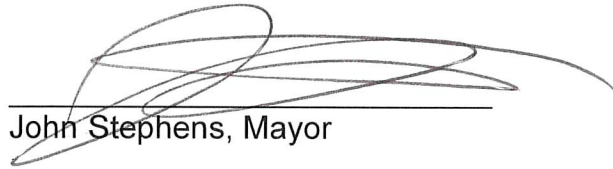
ACTION:

1. City Council approved the Professional Services Agreement with Triton Technology Solutions, Inc. for audio/visual and broadcasting system upgrades for the Council Chambers, Control Room, Community Room, and Conference Room 1A, pursuant to CMMC 2-171(b).
2. Authorized the City Manager and City Clerk to execute the agreement and any future authorized amendments to the agreement.
3. Approved a budget appropriation of \$238,250 from available fund balances in the Information Technology Replacement Fund 603.

ADDITIONAL COUNCIL/BOARD MEMBER COMMITTEE REPORTS, COMMENTS, AND SUGGESTIONS – NONE.

ADJOURNMENT – Mayor Stephens adjourned the meeting at 8:29 p.m. in memory of John McLuckey.

Minutes adopted on this 4th day of June, 2024.



John Stephens, Mayor

ATTEST:



Brenda Green, City Clerk