
Public Hearing for “Evolv Herbal”

Planning Application 22-22 1858 Newport Blvd.

February 20, 2024
City Council



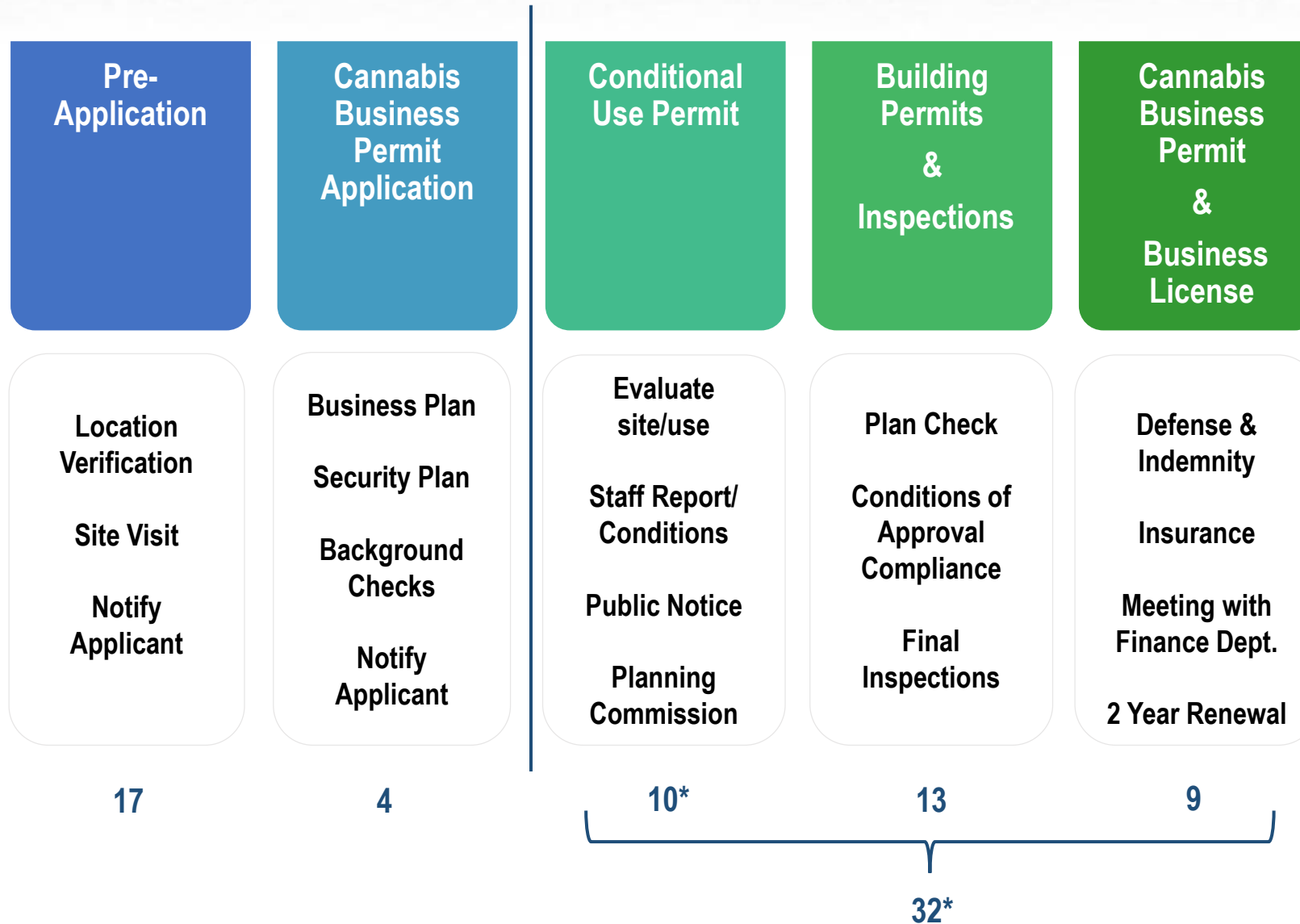
Planning Application 22-22

Conditional Use Permit (CUP) for:

- Cannabis storefront with delivery
- Proposed business “Evolv Herbal”



Cannabis Storefront Application Process



*2 are On-Hold

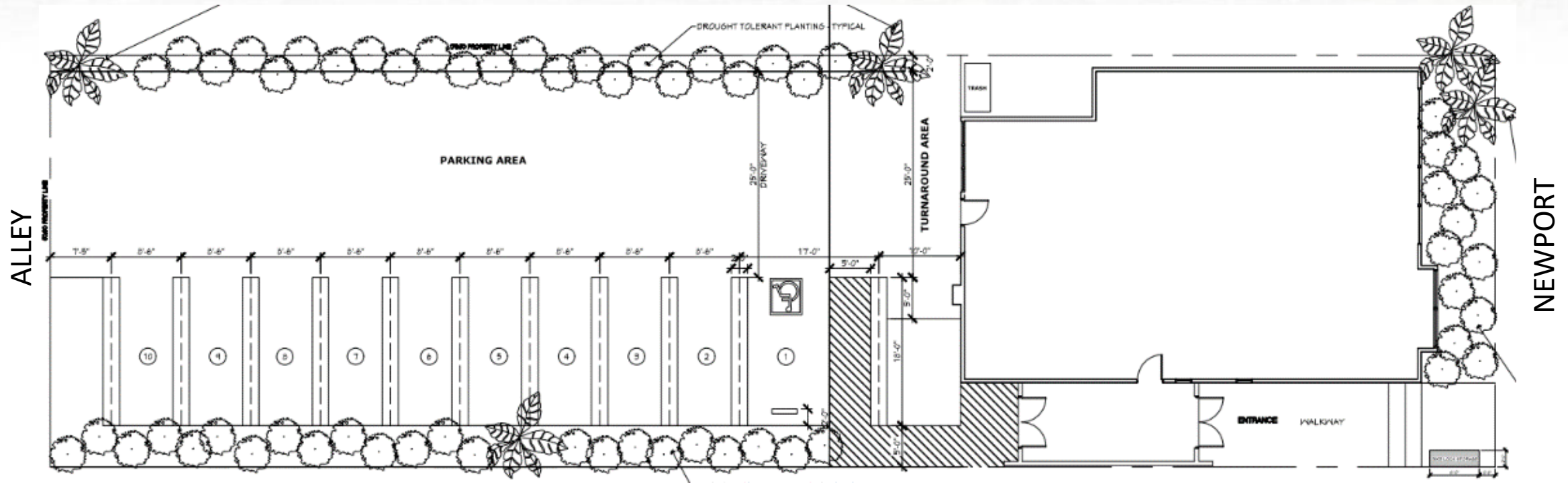
Project Location and Zoning District



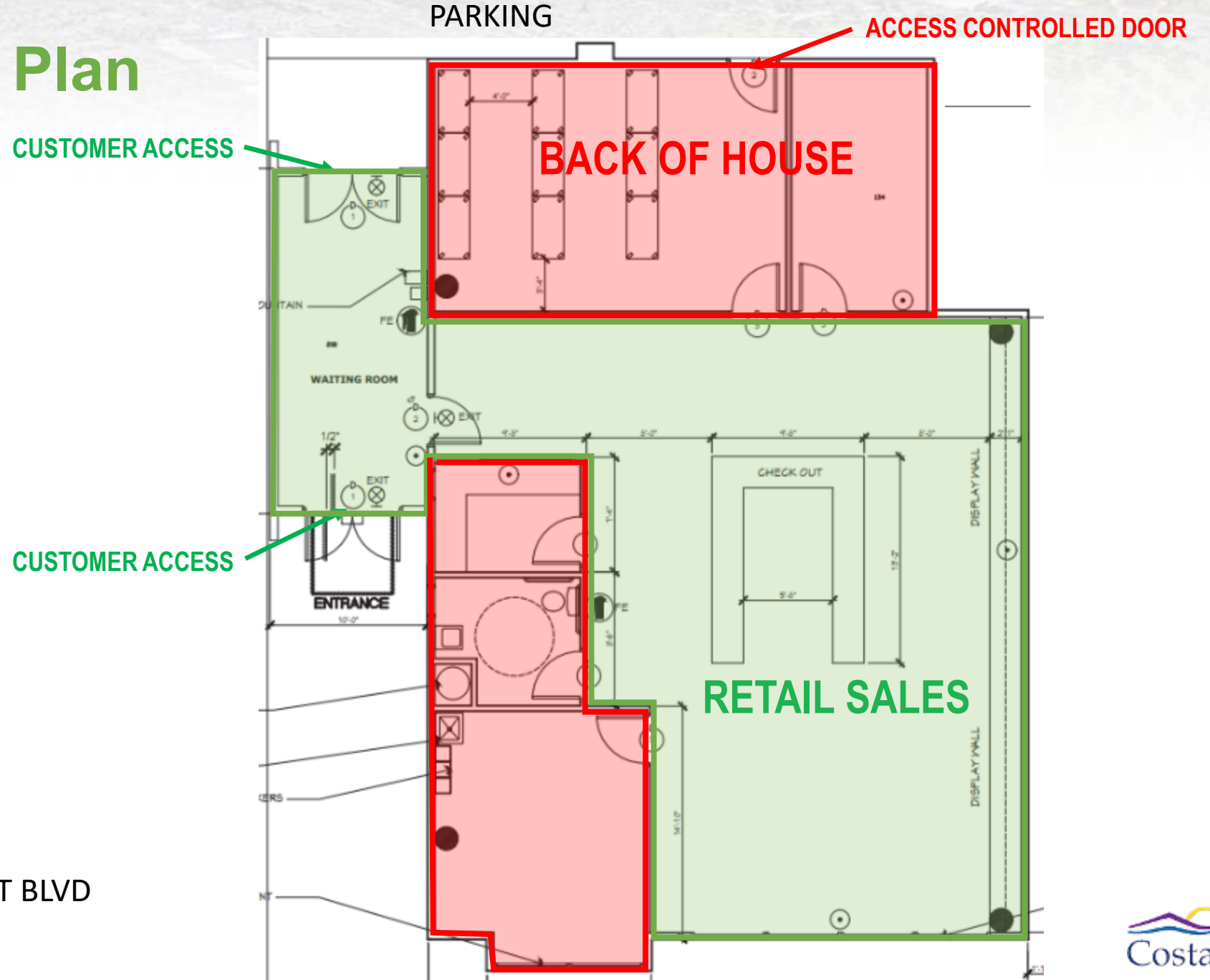
Existing Conditions



Conceptual Plan



Proposed Floor Plan



Conditions of Approval (COA)

More than **45** standard conditions of approval related to Measure “Q” requirements:

- Cannabis consumption is prohibited onsite
- Statewide track and trace system for all cannabis products
- Odor control
- Age restrictions for customers & employees
- State license & compliance with all applicable State and local regulations
- 2-year Cannabis Business Permit renewal
- Changes in ownership/operation subject to City review and approval
- Recordkeeping and remitting taxes to City



Project Specific COA's

- **CBP COA No. 7:** signs related to parking lot and customer noise control
- **Operational COA No. 23:** trash enclosure use limited to the hours of 8 AM and 8 PM
- **Operational COA No. 25:** vehicle gate remain closed to the public/customers from 10 PM to 7 AM



Required CUP Findings for Approval

Staff recommended Planning Commission approval of the CUP subject to conditions of approval and made the following findings:

- The proposed development or use is substantially compatible with developments in the same general area and would not be materially detrimental to other properties within the area;
- Granting the conditional use permit will not be materially detrimental to the health, safety and general welfare of the public or otherwise injurious to property or improvements within the immediate neighborhood; and
- Granting the conditional use permit will not allow a use, density or intensity which is not in accordance with the General Plan designation and any applicable specific plan for the property.

Planning Commission Decision

Planning Commission denied the application at the December 11, 2023 meeting on a 4 to 3 vote:

- Inconsistent with General Plan Policy LU-1.1 “mix and balance” of “commercial goods and services” in that an overconcentration would occur and a variety of goods and services would not be available.
- Inconsistent with General Plan Policy LU-6.1 “mix of land uses that maintain and improve the City’s long-term fiscal health” in that a concentration of competing, similar businesses would not be fiscally resilient or healthy.

Planning Commission Decision

Three Planning Commissioners discussed that the proposed use was:

- Consistent with the retail cannabis provisions of the CMMC;
- Compatible with the adjacent commercial district; and
- Consistent with the intent of the C2 General Business Zoning District

Call for Review

- On December 15, 2023, the Planning Commission decision was called up for City Council review
- Allow the applicant a “fair de novo hearing based upon the relevant issues under the Costa Mesa Municipal Code”
- A de novo hearing means the review is new, it is not limited to the information previously presented to the Planning Commission and the City Council will exercise independent judgement and discretion
- City Council decision is final

City Council De Novo Hearing

- The project is categorically exempt from the provisions of the California Environmental Quality Act; and
- Overturn the Planning Commission's decision and provide facts in support of approval to approve PA-22-22, subject to conditions of approval; or
- Uphold the Planning Commission's decision and adopt a Resolution to deny Planning Application 22-22.

Public Hearing for “Evolv Herbal”

Planning Application 22-22 1858 Newport Blvd.

February 20, 2024
City Council



FY 22/23 Audited Financial Statements & Financial Performance

February 20, 2024

Carol Molina, Finance Director

Andrea Pham, Finance Manager



Overview

- FY 2022-23 Financial Performance and Audited Financial Reports
- FY 2022-23 Year-End General Fund Balance Reserve
- FY 2022-23 Housing Authority Financial Report
- Next Steps

Financial Performance & Audited Financial Reports

Fiscal Year 2022-23
As of June 30, 2023



FINANCE OVERVIEW

- Fiscal Year from July 1 to June 30
- Fiscal Year 2022-23 adopted budget appropriations: \$180.3 million – General Fund; \$202.9 million – all funds
- Generally Accepted Accounting Principles(GAAP) based municipal accounting
- Governmental Accounting Standards Board (GASB) regulated municipal accounting and requirements for audited financial statements
- Presented the year-end results to FiPAC at their February 14, 2024 meeting

FINANCE OVERVIEW

- A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The City uses fund accounting, pursuant to GAAP and GASB, to ensure and demonstrate compliance with finance-related legal requirements.
- Governmental Fund types:
 - General Fund
 - Special Revenue Fund
 - Capital Projects Fund
 - Debt Service Fund
 - Internal Service Fund
 - Custodial Fund

GOVERNMENTAL FUND ACCOUNTING

- General Fund – chief operating fund for governmental general purposes. Tax revenue is the primary source of its revenue. Important to monitor the fund balance of the General Fund.
- Special Revenue Fund – track revenues from specific sources restricted for certain purposes (i.e. grants).
- Capital Projects Fund – used to track large capital projects.
- Debt Service Fund – used to pay long term debt obligations, such as bonded debt.
- Internal Service Fund – collect revenues from departments to pay for services to all City departments (i.e. equipment replacement, legal claims and settlements, and technology replacement).
- Custodial Fund – used to account for funds held by the City in a fiduciary capacity, previously known as “Agency Fund”.

FY 2022-23 AUDIT OVERVIEW

- FY 2022-23 ACFR received an unmodified (clean) opinion – the highest opinion possible.
- The City's ACFR is award winning – receiving the GFOA Certificate of Achievement for Excellence in Financial Reporting for the past 25 years.
- Annual financial audit conducted by Davis Farr LLP, an independent accounting firm.
- Audit covers the City's financial statements and internal controls.

Davis Farr LLP

Jennifer Farr, Partner



SCOPE OF THE AUDIT ENGAGEMENT

- Annual Comprehensive Financial Report
- Public Financing Authority, Financing Authority, and Housing Authority Financial Statements
- AQMD and Gann Limit Reports
- Letter to Those Charged with Governance
- Internal Control Letter
- Single Audit of Federal Awards (in process)

AUDIT OPINION



Davis Farr LLP
18201 Von Karman Avenue | Suite 1100 | Irvine, CA 92612
Main: 949.474.2020 | Fax: 949.263.5520

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
Members of the City Council
of the City of Costa Mesa
Costa Mesa, California

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Costa Mesa (the City), as of and for the year June 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

During the year ended June 30, 2023, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 96: Subscription-Based Information Technology Arrangements. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

The City's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Communication to Those in Governance

- Audit risk areas identified during the planning stage of the audit:
 - New subscription-based IT arrangements accounting standard
 - Compliance with federal grant requirements
- Auditor's evaluation of independence threats
- Significant estimates in the financial statements
- Material misstatements detected during the audit
- No difficulties in performing the audit

Evaluation of Internal Controls

Review of internal controls for purposes of planning the audit (not to express an opinion on the effectiveness of internal controls)

Reviewed and tested controls over key accounting cycles

- Cash receipting
- Purchasing
- Cash disbursements
- Payroll
- Investing and banking
- Information systems

Internal Control Recommendations

- Journal entries detected during the audit process

Audit Results on Compliance

- No material instances of non-compliance with laws and regulations that are direct and material to the financial statements were identified
 - General fund expenditures were within City Council approved budget
 - No purchasing compliance issues identified
 - No investment compliance issues identified
 - No debt compliance issues identified

Financial Performance Review

Fiscal Year 2022-23



FY 2022-23 All Governmental Funds

All Funds	FY 2022-23 Actuals
Beginning Fund Balance, July 1	\$117,501,258
Total Revenues & Transfers In	225,569,728
Less: Total Operating	(160,086,006)
Less: Total CIP	(11,489,255)
Less: Transfers Out	(28,422,851)
Operating Results Before Debt Service Payment	\$25,571,616
Less: Debt Service Payment	(3,172,234)
Ending Fund Balance, June 30	\$139,900,640
Change in Fund Balance	22,399,382

FY 2022-23 GENERAL FUND YEAR-END AUDITED ACTUALS

General Fund	FY 21/22 Actual	FY 22/23 Actual	Difference
Total Revenues	165,718,869	177,640,548	11,921,679
Less: Total Operating Expenses	(140,070,170)	(149,844,446)	(9,774,276)
Less: Total Transfers, Net	(21,365,113)	(26,534,995)	(5,169,882)
Net Change in Fund Balance	\$4,283,586	\$1,261,107	\$(3,022,479)

Note: Transfers include: \$13.5 million to the Capital Fund as per the 5% CAN plus the City Council approved year-end surplus allocations for capital projects; \$6.2 million to the Internal Service Funds for various equipment, vehicle purchases, and 1.5% true up as per the IT Needs Ordinance; \$2.8 million for debt service payments; \$1.6 million to the Housing Authority for homeless program costs; \$2.4 million for the Housing Element and Visioning Plan.

GENERAL FUND REVENUES

- Sales Tax receipts came in at an all time high of \$79.9 million, a year over year increase of \$2.5 million or 3.3%.
- Transient Occupancy Tax exceeded pre-pandemic levels at \$9.8 million.
- Property Tax totaled \$53.4million, 8.9% or \$4.4 million higher than the prior fiscal year.
- Achieved a banner year at \$177.6 million in revenues, highest amount ever received.



FUND BALANCE IN GENERAL FUND

(IN THOUSANDS)

Fund Balance Category	FY 20/21 Audited	FY 21/22 Audited	FY 22/23 Audited	Difference
Committed				
Declared Disaster	14,125	\$14,125	\$14,125	-
Self Insurance	2,000	2,000	2,000	-
Economic Reserves	9,000	9,000	9,000	-
Assigned				
Compensated Absences	5,920	5,584	6,209	625
Police Retirement 1% Supplemental Plan	2,275	1,885	1,737	(148)
Workers' Compensation	-	1,000	2,000	1,000
Facilities Reserve	-	2,000	2,000	-
Strategic Plan Projects	-	2,000	2,000	-
Restricted				
Pension and OPEB	1,778	3,061	3,178	117
Non-Spendable	965	604	460	(144)
Unassigned	17,429	16,517	16,328	(189)
TOTAL	\$53,492	\$57,776	\$59,037	\$1,261

NOTABLE FISCAL ACHIEVEMENTS

- Revenues exceeded the amended budget by \$1.4 million.
- General Fund Reserves now exceed the City Council Reserve Policy by \$4.0 million.
- Fully funded the CAN (CIP) at \$9.4 million.
- Fully funded the Information Technology Replacement Fund at \$3.6 million, fully funding the 5-year IT Strategic Plan.
- Purchases of major Fire and Police Department apparatus to ensure public safety.
 - Four (4) new ambulances
 - New Police Armored Vehicle for critical incidents
- Eliminate structural deficit in the Equipment Replacement Fund.



FISCAL ACHIEVEMENTS

- Allocated General Fund year-end surplus as recommended by FiPAC and approved by Council to the following one-time projects:

Allocation/Appropriation	Amount
Lions Park Café	\$1,100,000
Fire Station #4 Training Tower	1,500,000
Bus Shelters and Amenities	300,000
Workers' Compensation Self-Insured Retention	1,000,000
Housing Element and Visioning	900,000
New Fire Engine Apparatus Equipment	300,000
Golf Course and Tennis Center	1,200,000



Housing Authority

Fiscal Year 2022-23



HOUSING AUTHORITY

- Separate legal entity formed by the City in 2012 to function as the Housing Successor to the dissolved Costa Mesa Redevelopment Agency.
- Accounts for the City's homeless outreach and bridge shelter programs and operations.

HOUSING AUTHORITY PROGRAMS

- Programs previously held by the former RDA
 - First time Homebuyers Program
 - Single Family Rehabilitation Program
 - Federal Neighborhood Stabilization Program (NSP)
 - Costa Mesa Family Village
 - Habitat for Humanity Loan Program
 - James Street/W. 18th Street Property (rental)
 - Affordable Housing Administration
- Established Programs as of FY 2019-20
 - Homeless Outreach Program
 - Homeless Bridge Shelter Operations



FY 2022-23 HOUSING AUTHORITY YEAR-END AUDITED ACTUALS

(in millions)

Description	FY 2022/23 Audited Actuals
Beginning Fund Balance, July 1st	\$3.6 M
Revenues and Transfers In	9.0 M
Less: Total Operating Expenses	(4.3) M
Net Change in Fund Balance	\$4.7 M
Ending Fund Balance, June 30th	\$8.3 M

Note: Revenues and transfers of \$9.0 million include City of Newport Beach contribution of \$1.2 million; \$2.5 million of Housing Authority revenues that includes loan repayments and grants; \$1.6 million subsidy to the Housing Authority for homeless program costs; \$2.4 million for the Housing Element and Visioning Plan; and \$1.3 million for rental assistant program costs.

Next Steps

- March 2024: FY 2023/24 Mid-Year Update Presentation
- April/May 2024: FY 2024/25 Proposed Budget and Capital Improvement Projects (CIP) Presentation
- June 2024: FY 2024/25 Proposed Budget for City Council adoption and consideration

**Urban Master Plan Screening:
Jamboree Housing at Costa Mesa
Senior Center (695 W 19th Street)**

**February 20, 2024
City Council**



BACKGROUND

- **July 2020:** City Council approved Exclusive Negotiating Agreement with Jamboree Housing Corporation (JHC)
- **Conceptual Project in 2020:**

Standard	Proposed
TOTAL UNITS	60 units (59 affordable senior + 1 manager's unit)
PARKING	Maintain existing Senior Center parking; Provide additional parking for new residents
BUILDING HEIGHT	Two-and three-stories
LOCATION	19 West Urban Plan; Portion of Senior Center's existing parking lot

BACKGROUND

- **City Council Screening:** Urban master plan screening required for projects proposed within an urban plan area
- **Proposed Project in 2024:**

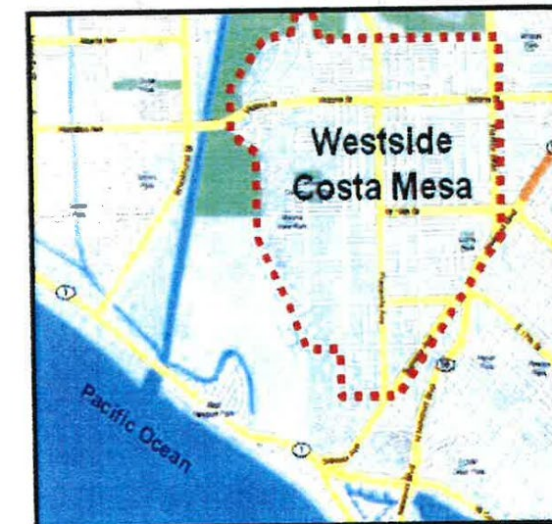
STANDARD	PROPOSED
TOTAL UNITS	60 units (59 affordable senior + 1 manager's unit)
PARKING	Maintain existing Senior Center parking; <u>No additional parking for new residents</u>
BUILDING HEIGHT	<u>Four-stories</u>
LOCATION	19 West Urban Plan; Portion of Senior Center's existing parking lot

MERITS OF THE PROJECT

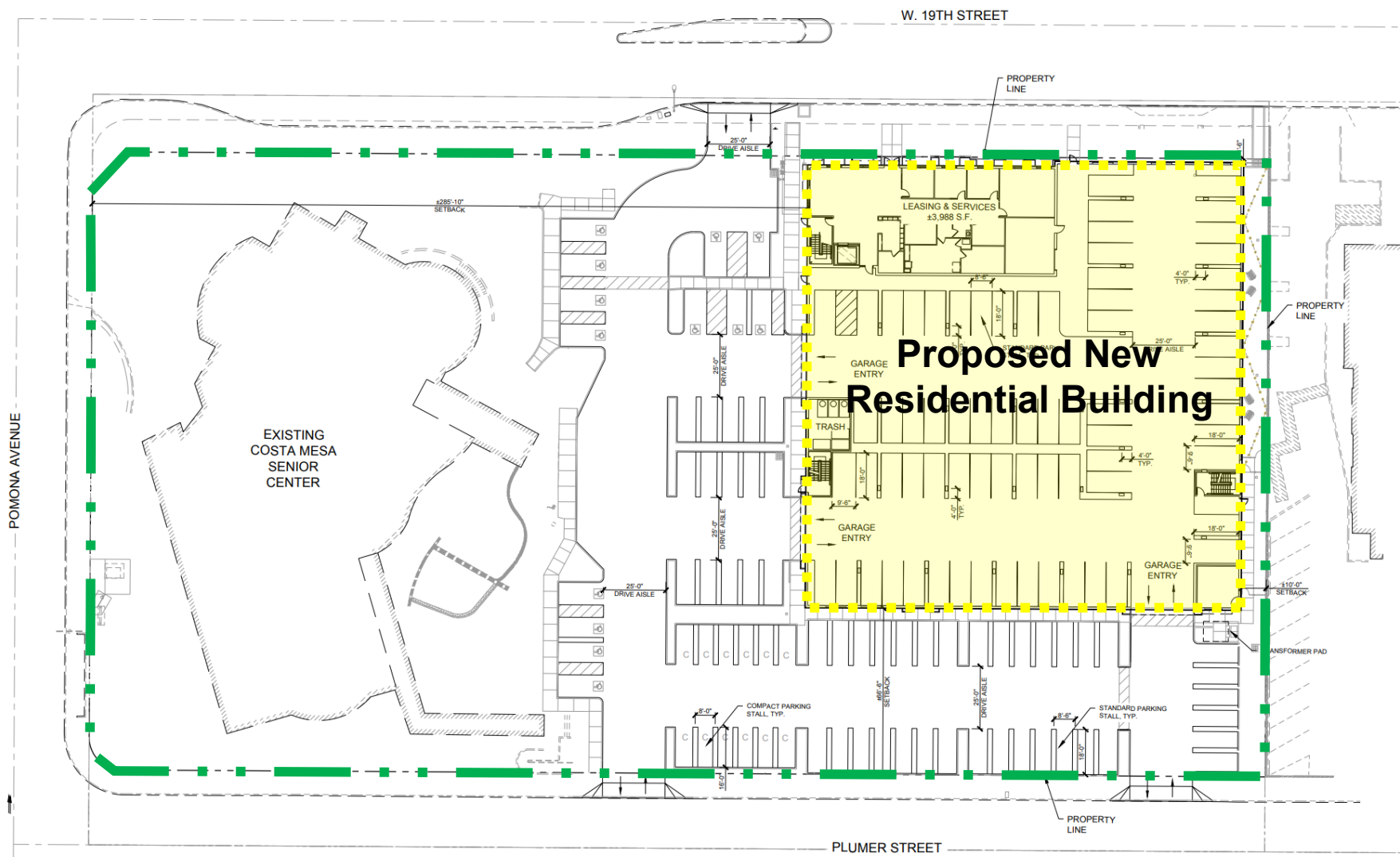
- **Meets objective of the 19 West Urban Plan:** mixed-use development with housing and commercial uses
- **Meets housing policies in adopted Housing Element:** would provide affordable housing for senior population

The logo for the 19 West Urban Plan. It features the text "19 West" in a red, cursive font, underlined, and "Urban Plan" in a bold, blue, sans-serif font below it.

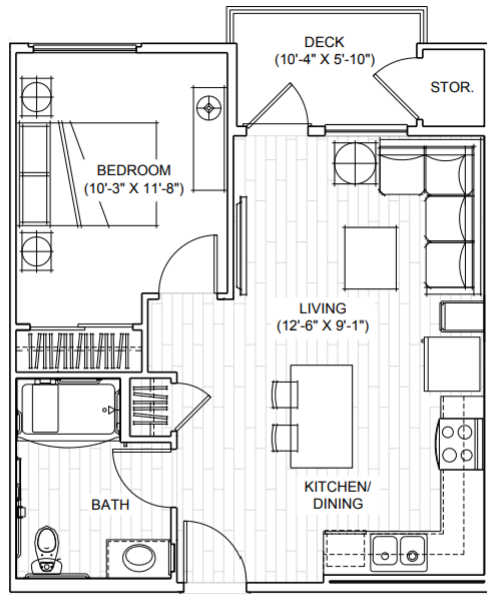
19 West Urban Plan



PROPOSED SITE PLAN

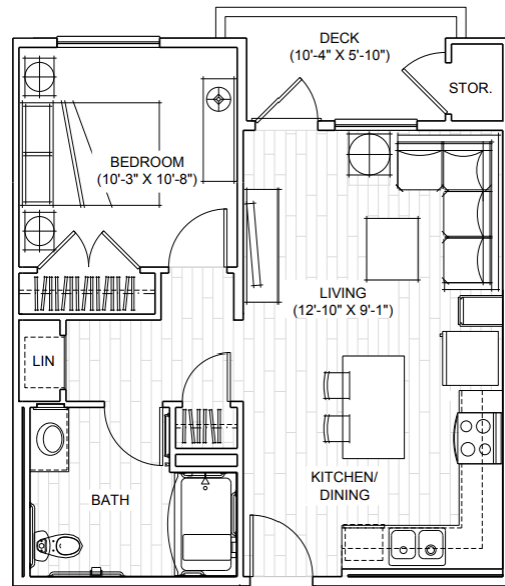


PROPOSED UNIT FLOOR PLAN



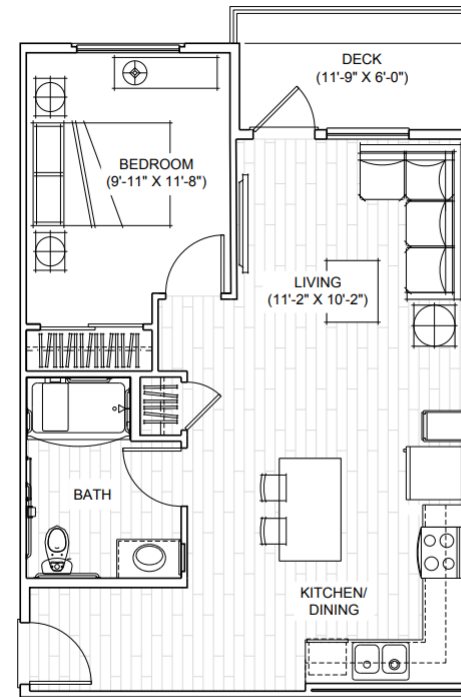
P1.0 1

1 BED/1 BATH - 566 S.F. (45 TOTAL)



P1.1 (MOBILITY) 2

1 BED/1 BATH - 588 S.F. (9 TOTAL)



P1.2 3

1 BED/1 BATH - 614 S.F. (5 TOTAL)

PROPOSED AMENITIES



PROPOSED DESIGN



PROJECT DEVIATIONS/CONCESSIONS

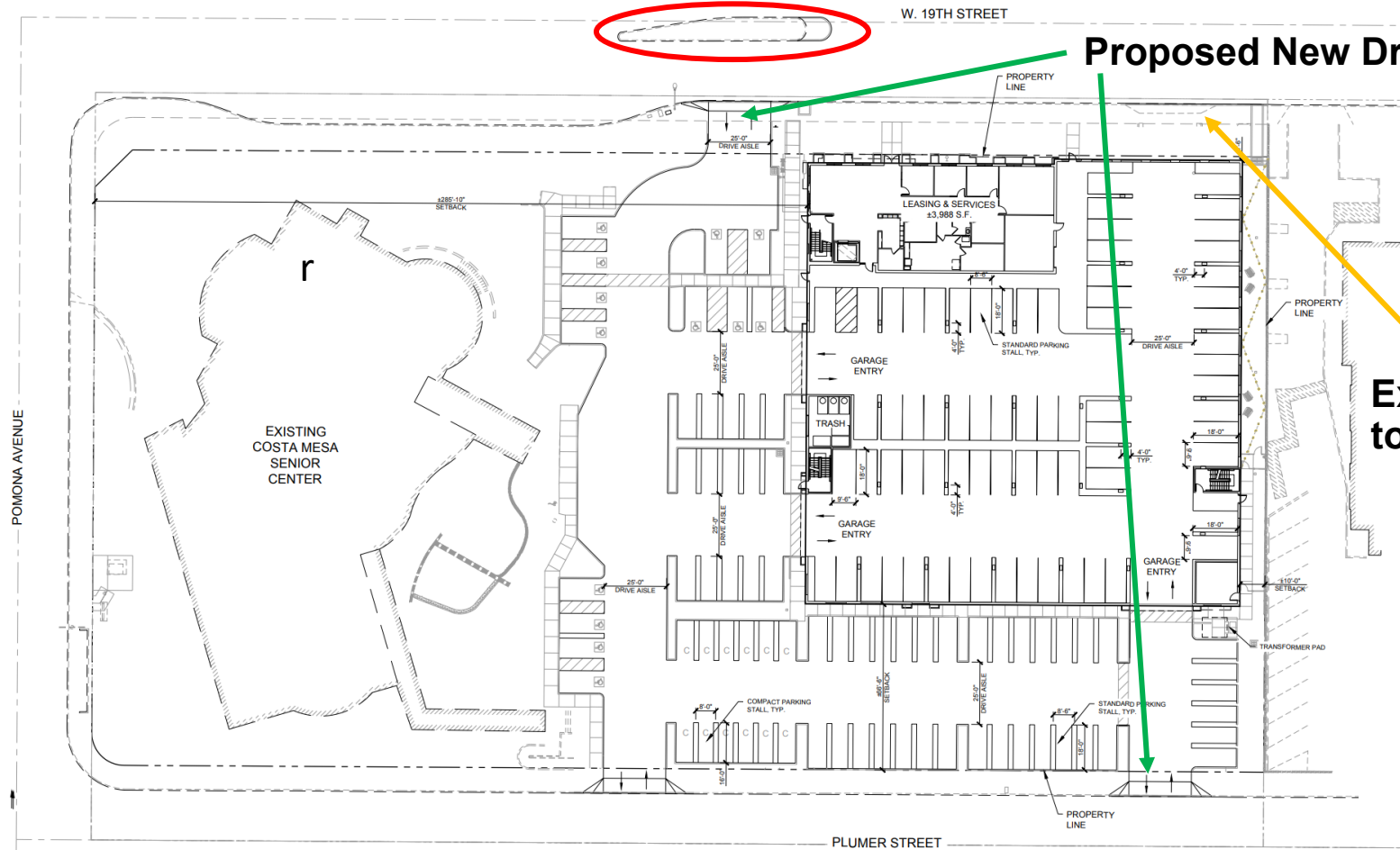
- Project complies with 19 West Urban Plan lot size, front/rear setbacks, height, floor area ratio, private open space
- Requested concessions allowed through State Density Bonus Law (DBL)

Development Standard	Urban Plan	DBL Concession
Open Space – Development Lot	30%	26%
Side Setback Abutting W. 19 th St.	5 feet	0 feet
Additional Parking Space Width Adjacent to a Column/Wall ¹	1 foot additional	0 foot

¹Pursuant to the City of Costa Mesa Parking Design Standard

POTENTIAL PROJECT ISSUES

- **Parking / Circulation**



Proposed New Driveways

Existing Driveway Proposed to be Removed

NEXT STEPS

- Urban Master Plan Application Submittal / Formal Review
- Lease Negotiation / Affordable Housing Agreement
- Planning Commission Review
- City Council Review



STAFF RECOMMENDATION

Staff recommends that the City Council ***review and provide feedback on the proposed 60-unit mixed-use development at 695 West 19th Street*** located in the 19 West Urban Plan area



**Urban Master Plan Screening:
Jamboree Housing at Costa Mesa
Senior Center (695 W 19th Street)**

**February 20, 2024
City Council**



“THE 12” GYM NOISE STUDY

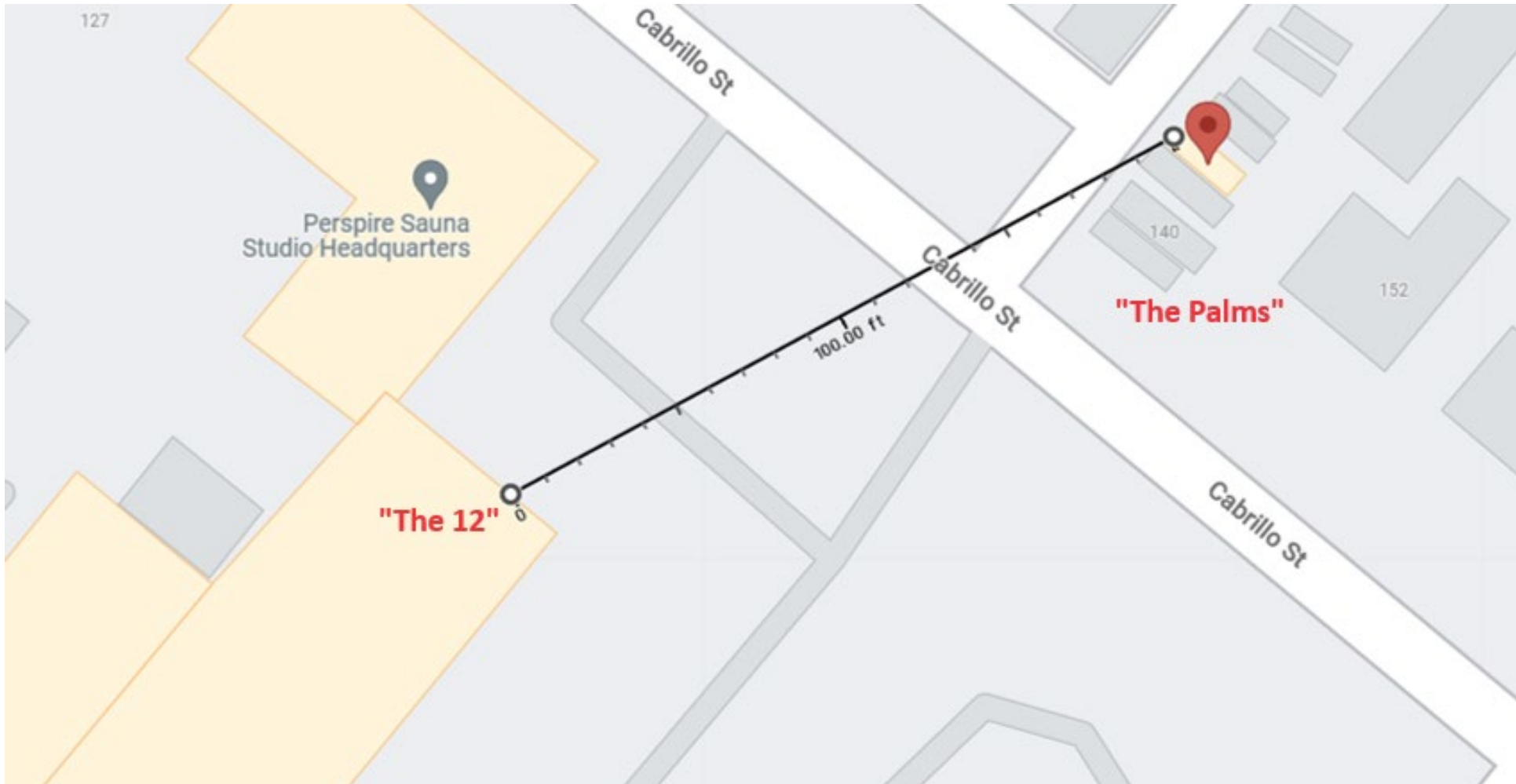
February 20, 2024
City Council



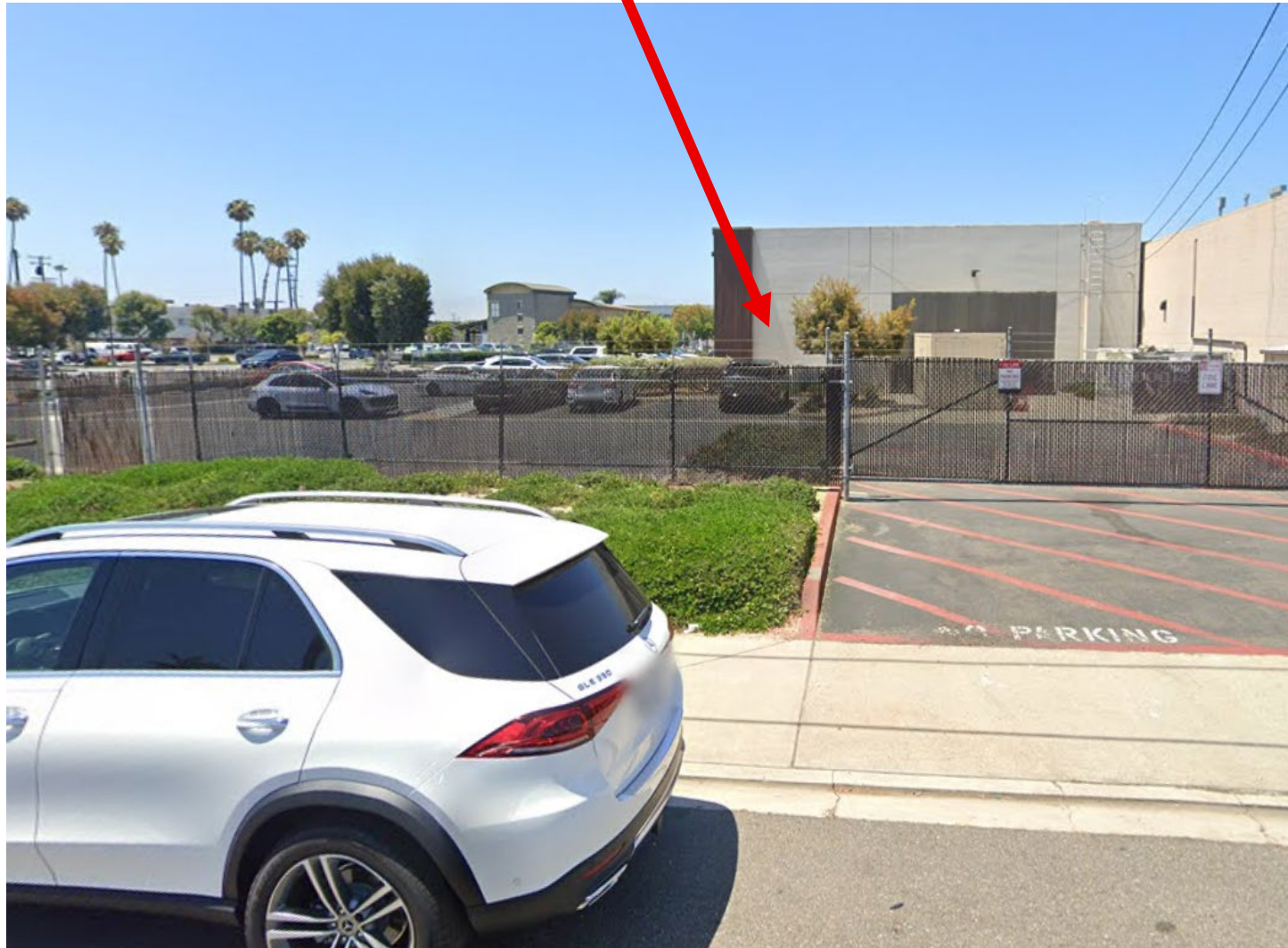
Background

- Over the course of the past two calendar years the City has received complaints regarding “excessive noise” emanating from the daily operations of the “The 12” gym.
- One hundred twenty (120) complaints have been received to date.
- The complaints received were from a resident of “The Palms” mobile home park.

220 feet of distance between "The 12" Gym and "The Palms"



The Gym's rear pedestrian door.



Staff Actions to Determine Existence of a Code Violation

- Police personnel responded to 105 dispatched calls for service made by the complainant.
- Approximately 40 unannounced exterior site visits of “The 12” gym were conducted by Code Enforcement staff to observe and or to utilize a handheld sound meter.
- A scheduled sound measurement was taken from inside the complainant’s residence.
- In person conversations with the owners of “The 12” gym to discuss good neighbor policies.
- Site visits to the “The Palms” mobile park to inquire if other residents had similar concerns.

Qualitative noise criteria, CMMC Section 13-283.

“A reasonable person standard”

Noise Ordinance:

- *“It is unlawful for any person to willfully make or continue, or cause to be made or continued, any loud, unnecessary and unusual noise which disturbs the peace or quiet of any neighborhood”*
- *Noise Disturbances cannot result in “discomfort or annoyance to any reasonable person of normal sensitiveness residing in the area, regardless of whether the noise level exceeds the specified standards”*

Quantitative noise criteria, CMMC Section 13-280.

The measurement and analysis of decibel (dB) noise readings

Section 13-280 - Exterior Noise Criteria	
dB	Hours
55 dB	7 A.M. - 11 P.M.
50 dB	11 P.M. - 7 A.M.

Section 13-281 - Interior Noise Criteria	
dB	Hours
55 dB	7 A.M. - 11 P.M.
45 dB	11 P.M. – 7 A.M.

Staff's conclusions

- Did not identify any onsite qualitative noise issues.
- Did not identify any onsite quantitative noise issues.
- There was no verifiable evidence from other nearby residents.
- All land use entitlements (conditions of approval) were in compliance.

Professional Noise Study

- Staff contracted Mr. Hardesty (“Sound Media Fusion”), a professional sound engineer and noise expert with 45+ years of experience.
- Mr. Hardesty was instructed to conduct a noise study/measuring of the operations at “The 12” gym and provide his findings in order to obtain a third-party expert opinion.

- **45+ YEARS OF GLOBAL ACOUSTIC DESIGN, ELECTRONIC DESIGN, SOUND/VIDEO DESIGN, NOISE MONITORING/MITIGATION, INCLUDING:**
 - **INTELLECTUAL PROPERTY MANAGEMENT/CREATION (PATENTS, INVENTIONS) FOR OUR CLIENTS- SUCH AS:**
 - **PANASONIC/JAPAN**
 - **FORMULA ONE RACING**
 - **OLYMPIC OPENING/CLOSING CEREMONIES AND OLYMPIC VENUE DESIGN:**
 - **ACOUSTICS, SOUND/VIDEO, NOISE MONITORING AND MITIGATION, TECHNICAL MANAGEMENT**
 - **THE VATICAN/WORLD YOUTH DAYS- GLOBAL EVENT TECHNICAL DESIGN/MANAGEMENT**
 - **22nd YEAR- OC FAIR AND PACIFIC AMPHITHEATRE: ACOUSTIC DESIGN, SOUND DESIGN, NOISE MONITORING/MITIGATION, TECHNICAL MANAGEMENT**
 - **VARIOUS SMALLER VENUES AND RELATED IN COSTA MESA, NEWPORT BEACH**

- **Sound Media Fusion (SMF) was contracted by the City of Costa Mesa (City) to perform a noise study of the 12 Gym at 140 E 17th St., based on noise complaints from the Palms Mobile Home Park at 140 Cabrillo St.**
- **The City has received multiple noise complaints from a residence in the trailer park.**
- **City code personnel performed noise measurements in the same area, prior to my report, and found compliance.**
- **SMF was hired to act as an acoustic expert and to provide a more detailed study, along the same lines of the City's noise measurements.**

The type of noise meter we use is called an 'integrating meter'. It can simultaneously record the actual audio taking place, as well as record and calculate the decibel reading- taking hundreds of samples every second.

We were monitoring on site in December, 2023:

- a. Monday- Friday: 5 AM- 8 PM.
- b. Saturday-Sunday: 7 AM- 3 PM.
- c. The monitoring dates were December 3-9, 2023- 7 days.

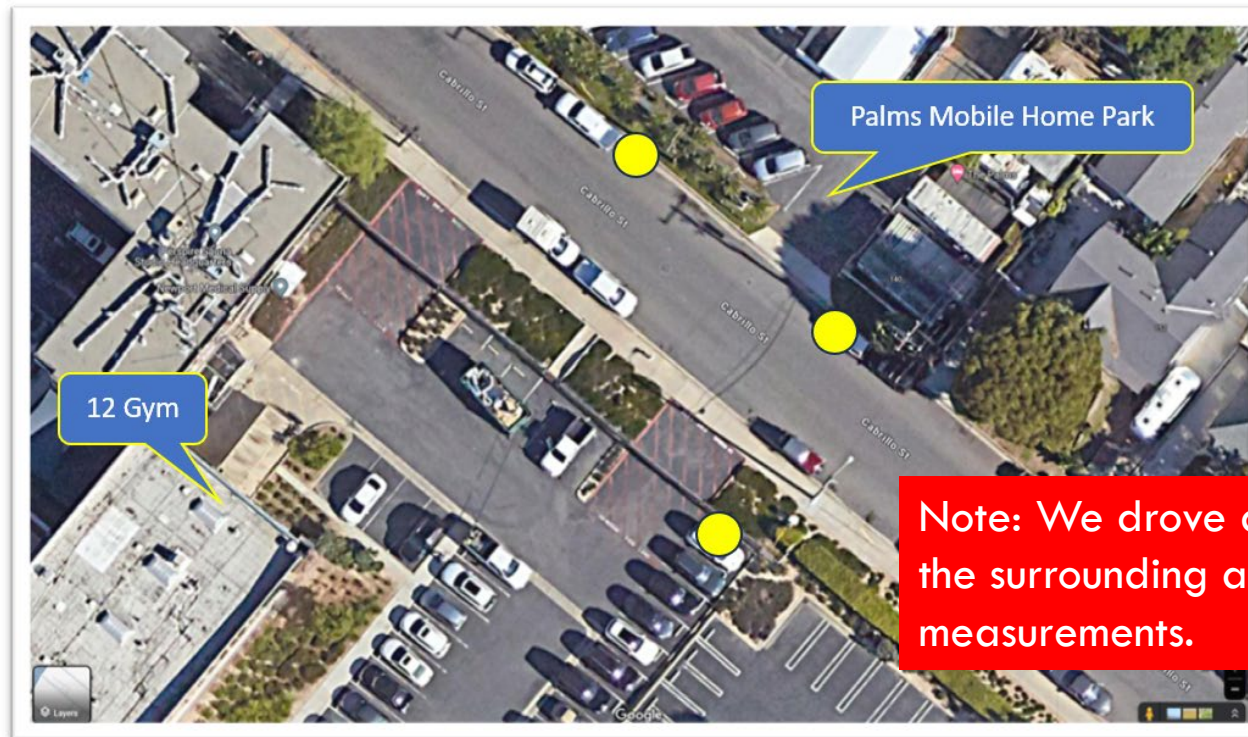
Over the 7-day period of our monitoring, we recorded more than 4 million noise samples.

In addition, we simultaneously recorded and calculated a total of 6 different measurements.

The type of measurement we specifically used relative to the noise ordinance and relative to the type of environmental noise encountered is called an '**LAeqT**' measurement. This a common, internationally recognized measurement for assessing environmental noise.



Using a single calibrated noise measurement system, monitored primarily at the locations shown below, near the mobile home park, and varied such locations from time to time- helping to average the human observance as well as measurement data, and found, due to close proximity of gym and mobile home park, such variable locations made little difference in any related gym noise and local ambient noise:



We used a calibrated professional NTI XL2 noise meter for our measurements. This device makes multiple data records, as well as audio recording for each measurement period. We analyzed all audio recording, as well as all recorded measurement data, including making notes based on the engineer we had on site:

The City of Costa Mesa noise ordinance specifies the various levels, times of day, and time periods one can use to analyze local environmental noise. It states:

RESIDENTIAL EXTERIOR NOISE STANDARDS		RESIDENTIAL INTERIOR NOISE STANDARDS	
Noise Level	Time Period	Noise Level	Time Period
55 dB(A)	7:00 a.m.—11:00 p.m.	55 dB(A)	7:00 a.m.—11:00 p.m.
50 dB(A)	11:00 p.m.—7:00 a.m.	45 dB(A)	11:00 p.m.—7:00 a.m.

NOTE: These represent the basic standards applicable for time periods exceeding 15 minutes each hour. Higher levels may be generated for specified shorter time periods.

Don't exceed:

Condition 1 — RESIDENTIAL EXTERIOR NOISE STANDARDS (50-55 dB(A)) for a cumulative period of more than thirty (30) minutes in any hour;

Condition 2 — RESIDENTIAL EXTERIOR NOISE STANDARDS plus five (5) dB(A), (55-60 dB (A)) for a cumulative period of more than fifteen (15) minutes in any hour;

Condition 3 — RESIDENTIAL EXTERIOR NOISE STANDARDS plus ten (10) dB(A), (60-65 dB (A)) for a cumulative period of more than five (5) minutes in any hour;

Condition 4 — RESIDENTIAL EXTERIOR NOISE STANDARDS plus fifteen (15) dB(A), (65-70 dB (A)) for a cumulative period of more than one (1) minute in any hour.

Condition 5 — RESIDENTIAL EXTERIOR NOISE STANDARDS plus twenty (20) dB(A), (70-75 dB (A)) for any period of time.

The proper way to measure these conditions as discussed previously, is to use the LAeqT measurement standard.

For example, Noise Ordinance, Condition 3 (on an earlier slide), the reading would be a 'LAeq5' measurement—meaning we are measuring the equivalent (averaged) noise over a 5-minute period, and so forth for all 5 conditions of the noise ordinance.

We recorded our data in various time slots, over 30 minute periods (during the Gym operating hours):

Monday-Friday

-5 AM- 5:30 AM
-7 AM-7:30 AM
-9 AM- 9:30 AM
-11 AM- 11:30 AM
-1 PM- 1:30 PM
-3 PM- 3:30 PM
-5 PM- 5:30 PM
-7 PM- 7:30 PM

Saturday-Sunday

-7 AM- 7:30 AM
-9 AM- 9:30 AM
-11 AM- 11:30 AM
-1 PM- 1:30 PM

I want to first, discuss my subjective findings:

The environmental noise is typical for a housing area near businesses, and, overall, quiet for a housing area this close to busy streets and businesses.

In my report, I detail noise heard above normal ambient, each monitoring day, for example:

Dec 3rd, 2023 notes:

7:15am - trash pickup

10:52am - **noticed music coming from the direction of the gym, but it could have been a car**

audio system. No louder than the building HVAC units that are running around the parking lot

11-11:15 - guy sitting in his truck with the windows down, halfway between the gym and the trailer park, playing his music fairly loud.

Overall it's a pretty quiet area. Most prominent ambient noise is coming from motorcycles, HVAC units for businesses in the parking lot. Most noise coming from the direction of 17th street, since that's the main thoroughfare. Really no noise to speak of from the gym today.

Each of the monitoring days, the noise we heard was typical for a mixed commercial/residential area, as detailed in my report.

Typical street noise exists in the area, which adds to the noise field.

On a few occasions, as noted in my report, we did hear some music from the Gym, which was buried in the overall area ambient noise and was non-disturbing and brief- at no time was such noise measurable.

And at no time was the noise above the overall ambient area noise.

Summary:

My report contains the detail findings regarding the objective, measured data- we won't go into the complex detail here.

The area ***is noise compliant***. Occasional spikes in noise were noted (these occasional spikes: airplanes, an occasional loud car, garbage trucks, some Gym noise, etc.) would cause a momentary increase in the average reading at that time, but this is due to a short duration noise spike, rather than a long-term louder noise event, and, exactly as expected.

The data in the report is the detail data as it pertains to the noise ordinance- in other words, for each time period, we present the 30-minute, 15-minute, 5-minute and 1 minute data.

No violations were observed.



FY 2024-25 RECOGNIZED OBLIGATION PAYMENT SCHEDULE

AND DISSOLUTION OF THE SUCCESSOR AGENCY

FEBRUARY 20, 2024

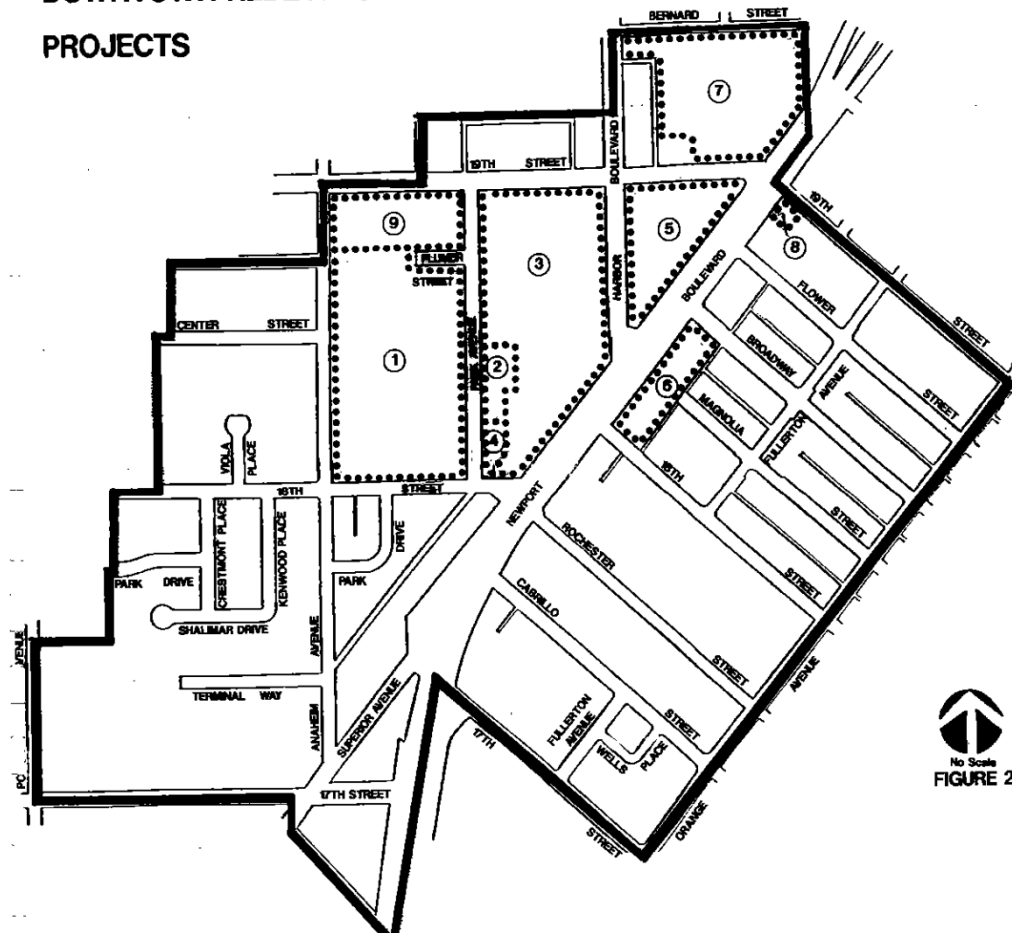


BACKGROUND

- In 1945, the California Legislature enacted the Community Redevelopment Act to assist local governments in eliminating blight through development, reconstruction, and rehabilitation of residential, commercial, industrial, and retail districts.
- On January 3, 1972, the City of Costa Mesa Redevelopment Agency (CMRA) was created for the purpose of redeveloping areas that needed assistance in the interest of the health, safety, and general welfare of the people of the community.
- The Downtown Redevelopment Project Area was adopted in December 1993.

DOWNTOWN REDEVELOPMENT PROJECT AREA

DOWNTOWN REDEVELOPMENT PROJECTS



HISTORICAL TIMELINE

- CMRA loans due to the General Fund were consolidated in 1993 for \$12.6 million at an 8% interest rate.
- In June 2011, ABX1 26 (the Dissolution Act) was passed to dissolve all redevelopment agencies (RDA) in the State.
- On September 6, 2011, the Successor Agency to the Costa Mesa Redevelopment Agency was formed.
- On December 29, 2011, the California Supreme Court directed all RDAs in the State to be dissolved effective February 1, 2012.

DISSOLUTION OF THE SUCCESSOR AGENCY

- The City received annual payments from the County to pay the outstanding obligations of the former RDA.
- Final payment of \$1.7 million received in May 2023.
- Final dissolution process requires the County Oversight Board and the City Council to formally approve the dissolution of the Successor Agency.

QUESTIONS?



OVERSIGHT BOARD OF ORANGE COUNTY

- The Orange Countywide Oversight Board (Oversight Board) was established by California Senate Bill 107 and pursuant to California Health and Safety Code § 34179(j).
- The purpose of the Oversight Board is to oversee and direct the Successor Agencies starting July 1, 2018 within the County of Orange.
- The Oversight Board approves the City's annual Recognized Obligation Payment Schedules (ROPS) before it is submitted to the Department of Finance (DOF).

SUCCESSOR AGENCY DISSOLUTION REQUIREMENTS

1. Enforceable Obligation must be paid in full.
2. All land the previous Redevelopment Agency held, must be disposed of.
3. All litigation must be settled.

All three requirements have been met to dissolve the
Successor Agency.











**Adoption of the 2024-2027
Memorandum of Understanding
Costa Mesa Firefighters Association**

February 20, 2024



Overview

- CMFA Negotiations Background
- MOU Key Provisions
- Fiscal Review
- Recommendations



CMFA Negotiations Background

- FY 2023 – 2024 budget includes 588 FTE's employees including 80 CMFA employees
- The previous MOU & Side Letters covered years 2017 – 2024 and will expire on June 30, 2024.
- In September 2023, CMFA requested to commence negotiations in advance of the current contract's expiration date of June 30, 2024.
- Labor and key management negotiated in good faith and are proposing amendments to the MOU for your consideration and approval.



Key Provisions of Negotiated CMFA MOU

- Key provisions of the negotiated CMFAMOU include:
 - **Term of MOU:** July 1, 2024 – June 30, 2027 (3 year term)
 - **Salary and Wages:**
 - 5% increase effective July 2024 (net of 3.75% due to increased PERS pick-up)
 - 3.75% increase effective July 2025
 - 3.75% increase effective July 2026
 - **Retirement Contributions:**
 - 1.25% increase in employee retirement contribution effective July 2024
 - Resulting in a 14% employee contribution (from the current 12.75%)
 - **Recruitment and Retention Pay (Longevity Pay):**
 - 7.5% incentive for 20 years of sworn service effective July 2024
 - 5% incentive for 15 years of sworn service effective July 2025
 - 2.5% incentive for 10 years of sworn service effective January 2026
 - Maximum of 10 years of sworn service from other agencies



Key Provisions of Negotiated CMFA MOU (Cont'd)

- Key provisions (continued):
 - **Specialty Assignment Pay:** Additional 10% paramedic assignment pay for a Fire Engineer or Fire Captain assigned to Emergency Medical Services management
 - **Education Pay/Certification Pay:**
 - Removal of BS/BA/120 units from the Certification program and set up as separate education pay at 2.5% of top step Captain for Bachelor's Degree or \$180 per month for 120 units.
 - Include additional certifications as part of the Certification program with no increase to the current maximum benefit.
- These negotiated provisions are in line with other local agencies:
 - 1% - 6% annually in across-the-board salary increases
 - 12% - 18% employee retirement contributions
 - Up to 14% employee certification pays
 - Up to 10% longevity pay



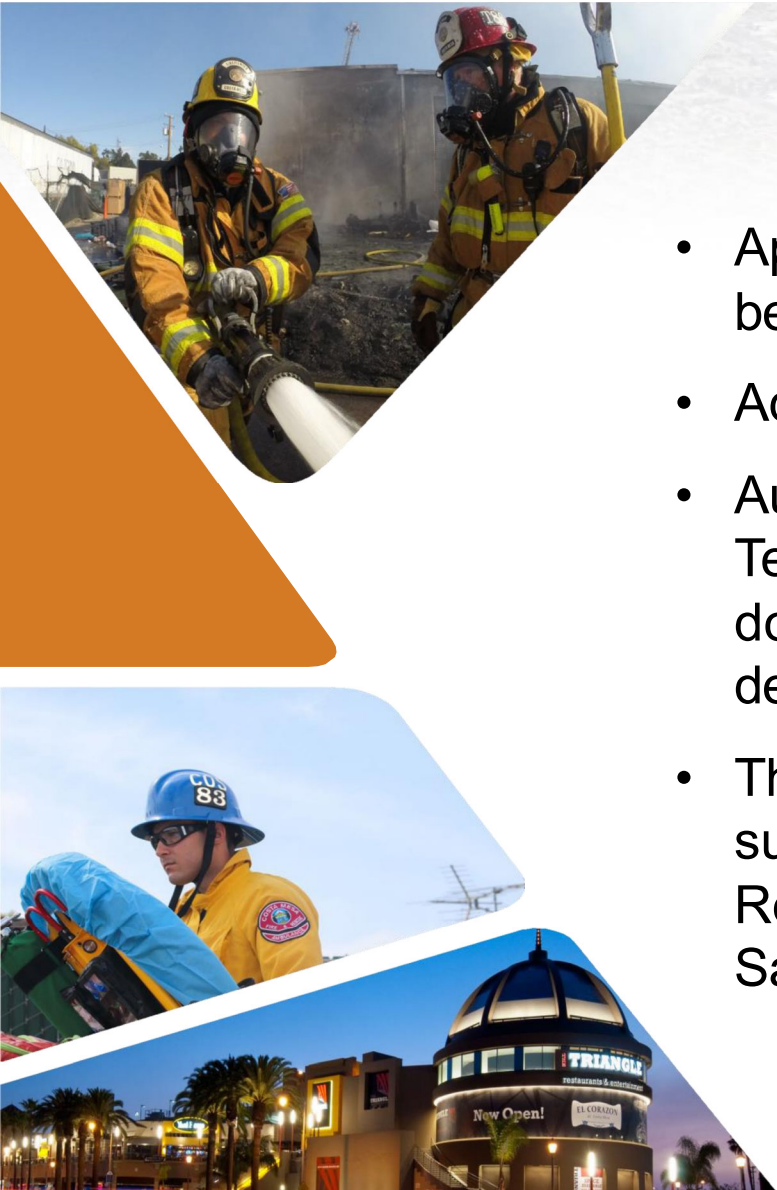


CMFA Fiscal Review

- Fiscal Impact Analyses were prepared, certified and posted pursuant to the City Council Policy 300-8 Transparency in Labor Negotiations

Annual Fiscal Impact	FY 24/25	FY 25/26	FY 26/27	3 year Cumulative Impact
	1,521,932	941,085	784,827	3,247,844





Recommendations

- Approve and adopt the Memorandum of Understanding between the City and CMFA
- Adopt resolution revising pay ranges for CMFA
- Authorize the City Manager and City's Negotiation Team to execute the Memorandum of Understanding documents and appropriate into the respective departmental budgets.
- The proposed MOU and salary range adjustments support the City's Strategic Plan Goals to Recruit and Retain High Quality Staff and Strengthen the Public's Safety and Improve the Quality of Life.



Questions?

