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## Business Improvement Area Reauthorization and Levy Annual Assessment

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June 21, 2022





# Background

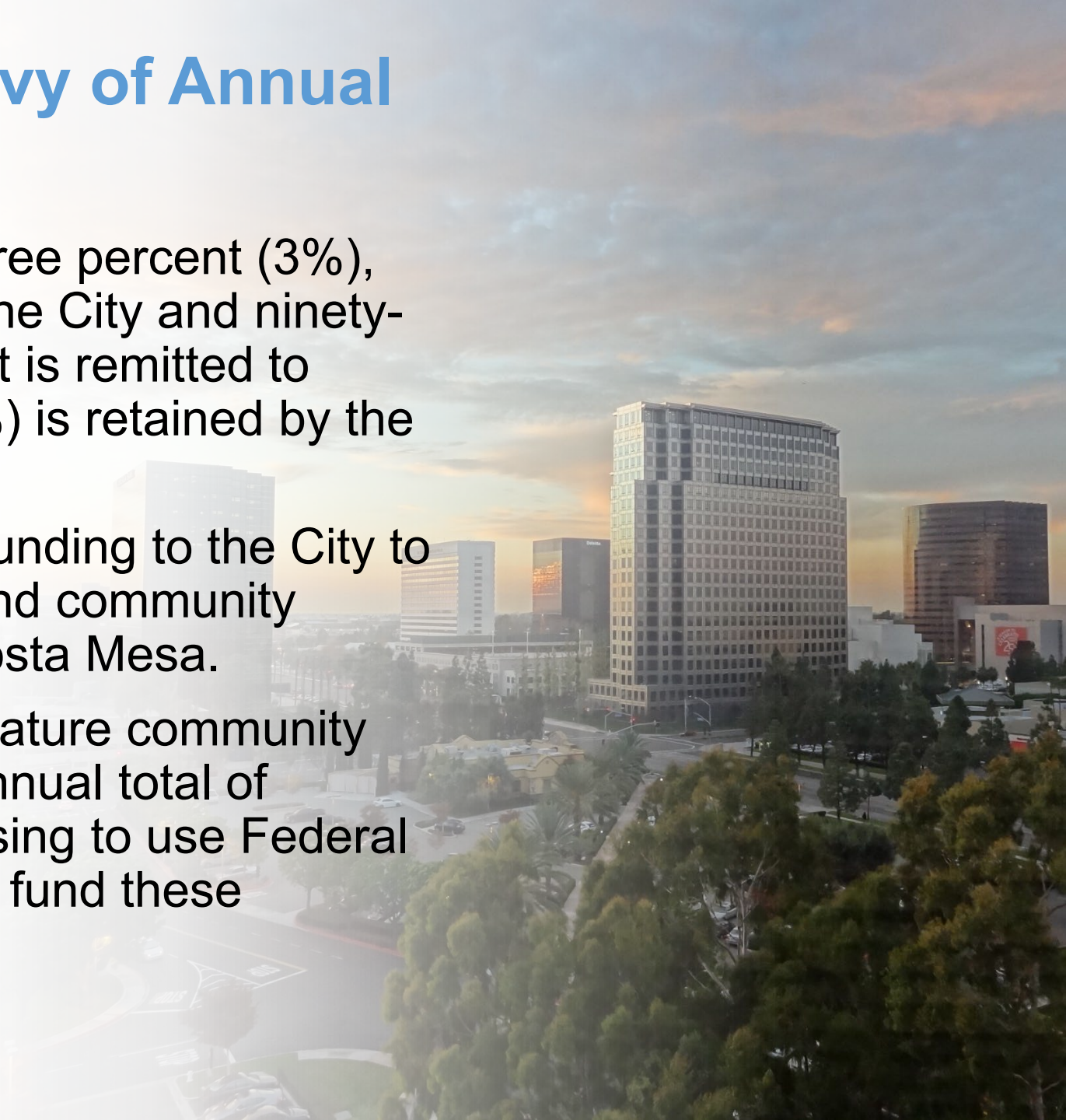
- **May 17, 2022:** City Council adopted Resolution No. 2022-23 declaring the intention to levy an annual assessment for FY 2022-2023 and set a public hearing on June 21, 2022 City Council meeting.
- City received and filed TCM's annual report and financial audit.
- Currently, the City levies a three percent (3%) special assessment on the eleven (11) participating hotels in the BIA based on the sale of overnight guestroom stays in the partner hotels.
- Participation in the BIA is voluntary. However, each year all participant and non-participant hotels/motels are notified about the Public Hearing and the opportunity to join the BIA.





# BIA Reauthorization and Levy of Annual Assessment

- For FY 22-23, the proposed levy is three percent (3%), which is transmitted by the hotels to the City and ninety-nine percent (99%) of the assessment is remitted to TCM. The remaining one percent (1%) is retained by the City to offset administrative costs.
- Since 2014, TCM has also provided funding to the City to support community-wide marketing and community events that attract many visitors to Costa Mesa.
- City utilizes TCM funding for City signature community events and marketing efforts for an annual total of \$164,000. This year the City is proposing to use Federal American Rescue Plan Act (ARPA) to fund these activities.





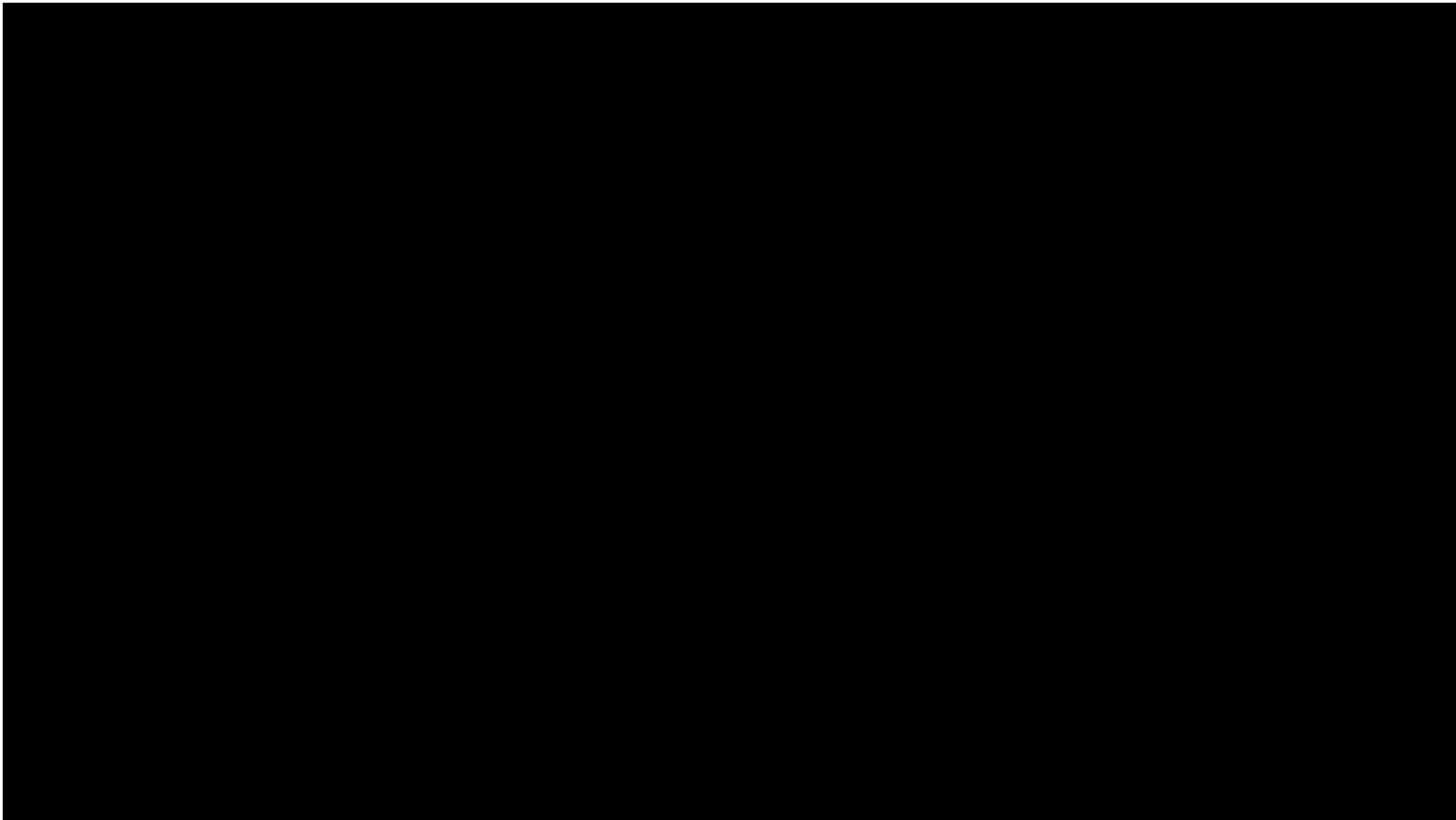
# FY 2021-2022 Highlights

- Travel Costa Mesa continues its dedication to showcasing the City of Costa Mesa as the City of the Arts and partnered with influencers and content creators to amplify messaging across various platforms, summer and holiday co-ops with Visit California, and meetings guide videos.
- TCM continued its efforts in marketing, media and communications relations, and group sales.
- TCM's website increased new website users and page views over the calendar year. Organic search traffic grew considerably due to search engine optimization efforts, gaining 140.50% year over year.
- Group sales continued with partner hotels, where TCM generated over 200 leads, representing over 800,000 room nights, and booked 25 meetings and events with 4,799 rooms at partner hotels.





# Travel Costa Mesa







# Recommendations

State law mandates (Streets and Highways Code § 36533) specific procedures to be followed in the establishment of a business improvement area and the levying of a voluntary annual assessment.

1. Conduct a public hearing regarding the Business Improvement Area (BIA) reauthorization and levy of the annual assessment for Fiscal Year 2022-2023.
2. Adopt Resolution 2022-xx, confirming the annual report filed by Travel Costa Mesa and levying an annual assessment for Fiscal Year 2022-23 for the Business Improvement Area covering certain Costa Mesa hotels and motels.
3. Approve the use of \$164,000 in Federal American Rescue Plan Funds as revenue recovery for City activities, programs and events, until annual hotel tax and BIA revenues are restored to normal levels.





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**INTRODUCTION OF AN ORDINANCE TO  
APPROVE CODE AMENDMENT FOR CMMC  
PERTAINING TO PARKING BY PERMIT ONLY  
AND AUTHORIZE RELATED FEES**

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**Public Works Department**

**City Council Meeting  
June 21, 2022**







# BACKGROUND

## May 3, 2022 City Council Meeting:

- Approved the Revised Residential Permit Parking (RPP) Program Guidelines and Policies.
  - Authorized staff and City Attorney to initiate amendments to the Costa Mesa Municipal Code (CMMC) incorporating proposed changes to the RPP program and return for approval through a Public Hearing process.
  - Approved in concept the implementation of an annual residential parking permit fee with an escalating rate structure and discount for qualifying low-income residents.
- 
- Proposed Fee Rates to be reviewed and considered by City Council at a Future Meeting.





# GUIDING PRINCIPLES IN DEVELOPMENT OF RPP PROGRAM



## **Equitable Access**

Develop equitable programs that appropriately balance the parking needs of all residents, businesses, and visitors, while enabling the on-street parking supply to serve the community fairly and enhance access for all.



## **Sustainable Solutions**

Implement financially sustainable strategies that modernize and streamline parking program management.



## **Efficient Program Management**

Create an efficient and adaptable parking system that is optimized for the City's current needs but can be incrementally updated and adjusted over time.

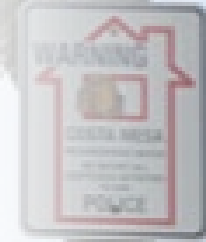


# KEY FEATURES OF THE NEW PROGRAM

- ✓ RPP limited to areas experiencing external parking impacts from commercial areas, neighboring cities, Fairgrounds and recreational areas.
- ✓ No change in petition and staff review process.
- ✓ All housing types within impacted areas eligible for permits.
- ✓ One permit per eligible driver.
- ✓ Annual permit parking fee with escalating rate structure.

## ATTORNEY GENERAL'S OPINION #14-304

*"In issuing long-term residential parking permits, local authorities may not distinguish among residents based on the type of dwelling in which they live"*







# Proposed Amendments to Title 10 of CMMC

- Incorporate changes to the Residential Permit Parking program
  - Pertain to Parking by Permit Only.
  - Require the payment of related fees to be adopted by the City Council at a future meeting.





# Residential Permit Support Services for Implementation

- Original PSA with Dixon Resources Unlimited approved by City Council in 2020.
- RPP management support services needed from Dixon for the implementation phase to:
  - Support the transition and implementation of the permit processes.
  - Provide guidance for the new permit fee structure.
  - Ensure seamless integration with existing parking technologies.
  - Manage extensive public outreach and education campaign.







# Fiscal Review

- Funding for the new Residential Permit Parking Program approved in the FY 22-23 budget.
- Funding of proposed amendment to PSA with Dixon Resources Unlimited included in budget for RPP Program.







# Staff Recommendations

Staff recommends the City Council:

1. Introduce for first reading, by title only, Ordinance No. 2022-xx to approve Code Amendment CO-2022-xx, amending Article 3 of Title 10 of the CMMC pertaining to parking by permit only. Residential Permit Parking program guidelines and policies.
2. Approve proposed Amendment No. 3 to the Professional Services Agreement with Dixon Resources Unlimited increasing the maximum compensation by \$60,950 for Residential Permit Parking Support Services, for a total not-to-exceed amount of \$192,950.
3. Authorize the City Manager and the City Clerk to execute the amendment and future authorized amendments to the agreement.







# QUESTIONS?





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# RENTAL ASSISTANCE UPDATE

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June 21, 2022





# BACKGROUND

## **Pre-Pandemic (January 2020)**

- 5% Cap (+CPI) on Rent Increases (twice over 12-month period)
  - Included “Just Cause” evictions for non-payment of rent
  - Buildings undergoing substantial rehab are exempt
    - Annual Rent Increases = Economic Displacement

## **COVID-19 Pandemic Emerges (March 2020)**

- Housing, food, and income insecurity = Inability to pay rent
- Low vacancy rates + higher rents = Inability to secure/maintain housing

## **Eviction Moratorium (April 2020)**

- Council adopts a City-wide Eviction Moratorium

## **CDBG-CV Rental Assistance Program (October 2020 and June 2021)**

- Council allocates a total of \$842,321 in CDBG-CV funds to rental assistance

## **HOME TBRA Program (November 2020 and November 2021)**

- Council allocates a total of \$300,000 in HOME funds to rental assistance

# RENTAL ASSISTANCE SUMMARY

**FAMILIES FORWARD**  
UNTIL EVERY FAMILY HAS A HOME



**SPIN**  
SERVING PEOPLE IN NEED

**MERCYHOUSE**



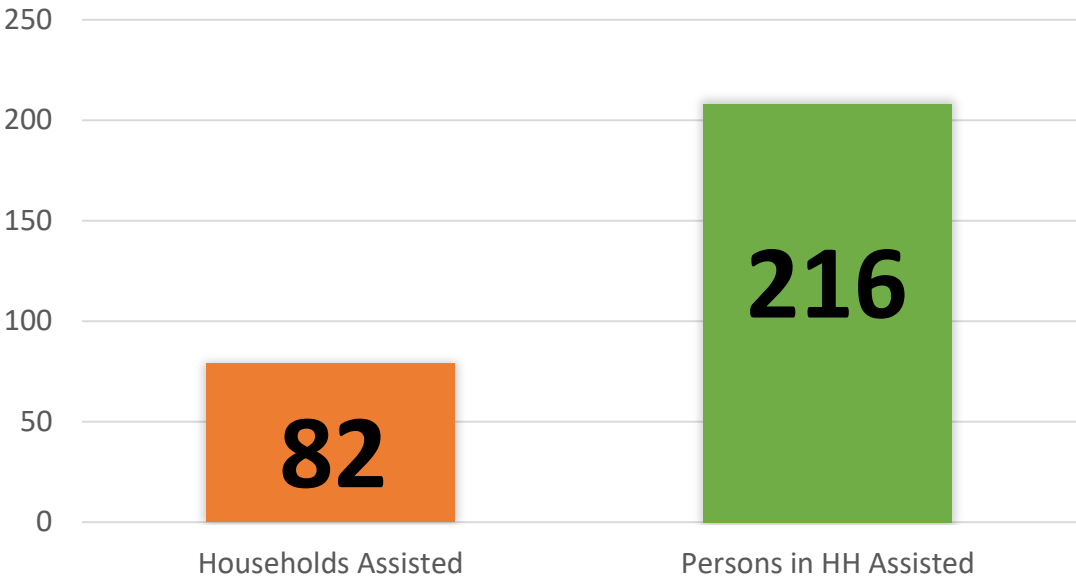
Rental Assistance Providers	Award Amount	Expended Amount	Remaining Balance	Contract Status
SPIN (Families) CDBG-CV	\$457,000	\$239,937	\$217,063	Expires 6/2023
Families Forward (Families) CDBG-CV	\$55,000	\$8,924	\$46,076	Expires 8/2023
Mercy House (Individuals) CDBG-CV	\$330,321	\$308,009	\$22,312	Expires 6/2023
<b>CDBG-CV TOTALS</b>	<b>\$842,321</b>	<b>\$556,870</b>	<b>\$285,451</b>	
Families Forward (TBRA) HOME	\$300,000	\$26,274	\$273,726	Expires 11/2022
<b>ALL TOTALS</b>	<b>\$1,142,321</b>	<b>\$583,144</b>	<b>\$559,177</b>	



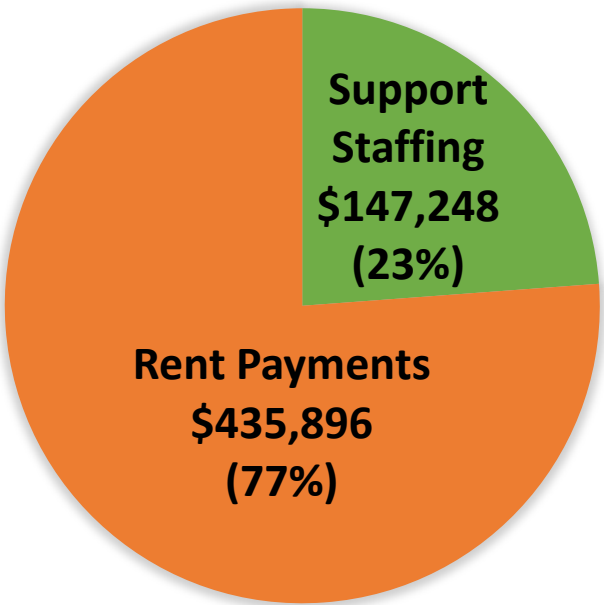
# RENTAL ASSISTANCE ACCOMPLISHMENTS

Total Rental Assistance Expenditures - **\$583,144**  
Average Rent Per Household - **\$5,315**

**COSTA MESA RESIDENTS  
ASSISTED TO-DATE**



**EXPENDITURE RATIO**



# PROGRAMMATIC ENHANCEMENTS

## THREE-PRONGED APPROACH

Expand Eligibility

Enhance Outreach

Increase Funding



# BROADENING ELIGIBILITY CRITERIA

CDBG-CV	
Existing Eligibility	Proposed Eligibility
80% AMI	80% AMI
3 Months of Assistance (\$6,000 Cap)	6 Months of Assistance (No Cap)
Direct COVID-19 Impact	COVID-19 Impact Prevention/Economic Recovery
Gap Rental Assistance/Rental Arrears	Gap Rental Assistance/Eviction Prevention/Rental Arrears
HOME (TBRA)	
Existing Eligibility	Proposed Eligibility
50% AMI	60% AMI (for enrollment)
3-6 months of Assistance	Up to 24 months of Assistance (income under 80% AMI to remain eligible)
Deposit and/or Rental Assistance (new unit only)	Deposit and/or Rental Assistance (new unit) AND Gap Rental Assistance (existing unit)
Locally Homeless Residency Requirement (36 months in Costa Mesa)	Homeless or At-Risk of Homelessness “Live, Work, School” Ties to Costa Mesa

# COMMUNITY OUTREACH EFFORTS

- Targeted redistribution of Spanish and English program flyers
- Social Media Posts (i.e. Facebook, Instagram, Next Door, Nixle, etc.)
- Costa Mesa Minute and El Minuto de Costa Mesa episodes

**¿NECESITA AYUDA CON ENCONTRAR VIVIENDA Y ALQUILER?**

Si vives o tienes conexiones con la ciudad de Costa Mesa y tienes al menos un hijo menor de edad, podrías ser elegible para asistencia de mudanza y alquiler.

**PARA CALIFICAR:**

1. Debe tener al menos un hijo menor de edad
2. Tener vínculos con la ciudad de Costa Mesa
3. Estar literalmente sin hogar o en riesgo de quedarse sin hogar
4. Documento listo para fines de elegibilidad

**RECIBIRÁ SERVICIOS DE APOYO PARA AYUDARLE A:**

- Gestión de casos y navegación de viviendas
- Acceso a servicios de empleo y asesoramiento
- Asistencia financiera
- Y mucho más!

Escanea aquí con su teléfono inteligente para completar un formulario de solicitud de servicio



Para obtener más información, visite: [www.families-forward.org](http://www.families-forward.org) o llame al (949) 552-2727

**FAMILIES FORWARD**  
DIGNITY • EMPOWERMENT • HOPE



**¿Conoce a un residente de Costa Mesa que corre el riesgo de perder su hogar?**

**Mercy House puede ayudar.**

**Para aplicar llame a:**  
Brandy Gonzalez,  
Housing Solutions Supervisor  
(714)836-7188 x158  
BrandyG@mercyhouse.net

Aquellos que califican pueden recibir hasta 6 meses de asistencia de alquiler

Los hogares elegibles deben ser residentes de Costa Mesa y en o por debajo del 80% de AMI para calificar.

FY 2022 Income Limit Category	1	2	3	4	5	6	7	8
Very Low (50%) Income Limits (\$)	47,450	54,200	61,000	<b>67,750</b>	73,200	78,600	84,050	89,450
Extremely Low Income Limits (\$)*	28,500	32,550	36,600	<b>40,650</b>	43,950	47,200	50,450	53,700
Low (80%) Income Limits (\$)	75,900	86,750	97,600	<b>108,400</b>	117,100	125,750	134,450	143,100

**MERCY HOUSE**  
www.mercyhouse.net



**SPIN**  
SERVING PEOPLE IN NEED

**Ciudad de Costa Mesa**  
Programa de Asistencia de Alquiler de COVID-19

**Elegibilidad**

- Familias con hijo(s) menor de edad en su custodia
- Han sufrido una reducción o pérdida de ingresos debido a COVID-19
- Cumplen con los requisitos de bajos recursos
- No reciben ninguna otra forma de subsidio o asistencia de alquiler
- Están reciente con su alquiler a partir de 31 de marzo 2020

**Proceso de Solicitud**

- Entregue un formulario de perfil por la página de SPIN o llame a la línea principal, 714-751-1101, y deje un mensaje
- Complete la evaluación inicial. Si es elegible, complete una solicitud y entregue los documentos de apoyo.

**Documentación**

- Solicitud de SPIN GAPP
- Prueba de pérdida de ingresos por el COVID-19
- 3 talones de pago más recientes
- Comprobantes de otros ingresos (CalWORKS, desempleo, discapacidad, etc.)
- Declaración jurada de "Otra Asistencia"
- Contrato de arriendo actual
- Estado de la propiedad verificando su balance actual
- I.D. para cada adulto en el hogar
- Tarjetas de seguro social para cada miembro del hogar

Housing Partner with  
Melinda Hoag Smith Center for Healthy Living  
307 Placenta Avenue Newport Beach, CA 92663

151 Kalmus Drive, H-2 Costa Mesa, CA 92626  
Phone: 714-751-1101  
<https://www.spin.org/request-services>





# COMMUNITY OUTREACH EFFORTS

## TARGETED OUTREACH

- English Learner Advisory Committee (ELAC) event at Costa Mesa High School
- Paularino Elementary Open House
- Wilson Learning Center 2022 Promotion Ceremony (K-12)

## OUTREACH TO COMMUNITY ORGANIZATIONS

- Save Our Youth
- Wilson Learning Center
- Las Promotoras (Costa Mesa)
- Think Together
- Melinda Hoag Smith Center for Healthy Living
- NMUSD
- Project Hope Alliance
- Latino Health Access
- Human Options
- Resilience OC

# COMMUNITY OUTREACH EFFORTS

## RESOURCE FAIRS

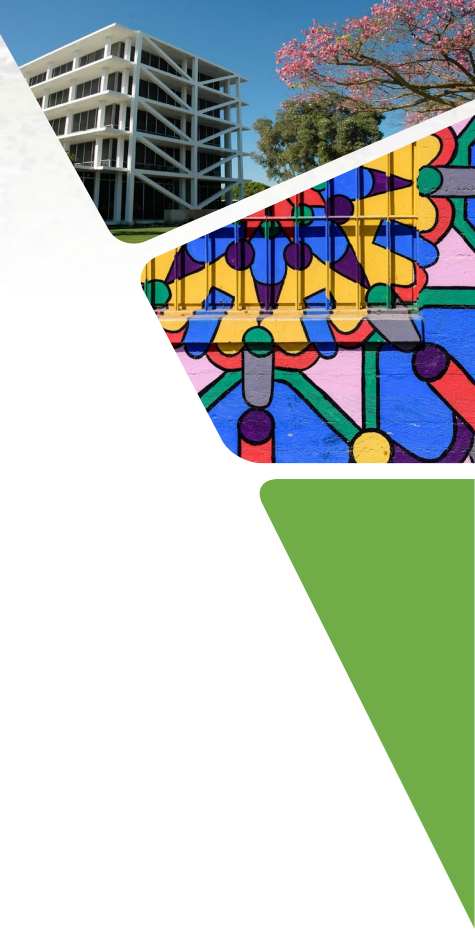
- City-wide

## WORKSHOPS

- Fair Housing
- Legal Aid
- Rental Assistance

## SERVICE PROVIDERS

- All three providers (MH, FF, SPIN) hosted a table in front of City Hall prior to tonight's Council Meeting.
- Mercy House has reassigned the lead of their RA program to a bilingual case worker with an English/Spanish voicemail.
- SPIN is updating their call in number to go to an extension (rather than their general mailbox), which will be in both English and Spanish.
- Families Forward is currently discussing how they can update their process to accommodate community feedback.





# ADDITIONAL RENTAL ASSISTANCE FUNDING



Rental Assistance Providers	Award Amount	Expended Amount	Remaining Balance	Contract Expiration
SPIN (Families) CDBG-CV	\$457,000	\$239,937	\$217,063	06/01/23
Families Forward (Families) CDBG-CV	\$55,000	\$8,924	\$46,076	08/01/23
Mercy House (Individuals) CDBG-CV	\$330,321	\$308,009	\$22,312	06/01/23
Mercy House (Individuals) CDBG-CV	\$62,312	\$0	\$62,312	07/01/23
<b>CDBG-CV TOTALS</b>	<b>\$904,633</b>	<b>\$556,870</b>	<b>\$347,763</b>	
Families Forward (TBRA) HOME	\$300,000	\$26,274	\$273,726	11/01/22
NEW Costa Mesa Rental Assistance Program	\$500,000	\$0	\$500,000	
<b>ALL TOTALS</b>	<b>\$1,704,633</b>	<b>\$583,144</b>	<b>\$1,121,489</b>	

# STAFF RECOMMENDATIONS

1. Approve proposed Amendment No. 2 (Attachment 1) to the Subrecipient Agreement (SRA) with Mercy House Living Centers increasing the compensation by \$62,312, for a total Not-To-Exceed amount of \$392,633 for program administration for the City's CDBG-CV Rental Assistance Program for lower-income households without children.
2. Appropriate an allocation of \$500,000 in American Rescue Plan Act (ARPA) funds to augment the HUD funded Rental Assistance Program for Costa Mesa renters, and required ancillary services, if eligible, from this or any other Federal or City available and eligible Fund, as needed;
3. Authorize the City Manager and the City Clerk to execute any new agreements and any and all amendments to existing agreements for the augmented ARPA funding for the Rental Assistance Program to assist Costa Mesa renters to overcome housing instability.





# QUESTIONS?





# ARTS COMMISSION REPORT

JUNE 21, 2022

JASON MINTER, Parks & Community Services Director

LAURETTE GARNER, Arts Specialist





# BACKGROUND

- 1984 - the City Council adopted the motto “City of the Arts” to memorialize the City’s commitment to the development of the arts, including the creation of a Cultural Arts Committee
- 1999 - City Council approved Resolution 99-54 adopting modifications to the City Seal to include the “City of the Arts” motto
- 2018 - Orange County Museum of Art unveils plans for a new location at the Segerstrom Center for the Arts
- 2019 - the Parks and Recreation Commission was renamed the Parks, Arts and Community Services Commission, and both the arts and senior services were added to its purview
- 2021 - City Council approved and adopted the Arts and Culture Master Plan

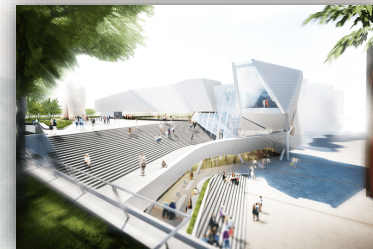


*Connector* (2006) by Richard Serra

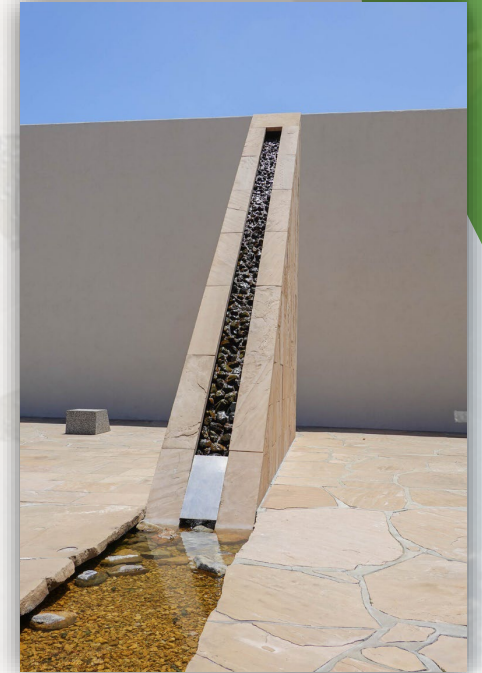


# SUMMARY & ANALYSIS

- The Arts and Culture Master Plan included establishing an Arts Commission to reflect the Council's desire for an ongoing policy focus
- A new seven (7) member Commission would serve to attract those residents best qualified by virtue of knowledge and experience for the overall development of the arts
- Per the Master Plan the general ideology of the Arts Commission shall be:
  - to ensure that the City of Costa Mesa is a place where creativity can flourish
  - imagination, inspiration and innovation are held in high regard
  - arts education is essential to all
  - arts and culture promotes civic pride and enriches the daily lives of the community
- Revise the name of the Parks, Arts and Community Services Commission
  - Remove the Arts language and responsibilities
  - Rename as Parks and Community Services Commission (formally known as the Parks and Recreation Commission)



Orange County Museum of Art (rendering)



California Scenario (1982) by Isamu Noguchi



# PENDING ART PROJECTS FOR THE COMMISSION

- Implementation of a revised Utility Box Art Program
- Public Art Policy – Currently being drafted by Arts OC
  - Enhancements to the City's current Arts Policies
  - Would be reviewed by the new Commission in Fall 2022
- Review of potential Public Art Ordinances
- Consideration of Public/Private Development Fees for Art (1% Art Fee)
- Consideration of the Potential Development of a Community Art Center
- Creation of a Public Art Garden including Selection of Artists



Mural by Joshua Madrid at The Lab



*Thalo Sun (2021)* by Gabriella Kohr at The Lab



## STAFF RECOMMENDS TO COUNCIL:

- Read by title only, waive further reading and introduce Ordinance 2022-23 to rename the Parks, Arts and Community Services Commission to Parks and Community Services Commission and remove arts related language.
- Read by title only, waive further reading and introduce Ordinance 2022-24 to establish an Arts Commission that would serve as an advisory Commission to the City Council in matters related to the City's Arts and Culture Master Plan.
- Authorize a \$100.00 per month stipend for the Arts Commissioners.



Segerstrom Center for the Arts



# Questions





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# Economic Development Strategic Plan Professional Services Agreement

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June 21, 2022







Direction  
from  
Leadership

Feedback  
from the  
Community

Best  
Practices &  
Case  
Studies





## 1. RFP Details

- Release of RFP - April 5, 2022
- Proposals Due May 3, 2022

## 2. Required of all Proposals

- Responsive to Scope of Work
- Must have worked on previous Strategic Plan
- Provide sample of work
- Provide references



## 3. Conducted a comprehensive interview with top three candidates on May 18, 2022

## 4. Checked references for lead candidate





# Recommended Consulting Team



Wallace Walrod – Project Manager

Tech Coast Consulting Group

- Decades of experience and knowledge of Orange County economics



Robert Kleinheinz – Lead Consultant

Kleinheinz Economics

- Experience in translating research into practical application



Rebecca Alvarez – Community Outreach Specialist

Nonprofit Strategies

- 20 years of community outreach & marketing



Benjamin Palmer – Researcher

SEED Consulting

- Substantial research and analysis in Orange County

# Scope of Work



Studies &  
Baseline



Vision / Goal  
Setting



Develop Action  
Plan &  
Priorities



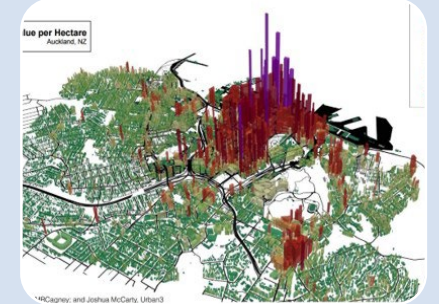
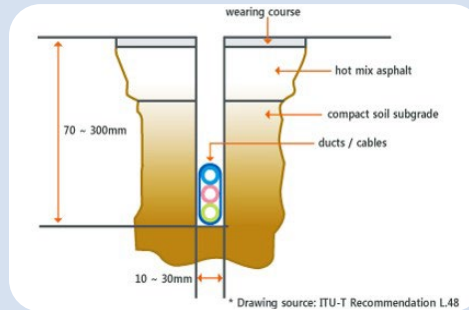
Develop Tools,  
Metrics,  
Models, and  
Resources



Provide  
Materials for  
Ongoing  
Implementation  
& Branding



# Studies & Baseline



Market &  
Industry Cluster  
Analysis

Cost/Benefit  
Analysis &  
Implementation  
Plan for  
Citywide Fiber

E-Commerce  
Trends &  
Strategy

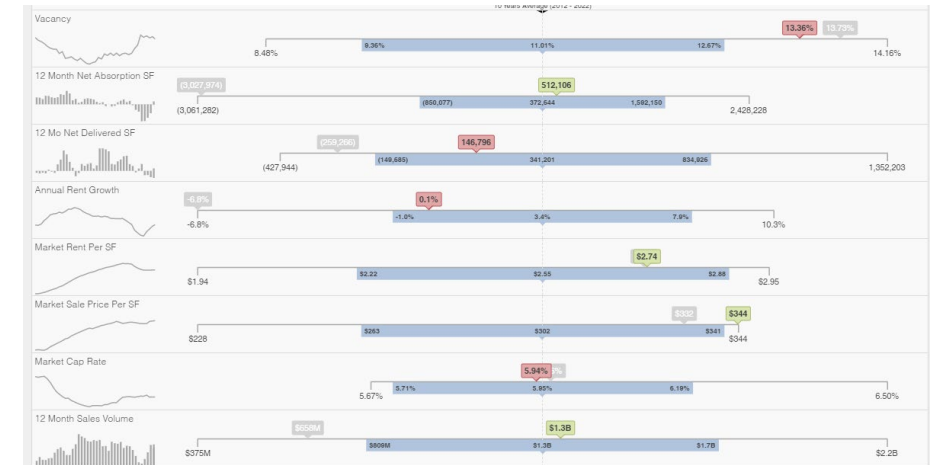
Site Value Index  
for all  
properties  
within the City

# Studies & Baseline

## SWOT

	Helpful to achieving the objective	Harmful to achieving the objective
Internal origin (attributes of the organization)	Strengths	Weaknesses
External origin (attributes of the environment)	Opportunities	Threats

## ESTABLISH BASE YEAR







# Vision / Goal Setting

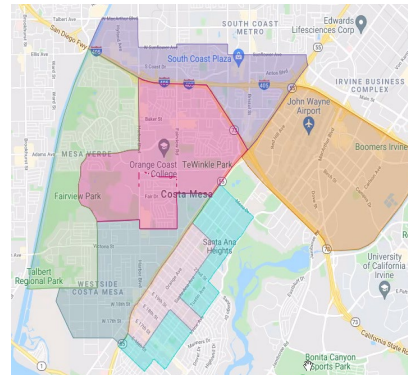
Studies & Baseline

Outreach

Proposed goals & metrics

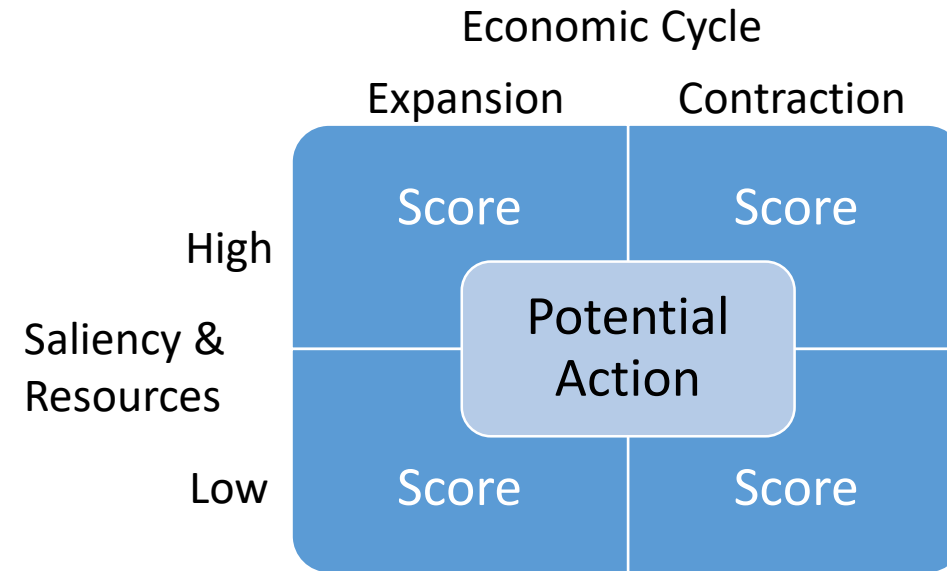
City Council

1. Regular meetings with Blue Ribbon Panel
2. Outreach meetings within Economic Enclaves
3. Community surveys/ interviews





# Action Plan



Create an objective scoring system that allows for potential actions to be evaluated against economic factors to determine economic value and priorities.







# Tools, Models, & Resources

1. Resource assessment
2. Development Transfer Opportunity program
3. Economic Benefit Model to evaluate the fiscal and economic impact of specific projects
4. Recommendations for grant applications and useful partnerships (e.g. opportunity zones etc)
5. Content for the Costa Mesa BAC website
6. GIS layers and spatial analysis





# Materials for Implementation & Branding

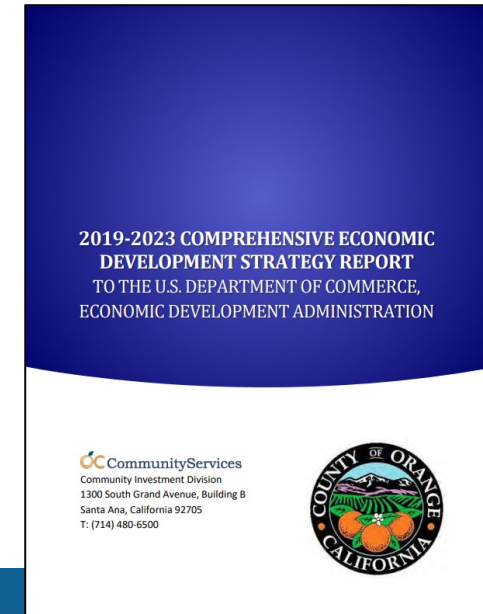
1. Outreach and branding materials
2. A rendered and marketable first year action plan
3. “Pitch deck” for the City and each economic enclave
4. Coordinate with local artist for branding materials
5. Refresh of the Costa Mesa BAC Website
6. Annual evaluation materials to track overall health of City, enclaves, and success of actions





# Tech Coast Consulting Group (TCCG)

- TCCG Team developed the 2019-2023 Orange County's Comprehensive Economic Development Strategy Report which is the regional CEDS for the City of Costa Mesa.
- TCCG Team has worked with a variety of California cities and counties, providing economic based work products including strategic plans for Long Beach and San Francisco.





**Economic Resiliency and Recovery Plan**  
WISF | 3/7/19



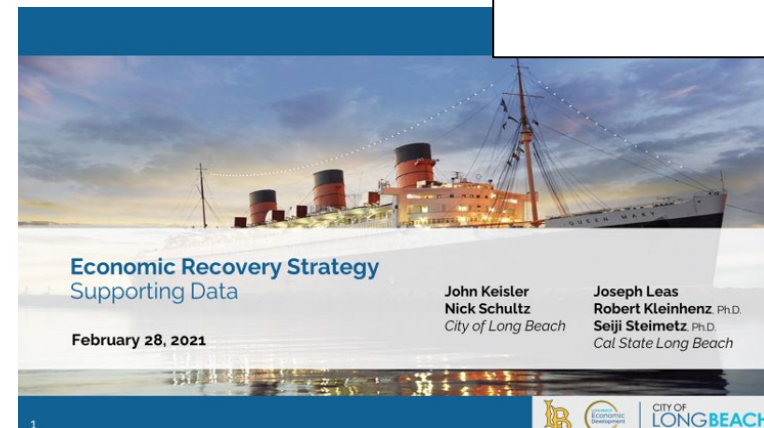
**Response Strategies**



Support Businesses to Prevent Job Loss and Encourage Spending	Impact Score	Cost
Continue to provide loans to small/medium businesses	3	\$
Partner with banks to create a small business loan fund	3	\$\$
Offer fee deferrals or discounts	3	\$\$
Provide SME financing and venture capital	2.5	\$\$\$
Create incentives to conduct business locally	2	\$\$\$
Finance research & development in the private sector	2	\$\$\$



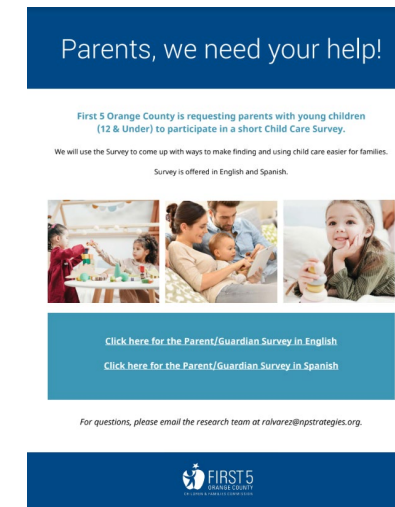
SAN FRANCISCO



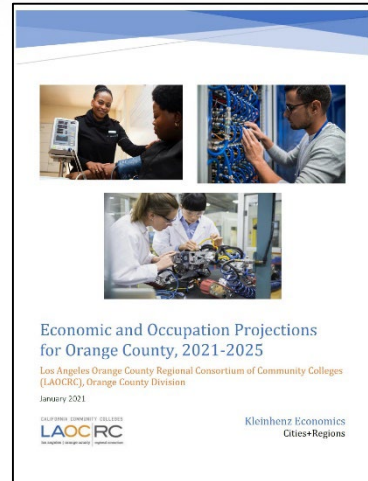
# Outreach Specialist



Rebecca Alvarez, TCCG's community engagement specialist, engages with nonprofit organizations where their strategic vision must be informed by community input and buy in. Experienced in one on one interviews, leading group discussions with subject matter experts, and holding town hall meetings in both English and Spanish.





[illegible]

# Recommendation

- Authorize the City Manager and City Clerk to execute an agreement with TCCG Tech Coast Consulting Group LLC (TCCG), for a not to exceed amount of \$200,000 for the term of 1 year with additional 4 one-year renewal options, in substantially the form as attached and in such final form as approved by the City Attorney.
- Authorize the City Manager and City Clerk to execute future amendments with TCCG including any potential increases in compensation as long as the amendments are within the annual budget.



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# Economic Development Strategic Plan Professional Services Agreement

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June 21, 2022





# Art Coordination Component

The City required the proposal to include the coordination of a local City artist to assist in the development of the visual material for the project.

- Dynamic infographics
- Clarifying visuals
- Vibrant key messages
- Front end material should be mostly visual
- Digital medium for final deliverable
- Content consumable for video, online, and printable
- These tools will be used for branding, marketing, and community buy-in