



CITY COUNCIL AGENDA REPORT

MEETING DATE: MARCH 1, 2004

ITEM NUMBER:

SUBJECT: WESTSIDE COMMUNITY IMPROVEMENT WORK PLAN AND
MAYOR PRO-TEM MANSOOR'S REVITALIZATION INCENTIVES

DATE: FEBRUARY 19, 2004

FROM: DEVELOPMENT SERVICES DEPARTMENT

PRESENTATION BY: DONALD D. LAMM, DEPUTY CITY MGR. – DEVELOPMENT SERVICES DIR.

FOR FURTHER INFORMATION CONTACT: DONALD D. LAMM, (714) 754 5270

RECOMMENDATION:

Consider economic development and revitalization incentive ideas proposed by Mayor Pro-Tem Mansoor.

BACKGROUND:

Westside Costa Mesa (generally the area bounded on the north by Fairview Park and the Costa Mesa Country Club, on the east by Harbor and Newport Boulevards, and on the south and west by the city limits), has been the subject of considerable public interest and community involvement for several years. The area has also been the focus of many City-initiated community-level planning efforts such as: the Westside Community Plan in the mid-1970's; the proposed Westside Specific Plan from 1998 to 2000; the proposed Westside Redevelopment Project Area; and the most recent citizen committees known as the Community Redevelopment Action Committee [CRAC], and Westside Revitalization Oversight Committee [WROC]. Combine these urban planning and improvement efforts; along with a considerable number of capital improvement projects, the Westside has clearly been the focus of City improvement efforts for several years.

ANALYSIS:

Mayor Pro-Tem Mansoor's Proposals:

Over the past several months, Mayor Pro-Tem Mansoor has considered and discussed his ideas with staff to propose several new "strategies" to generate greater private re-investment in the Westside, revitalization of properties, increased home-ownership, and appearance improvement. Specifically, Mayor Pro-Tem Mansoor wishes to focus on incentives to generate greater economic growth and revitalization of the Westside.

Since City Council policy requires Council concurrence before City staff can commence working of projects exceeding four hours in production time, and since there are other companion ideas and projects currently in production, or soon to be presented to City Council by community groups, staff felt the best approach for presenting Mayor Mansoor's ideas was in a comprehensive format along with other Westside tasks/strategies.

Attached to this Council report is a two-page "Westside Community Improvement Work Plan" spreadsheet highlighting various current assignments and new proposals from Mayor Pro-Tem Mansoor (aqua color highlighting). It is staff's opinion Mayor Pro-Tem Mansoor's proposals would require more than four hours each to complete. However, staff "should" be able to complete assignments 2.1, 2.2, 2.3, 2.5, and 4.1, using current personnel, when available, and not require consultant assistance or funding. The balance of Mayor Pro-Tem Mansoor's requests, assignments 1.4 and 2.4, would require contract expertise to assist staff.

Additionally, we have attached the last project status report for the Westside, "Costa Mesa Beautiful/ Costa Mesa Safe" program, and draft list of Westside incentive ideas prepared by the WROC Subcommittee on Revitalization Incentives. While City staff is currently implementing the CM Beautiful/CM Safe program, staff has not analyzed the WROC Subcommittee ideas or attempted to quantify necessary work or the financial commitment to implement their recommendations.

Westside Community Improvement Work Plan:

With the growing number of strategies/assignments/tasks either Council approved or in the proposal stage, there are some with overlapping common issues and goals. To address this redundancy and to provide a singular comprehensive work plan for all Westside improvement initiatives, staff suggests the use of a Westside Community Improvement Work Plan to monitor this all-encompassing effort. As currently envisioned, the Westside Community Improvement Work Plan (WCIWP) is not intended to be a new stand-alone program, but simply a comprehensive tracking list of Westside improvement activities.

Attached is a "draft" Westside Community Improvement Work Plan listing current programs/projects, and new ideas proposed by Mayor Pro-tem Mansoor (see those highlighted in aqua color).

Staff recommends the WCIWP be organized around the following major categories:

Streets/Parkways/Medians Improvements: Examples include West 19th Street utility undergrounding and resurfacing, parkway and median landscaping, street sweeping schedules, entry signs at portals/gateways to the Westside, storm drains, etc.

Economic and Revitalization Incentives: Examples include density bonus for lot consolidations and rehabilitation, marketing for "19 West" commercial businesses, business improvement district, West 19th Street Redevelopment Project Area, etc.

Recreation and Parkland: Examples include Lions Park/Downtown Recreation Center, community garden, Ketchum-Libolt Park, etc.

Zoning Code Regulations: Examples include 19th Street mixed-use overlay zone, Bluffs Rezone/Overlay Zone, parking and landscape standards, land use restrictions for pawn shops, etc.

CMMC and Penal Code Enforcement: Examples include increased civil citation fines, CMPD enforcement enhancements, shopping cart removal, Title 20 enhancements, etc.

ALTERNATIVES CONSIDERED:

Alternative economic development incentives were identified in the attached October 2003 study session staff report.

FISCAL REVIEW:

For assignments requiring contract consultant expertise, Planning does not have surplus funds this fiscal year to pay for such expenses. Funding requests would be submitted for consideration by Council in your FY-04-05 budget.

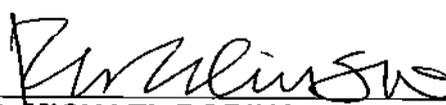
LEGAL REVIEW:

Legal review is not required.

CONCLUSION:

As noted above, at the request of Mayor Pro-Tem Mansoor, the City Council/Redevelopment Agency is considering the use of economic development incentives to stimulate revitalization on West 19th Street. Concepts of these incentives were presented at your October 2003 study session. Since Council could not take formal action at the study session, staff is now seeking direction regarding Mayor Pro-Tem Mansoor's requests. For those task assignments, which can be accomplished by City staff and do not require consultant assistance, Council can simply prioritize completion schedules in relation to all other projects. For those tasks requiring contract consultant expertise, staff will process through the FY-04-05 budget process so Council may balance appropriation requests with anticipated revenue.

The Westside Community Improvement Work Plan should provide City Council and the community a concise directory for all Westside improvement projects.



R. MICHAEL ROBINSON
Planning & Redevelopment Manager



DONALD D. LAMM
Deputy City Mgr. – Dev. Svs. Director



MARC PUCKETT
Director of Finance

DISTRIBUTION: City Manager
Acting City Attorney
Assistant Development Svs. Director
Building Official
Chief of Code Enforcement
Transportation Svs. Manager
Public Services Director
City Clerk (2)
Staff (4)
File (2)

ATTACHMENTS:

- 1 Westside Community Improvement Work Plan
- 2 Costa Mesa Beautiful/Costa Mesa Safe Strategies and Status Report
- 3 WROC- Subcommittee Report on Revitalization Incentives
- 4 October 2003 Council Study Session Report on Westside Incentives

File Name

Date

Time

"Westside Community Improvement Work Plan"

Summary of Current and Proposed Tasks and Incentives

in Addition to

Costa Mesa Beautiful/Costa Mesa Safe Program; and,

WROC/Subcommittee Proposal on Revitalization Incentives

Council Member Mansoor concept proposals for City Council consideration- March 1, 2004 Council Meeting

Item	Project Description	Authorization Status
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Streets/Parkways/Median Improvements

1.1	Utility Under grounding District #21:W. 19th and Placentia Ave.	capital improvement project	85% finished
1.2	Install ornamental street lighting on W. 19th Street	capital improvement project	finished
1.3	Install medians/trees and parkway trees- W. 19th Street	capital improvement project	approved by Council
1.4	"Community Gateway Element- Landscape Plan"	Improve image of entry points to Westside	Mansoor proposal
1.5	Westside Bus Stop Improvements- 78 locations	15 shelters, 65 benches, 81 trash receptacles	Installed or in progress
1.6	Joahn-Miner Alley #19 improvement	capital improvement project	finished
1.7	Canyon Park Slope & National Avenue Storm Drain	capital improvement project	funded projected
1.8	Marina View Park Security Lighting	capital improvement project	Mar 04 completion

Economic and Revitalization Incentives

2.1	W. 19th Street Revitalization Overlay Zone	create a new overlay incentive zone for W. 19th	Mansoor proposal
	allow for mixed commercial and residential uses	vertical mixed use zoning	Mansoor proposal
	acceptance of innovative development concepts	allow non-traditional building designs	Mansoor proposal
	flexible/ customized development standards	allow non-traditional building setbacks, heights, etc.	Mansoor proposal
	increased building intensity/FAR (max. floor/area) for zone	allow more building square footage as an incentive	Mansoor proposal
2.2	Flexible residential dev. standards to attract ownership housing	density bonus for demolition and lot consolidation	Mansoor proposal
2.3	Expedited permit processing for revitalization projects	priority processing schedule	Mansoor proposal
2.4	Proactive recruitment and marketing effort for "19 WEST" village	image marketing effort for the shopping district	Mansoor proposal
2.5	Revise or rescind Council Policy 500-12 to allow financial incentives	current policy does not allow fee reductions	Mansoor proposal
2.6	New ownership housing at 1901 Newport Plaza	first new condominiums in ten years	approved by Council
2.7	Neighbors-for-Neighbors residential improvement	focused volunteer effort to clean up property	in progress
2.8	West 19th Street Redevelopment Project Area	could facilitate commercial building revitalization	in progress by RDA

"Westside Community Improvement Work Plan"

Recreation and Parkland

3.1	Build new Downtown Community Center	capital improvement project	finished
3.2	Improve plaza between NCC and library	capital improvement project	finished
3.3	Build Keichum and Liboit Park	capital improvement project	finished
3.4	Build Hamilton Street Community Garden	capital improvement project	approved by Council
3.5	Fairview Park Multipurpose Trail	capital improvement project	in processing

Zoning Code Regulations

4.1	Amend commercial zoning to more restrictively regulate:		
	pawn shops	require a CUP in commercial zones	Mansoor proposal
	second hand/used items stores	require a CUP in commercial zones	Mansoor proposal
	automotive oil change and quick lube businesses	require a CUP in commercial zones	Mansoor proposal
	new businesses/ land uses which emit odors-e.g. fiberglass resin	require a CUP in industrial zone	Mansoor proposal
4.2	GP-02-02 and Rezone R-02-01 bluff industrial to residential	rezone Industrial to residential w/o Monrovia	referred to WROC for opinion
4.3	Eliminate overflowing trash receptacles	waste bin dumping minimum requirements	new ordinance in effect

CMMC and Penal Code Enforcement

5.1	Street vending nighttime enforcement	Code Enforcement Officer assignment	ongoing
5.2	Increase civil citation fines for housing code violations	increase fines to deter future violations	staff proposal
5.3	Limited apartment interior inspections	target area apartment inspections	approved by Council/in progress
5.4	Title 20 property maintenance enforcement	area-wide property maintenance enforcement	ongoing
5.5	Remove abandoned shopping carts from streets and property	contract shopping cart retrieval	ongoing
5.6	Westside industrial owners self-improvement program	industrial owner commitment to the RDA	presume they are implementing
5.7	Westside air quality technical analysis	Fire contacted OC Health, Water Q, SCAQMD, etc.	in progress



CITY COUNCIL AGENDA REPORT

MEETING DATE: 5/12/03

ITEM NUMBER:

SUBJECT: COSTA MESA BEAUTIFUL/ COSTA MESA SAFE

DATE: 5/05/03

FROM: CITY MANAGER'S OFFICE

PRESENTATION BY: ANN C. SHULTZ, LEGISLATIVE AND PUBLIC AFFAIRS MANAGER

FOR FURTHER INFORMATION CONTACT: ANN C. SHULTZ, LEGISLATIVE AND PUBLIC AFFAIRS MANAGER

RECOMMENDED ACTION:

That the City Council determine whether to approve funding in the 2003/04 Fiscal Year Budget for the Costa Mesa Beautiful/Costa Mesa Safe Program and if so, at what level.

BACKGROUND:

At their February 3 meeting, the Council received a report on the Costa Mesa Beautiful/Costa Mesa Safe Program (see Attachment 1). Proposed by Council Member Cowan, the Program would incorporate public and private investment and effort in a designated area of the City - W. 19th Street and Placentia Avenue, including the commercial frontage and a full block on both streets. This pilot area would be the focus of increased public services as well as participation by property owners and residents. At that meeting, the Council directed staff to prepare a report on costs for the implementation of the strategies outlined in the Proposal. This report was to be presented to the City Council prior to the adoption of the FY 2003-4 budget.

A sub-committee of representatives from the departments involved has prepared the requested report.

ANALYSIS:

The Proposal for Costa Mesa Beautiful/Costa Mesa Safe identifies four major objectives:

1. To substantially improve the visible quality of designated areas of the community.
2. To establish measurable standards by which to assess the improvements.
3. To foster regular dialogue with residents and businesses in the designated area.

4. To utilize the Pilot/Demonstration Project Area as a model for expansion Citywide.

Further the Proposal laid out strategies for meeting these objectives in three categories: public sector cooperation; private sector cooperation; and public/private sector collaboration.

These strategies are discussed in detail as follows. It should be noted that all costs identified are calculated on an annual basis.

1. PUBLIC SECTOR COOPERATION

A. Increase Service Levels (Infrastructure)

The first category focuses on efforts by the public sector. The first set of strategies calls for stepped up efforts in maintaining the infrastructure in seven areas:

Regular cleaning of gutters, sidewalks, tree wells and alleys - Gutters, medians and streets are currently swept once a week while alleys are swept on a complaint only basis. To sweep all areas on a daily basis would mean an added cost of \$7,000 in personnel costs and \$2,500 in fuel for a total of \$9,500. Currently debris is removed from alleys every weekday. To provide weekend service would add an additional \$15,000 to the current cost for this service. However, this figure would cover the provision of this service Citywide. There is currently no regular maintenance schedule for sidewalks and tree wells. It would cost approximately \$67,200 a year to clean these areas on a monthly basis. Staff has suggested that costs might be reduced by the use of an outside vendor.

Regular disposal of trash from containers on public property - Trash containers on public property are emptied weekly. Containers in high use areas are emptied twice a week. If the current contract were to be increased to a daily basis the cost would be \$100,000. Staff has presented a second alternative via in house service. Using City staff and equipment would increase the cost by only \$53,000; half of the contract cost. Public Services is proposing the addition of a Maintenance Worker in the 2003-04 budget to perform this function. However, this employee's activities would not be confined to just the pilot area.

Regular cleaning of bus shelters and benches - Currently bus shelters and benches are cleaned on a quarterly basis. Locations without shelters are not currently cleaned. The cost to increase cleaning to a monthly basis would be between \$8,000 and \$10,000, and to increase cleaning to a weekly basis between \$40,000 and \$45,000. Staff has indicated that these numbers might be lower if the work was incorporated into the sidewalk-cleaning contract.

Cleaning of decorative light standards - Currently maintaining decorative light standards consists of graffiti removal within 24 hours of notification. City staff believes regular cleaning of the standards could be incorporated into bus stop and sidewalk cleaning.

Cleaning of median hardscape - The City's Landscape Maintenance Contractor currently cleans landscape medians once a month. Public Services staff feels that City crews could augment the monthly cleanings by having City crews wash down the medians on a weekly basis. However, this would mean that staff would need to be shifted from existing duties to handle this responsibility.

Provide large trash pickup on a daily basis - The Maintenance Services Division currently provides large trash item pickup on a five-day basis. This could be increased to a daily basis for \$15,000 if the aforementioned alley cleanup is funded.

Provide daily return of shopping carts - Shopping carts are currently retrieved on a sporadic basis (based on a contract with the California Grocers Association). It would cost \$70,000 to have Public Services staff retrieve stray carts on a daily basis. The City Council is currently reviewing options for cart retrieval.

To implement increased service levels in this category would mean additional costs of up to \$321,700 annually. This cost might be decreased by approximately \$60,000 by using City staff and incorporating work into current outside contracts in applicable categories.

B. Increase Service Levels (Public Safety)

The second set of strategies calls for increased public safety service levels.

Currently the City has a crossing guard stationed at Pomona and 19th Street. The crossing guard is on duty for two hours in the morning and two in the afternoon on school days. The first strategy calls for the crossing guard to be on duty for eight hours rather than four to assist senior citizens. It would cost an additional \$13,000 to add the extra hours.

A second strategy calls for sworn foot patrol during the day. To staff a single officer seven days a week would require two sworn positions. The Police Department has presented two options. Hiring two new additional officers would cost \$247,000 for the first year and \$182,000 for the subsequent years. The first figure includes the cost for recruitment, salary, benefits and equipment. The other option is redeployment of existing officers for this duty. Police Department staff has indicated that this might have a negative impact on existing programs or service levels depending on where staff reductions in other areas are made. They also indicate a concern with limiting new staff to the pilot area only given the actual level of activity in the area. They cite the 699 documented calls within the pilot area over the last two years as compared to the South Coast Plaza area, which averaged 1,541 in that same time frame. They argue that limiting the new officers to this small geographical area would not be the most efficient use of resources. Staff offers for consideration the option of a combination of foot patrols, bike patrols and other directed enforcement efforts for better use of resources.

A third strategy calls for the use of civilian support for parking control, code enforcement and community relations. In addressing the parking control element of this strategy the Police Department's Traffic Bureau believes that existing personnel and resources are sufficient to address current parking issues within the pilot area. With respect to the "community relations" element, staff is unsure what specific objectives are targeted in the "community relations" portion of this and requests more direction from Council.

The last strategy calls for a Neighborhood Watch Program in commercial districts. While staff is unsure all that encompasses the "community relations" element as indicated above, it is assumed a Neighborhood Watch Program would be one of these objectives. Staff believes a Neighborhood Watch Program could be implemented in commercial areas using existing staff and resources similar to that currently used in the

residential equivalent of this program. Further details on the staff recommendations on the last three strategies are included in the attached report from Captain Tom Warnack (see Attachment 2).

Identified increased costs in this category range from \$260,000 (for the first year of implementation) to \$195,000 (for subsequent years).

C. Increase Capital Investment

The third set of strategies calls for an increase in capital investment in the pilot area. The first strategy is to construct all landscape medians on W. 19th St. The construction of the 19th St. medians from Placentia to Park Avenue is discussed in detail in the attached staff report from February 18 (see Attachment 3). The total cost for this project including the engineering fee is \$369,000. \$250,000 was appropriated in the 2002-03 fiscal year budgets to go towards this work. The \$119,000 in funds to complete the project will be proposed in the fiscal year 2003-04 and 2004-05 budgets. As a result of the report, Council directed staff to look at changes in design. This work is currently in progress.

The second strategy is to landscape all existing, unimproved public right-of-way on Placentia and W. 19th, including the Transition Zone. The related third strategy is to construct missing link sidewalks and repair or replace existing damaged sidewalk. Previously staff completed a preliminary cost estimate to provide landscaping for existing, unimproved right-of-way on 19th Street. The limits of the unimproved area are the north side of 19th Street from Monrovia Avenue to 200 feet west of Whittier Avenue. Other public rights-of-way along 19th Street and Placentia have been improved with sidewalk and/or landscaped parkways. The cost to improve the subject right-of-way, with irrigation, landscaping and sidewalk installation is \$457,000, while ongoing maintenance costs would be \$1,000.

The fourth strategy calls for repair and reconstruction of existing alleys. There are five alleys in the pilot area. Four of the alleys are City owned, while one is privately owned. Public Services staff believes that the existing alleys are in good condition with asphalt pavement. However, the cost to pave the alleys in concrete would be \$1,873,000.

The last strategy is the establishment of an Underground Utility District for the balance of W. 19th St. and Placentia Avenue not addressed under District 21. Staff estimates the cost to underground utilities on Placentia Avenue between 20th and Wilson Streets to be \$3 million and the cost to underground utilities on 19th Street from Monrovia to the westerly City limit to be \$2 million.

The total estimated cost to implement all strategies in this category is \$7,705,000. \$250,000 of that figure is proposed for next year's budget.

2. PRIVATE SECTOR COOPERATION

A. Property Maintenance

The second category focuses on efforts by the private sector. The first set of strategies focus on property maintenance: encouraging prompt repair and replacement of broken windows and other visible damage; enforcement of regular irrigation and maintenance of on-site landscaping; and routine cleaning and maintenance of parking lots.

In September of 2000, the City Council approved Title 20 of the Municipal Code. This new Code Section focused on increased property maintenance regulations and gave the City's Code Enforcement function greater jurisdiction over owners and landlords of property within the City. Development Services staff believes there may be a need for minor amendments to Title 20 to allow for more stringent standards. For example, a requirement for mandatory automated sprinklers for property landscaping or specific parking lot street sweeping standards would require amendments to the ordinance. Staff asserts that more stringent enforcement of these three strategies can be achieved with existing staff and resources. However, implementation of this program will require reprioritization of ongoing assignments and priorities for the existing code enforcement program.

B. Property Security

The second set in this category consists of one strategy: encouraging both commercial and residential participation in "Neighborhood Watch" programs. This strategy is addressed in Captain Warnack's previously cited report (Attachment 3). Police Department staff believes that although this strategy would involve increased outreach and public relations, it could be achieved with existing staff and resources.

3. PUBLIC/PRIVATE SECTOR COLLABORATION

A. Regulatory Review

The last category calls for a collaboration between the public and private sector.

The first set of strategies deals with regulatory review. The first strategy identified deals with existing minimum requirements for commercial, industrial and residential refuse service. The Municipal Code establishes minimum requirements for multi-family unit trash pickup. These requirements can be reviewed to determine whether more stringent requirements are deemed necessary. The only requirement for commercial and industrial properties is a minimum one time per week pickup.

The other two strategies in this set deal with existing parking and landscape standards. Title 13 of Municipal Code establishes parking requirements for all types of properties. The same section also establishes landscape standards for private developments. Development Services staff recommends that these standards be reviewed to determine whether they need to be tightened. Staff also claims that the review, and possible amendments and enforcement can be accomplished with existing staff and resources.

B. Financial Incentives

The second set of strategies involve financial incentives: matching grants for construction of trash enclosures; low interest loans for commercial rehabilitation; and the establishment of a Business Improvement District (BID) to fund other common area improvements.

The Finance Department has provided estimates for staff time for the three strategies respectively: \$12,600, \$6,600, and \$16,900. Specific costs in each category are identified in Attachment 4.

In addition, the memorandum from Neighborhood Improvement Manager Muriel Ullman discusses different funding sources to provide matching grants for trash enclosures (see Attachment 5). Matching grants are eligible under the Redevelopment Agency's (RDA) low-moderate income set-aside fund. However, funds are subject to several restrictions and policies as detailed in the report. Funds are also available through Community Development Block Grants (CDBG) provided 100% of the units are low income and qualify under CDBG policies and restrictions. The last possible source of funding is HOME monies. These are the most restrictive funds. Out of the three options, staff is recommending that either RDA or CDBG funds be used. There will be an initial cost of between \$5,000 and \$10,000 for legal and administrative costs. In addition, there would be ongoing costs of approximately \$10,000 per grant for an annual cost of \$120,000 if one grant per month were targeted. In addition, as the report explains, there would be an added cost of \$48,000 for remediation work associated with lead based paint bringing the annual total to \$168,000. These are short terms costs only. Although Housing and Community Development staff can implement the program in the short-term, staffing options in the long term would need to be evaluated and addressed pursuant to the attached memorandum to ensure that the existing housing rehabilitation programs are not negatively impacted. The total for this category would be approximately \$214,100. \$17,500 of this is one-time start-up costs.

C. Other Collaboration

The last set of strategies calls for establishment of an oversight or advisory group of residents and business owners responsible for the adoption and implementation of measurable standards to assess the improvement of both public and private property. The level of effort and service desired by the Council will determine implementation of this category. They will also need to determine what the make up of this Committee is to be. A definitive time-line will need to be determined.

FISCAL IMPACT:

Total estimated cost for the Costa Mesa Beautiful/Costa Mesa Safe Program is \$8,500,800 for the first year. Of this amount, approximately \$250,000 is already proposed in the FY 2003-2004 operating budget and \$150,000 in labor hours is already in the FY 2003-2004 operating budget as salaries and benefits. In addition, the total costs include \$7,699,000 in one time capital improvements. Therefore, to fund the program, approximately \$8,100,800 is needed in new appropriations in the first year and \$784,300 on an annual basis thereafter based on the service levels and capital improvements discussed in this report.

The issue of a non-exclusive franchise for commercial and multi-family trash haulers has been discussed in the past (see Attachment 7). It has been argued that a non-exclusive franchise would give the City more control over the trash collection program as well as the ability to benefit from receiving franchise fees. Newport Beach has had such a franchise in place for six years. Their initial franchise fee of 12% has been increased to its current 16% in one-year increments. Proponents assert that such a system can provide the City general fund revenue of nearly a million dollars a year. The approximately \$70,000 needed to administer and enforce recycling mandates would need to come from these revenues. Staff projects a time frame of approximately six months to adopt a non-exclusive franchise. This would involve noticing and meeting with haulers and the business community and the process of formulating and adopting a franchise Ordinance.

LEGAL REVIEW:

No legal review is needed at this time.

CONCLUSION:

The City Council must determine whether they wish to include funding for the Costa Mesa Beautiful/Costa Mesa Safe Program in the 2003/04 Budget and if so, at what level.


ANN C. SHULTZ
LEGISLATIVE AND PUBLIC
AFFAIRS MANAGER


MARC R. PUCKETT
FINANCE DIRECTOR


ALLAN L. ROEDER
CITY MANAGER

/df

ATTACHMENTS:

- 1 –Staff Report from February 3, 2003 Meeting
- 2 –Report from Captain Tom Warnack
- 3 –Staff Report from Public Services on Landscape Medians
- 4—Staff Report from Finance Department on Estimated Costs
- 5—Staff Report from Neighborhood Improvement Manager Muriel Ullman
- 6—Recap Chart
- 7-- Memorandum on Trash Franchise

DISTRIBUTION:

Costa Mesa Beautiful/Costa Mesa Safe Committee

**CITY OF COSTA MESA
INTEROFFICE MEMORANDUM**

TO: Don Lamm, Development Services Director
Bill Morris, Public Services Director
Marc Puckett, Director Of Finance
Dave Snowden, Police Chief
Tom Wood, City Attorney

FROM: Allan L. Roeder *[Signature]* City Manager

SUBJECT: COSTA MESA BEAUTIFUL/COSTA MESA SAFE

DATE: March 4, 2003

At their February 3 meeting, the Council received a report on the proposed Costa Mesa Beautiful/Costa Mesa Safe Program (see attached). Proposed by Council Member Cowan, the Program would incorporate public and private investment and effort in designated areas of the community. A pilot area in the community would be the focus of increased public services as well as participation by property owners and residents. W. 19th Street and Placentia Avenue, including the commercial frontage and a full block on both streets, was accepted as the pilot area.

The Council directed staff to research cost estimates and staffing requirements, for the strategies outlined in the report, based on optional levels of service. A full report is to be presented to the City Council prior to consideration of the FY 2003-4 budget.

Pursuant to this, please designate a staff member from your department to participate in a Committee on this concept by no later than Thursday, March 6. Ann Shultz will chair this effort.

Thank you for your help in this matter.

/df

c: ✓ Ann C. Shultz, Legislative and Public Affairs Manager



CITY COUNCIL AGENDA REPORT

MEETING DATE: February 3, 2003

ITEM NUMBER: IX-3

SUBJECT: REQUEST OF COUNCIL MEMBER COWAN FOR SUPPORT OF THE "COSTA MESA BEAUTIFUL/COSTA MESA SAFE" CONCEPT, REQUEST AUTHORIZATION OF STAFF TIME IN ACCORDANCE WITH COUNCIL POLICY 300-6

DATE: January 31, 2003

FROM: City Manager's Department

PRESENTATION BY: Libby Cowan, City Council Member

FOR FURTHER INFORMATION CONTACT: Allan L. Roeder, City Manager (714) 754-5327

DISCUSSION:

This item has been requested by City Council Member Libby Cowan and will primarily consist of an oral presentation.

"Costa Mesa Beautiful/Costa Mesa Safe" is a proposal for focused public and private investment in designated areas of the community. The concept involves a commitment of increased public services combined with a commitment by area property owners and residents. As a demonstration or pilot effort, the Council Member is recommending the area of W. 19th Street and Placentia Avenue including not only the commercial frontage, but extending a full block deep on both streets.

Attached is a draft outline that spells out the objectives of the proposal and the various strategies considered for implementation. Council Member Cowan will elaborate on these in her presentation. In addition, the Council Member will speak to the subject of utilizing the City's authorities to establish a refuse franchise fee to pay for the increased level of service proposed. A more detailed discussion on the general subject of refuse franchise fees is included as an attachment to this report.

At this time, Council Member Cowan is requesting support for the concept of "Costa Mesa Beautiful/Costa Mesa Safe" and for a commitment of staff time in excess of that provided for under Council Policy 300-6 to fully detail the proposal. The commitment of staff time would involve establishing manpower requirements based on optional levels of service, Capital Improvements, legal research, development of cost estimates and related information. The details of this concept would be reported back to the City Council prior to consideration of the FY 2003-04 budget.


ALLAN L. ROEDER
CITY MANAGER

/df/cg

Attachment

c: Deputy City Clerk
City Manager
City Attorney
Department Directors

“COSTA MESA BEAUTIFUL/COSTA MESA SAFE” CONCEPT PROPOSAL

Objectives

1. Substantially improve the visible quality of designated areas of the community.
2. Establish measurable standards by which to assess the improvements.
3. Foster regular dialogue with residents and businesses in the designated area.
4. Utilize the Pilot/Demonstration Project Area as a model for expansion Citywide.

Strategies

1. Public Sector Cooperation

A. Increase Service Levels (infrastructure)

1. Regular cleaning of gutters, sidewalks, tree wells and alleys*
2. Regular disposal of trash from containers on public property*
3. Regular cleaning of bus shelters and benches*
4. Cleaning of decorative light standards*
5. Cleaning of median hardscape*
6. Provide large item pickup on a daily basis
7. Provide daily return of shopping carts

B. Increase Service Levels (public safety)

1. Weekday crossing guard at Pomona/19th Streets
2. Sworn foot patrol during daytime hours
3. Civilian support assignment for parking control/code enforcement and \ community relations
4. Establish equivalent of “Neighborhood Watch Program in Commercial Districts”

c. Increase Capital Investment

1. Construct currently unfunded landscape medians on W 19th Street
2. Landscape all existing, unimproved public right of way on Placentia Avenue and W 19th Street, including the former Transition Zone
3. Construct missing link sidewalks and repair/replace existing damaged sidewalk
4. Repair/reconstruct existing alleys
5. Establish new Underground Utility District for the balance of W 19th Street and Placentia Avenue not addressed under District 21

2. Private Sector Cooperation

A. Property Maintenance

1. Prompt repair/replacement of broken windows and other visible damage*
2. Regular irrigation and maintenance of on-site landscaping*
3. Routine cleaning and maintenance of parking lots*

B. Property Security

1. Active participation in equivalent “Neighborhood Watch for Commercial District” and in residential areas

3. Public/Private Sector Collaboration

A. Regulatory Review

1. Existing minimum requirements of refuse service for commercial, industrial and residential properties
2. Existing parking standards
3. Existing landscape standards

B. Financial Incentives

1. Matching grants for construction of trash enclosures
2. Low interest loans for Commercial Rehabilitation
3. Establishment of a Business Improvement district to fund other common area improvements

C. Other Collaboration

1. Establishment of oversight or advisory group for implementation
2. Adopt measurable standard to assess the improvements for both public and private property

* Level of service to be determined

WROC / SUBCOMMITTEE ON REVITALIZATION INCENTIVES

Subcommittee Members:

- Mike Steiner (Chair), Bill Turpit, Chris and Kathleen Eric (in attendance)
- Ralph Ronquillo, Eva Marin, Dan Gribble, Janice and Campbell Davidson, Alex Hernandez (absent)

Goals and Objectives for Subcommittee Research and Recommendations Pertaining to the "19th Street Village" Commercial Corridor.

(Discussed and updated at meeting of 1/6/04)

A. Attract high-quality retail and service uses that produce a balanced, unique and economically-vital commercial corridor.

- a. Investigate property tax and lending incentives available to property owners from all sources. (Steiner)
- b. Streamline and re-orient the permitting process ("can do" vs. "cannot do").
- c. Organize marketing data and develop a Westside business marketing program.
- d. Study examples of incentives at other successful commercial revitalizations. (Steiner)
- e. Study role of short-term and long-term incentives.

B. Improve the appearance and perception of the 19th Street Village commercial corridor.

- a. Build on current new public improvements (streetlights, median/parkway improvements) with a Village center park and additional street furniture, street repairs and landscaping.
- b. Retain design and marketing experts to create a 19th Street Village design theme and marketing plan, centered on 19th & Placentia new or expanded supermarket and mixed-use center.
- c. Consider and make recommendation on the design of the 19th Street Village as having a neighborhood services orientation or a destination/regional services orientation. (Must they be exclusive?)
- d. Investigate a business improvement district or multiple business collaboratives to fund village-theme signage and banners, seasonal events, master marketing programs and seasonal decorations.

C. Encourage Selective Redevelopment.

- a. Review role of Zoning on use and reuse of 19th Street properties. Also consider parking, signage, setback and other use-related conditions. (Mike Steiner)
- b. Identify key parcels with clearly nonconforming, obsolete or blighted physical characteristics.

Additional Goals and Objectives for Subcommittee Research and Recommendations

- A. Investigate applicability of 19th Street Village incentive recommendations to revitalization of adjacent higher-density residential neighborhoods.

City of Costa Mesa

Inter Office Memorandum

TO: City Council

FROM: R. Michael Robinson, Planning & Redevelopment Manager 

DATE: October 6, 2003

SUBJECT: WEST 19TH STREET ECONOMIC DEVELOPMENT INCENTIVES
OCTOBER 13, 2003 CITY COUNCIL STUDY SESSION

BACKGROUND

Earlier this year, Council Member Mansoor requested information concerning economic development strategies for the West 19th Street commercial corridor. This memo will provide a discussion regarding current constraints and future opportunities for economic development incentives.

ANALYSIS

Existing City Council Policy

The existing City Council policy regarding economic development incentives is governed by City Council Policy 500-12. Adopted in May 2000, this policy established the City's Economic Development Strategy. A copy of this policy is attached for Council reference (Attachment 1).

Generally, the strategy promotes the positive aspects of the community rather than offering direct financial assistance or special economic treatment to any business or area. The strategy is aimed at making it easier and less costly to do business in Costa Mesa by offering low taxes and fees, high quality services, and shorter but thorough processing and review times. The strategy specifically limits tax rebates or refunds, fee waivers, and use of public funds for private purposes.

Newport Boulevard Specific Plan Traffic Impact Fees

Prior to the adoption of Policy 500-12, City Council adopted a traffic impact fee incentive program for the Newport Boulevard Specific Plan study area (eastside of Newport Boulevard, between 19th Street and Mesa Drive). Adopted in February

1997, the fee incentive program established a sliding scale for commercial trip fees ranging from \$33/average daily trip (ADT) to \$100/ADT. Residential fees were set at \$108/ADT. These fees compare to the current citywide fee schedule that ranges from \$50/ADT to \$177/ADT. A copy of the Newport Boulevard Specific Plan Area fee schedule is attached (Attachment 2) for Council reference.

Potential Economic Development Incentives

Staff prepared a report on incentives to encourage additional ownership housing opportunities on the Westside. Discussions with potential commercial developers resulted in a nearly identical list of incentives for future West 19th Street improvements or redevelopment. The list of potential incentives, modified to reflect commercial owner interests, is provided in the following sections.

Policy Incentives

Clear City commitment to improve West 19th Street: All potential developers indicated that the City must make a clear commitment to improving and expanding redevelopment and/or reinvestment within the West 19th Street commercial corridor. This could take the form of formal General Plan policy language or other actions, such as the recent utility undergrounding project or planned landscape median and parkway improvements. As noted in the previous housing report, developers are often reluctant to make major investments or take the first step if cities and policy makers are not fully committed to supporting their efforts.

Acceptance of innovative development concepts: Developers have also indicated that cities must also be open to atypical or innovative development concepts. These may include mixed-use projects involving first floor retail with second- and/or third-story residential units, or live/work units such as artist lofts. As will be mentioned in the following section, these types of projects also require changes to policies and perceptions related to building intensity standards necessary to support these product types.

Proactive recruitment and marketing: Once the city has taken the first two steps, it must next be willing to market the West 19th Street and the entire Westside as a desirable area. It must also establish an outreach or public education campaign, and commit to work with existing commercial property owners, brokers, and potential developers regarding future development opportunities along West 19th Street.

Direct Incentives

Financial Incentives: The most requested develop incentive is direct financial assistance. This may take the form of property and/or sales tax rebates, land write-downs, or other public financing or investment techniques. However, as noted above, these types of incentives are precluded by City Council Policy 500-12. Also,

most direct financial incentives are dependent on inclusion of the property in a redevelopment project area.

Building Intensity: The second most popular incentive, following financial assistance, is building intensity. Quite simply, the more a developer can build, the more attractive a particular project will become. This is especially critical in encouraging new construction which will require acquisition and redevelopment of developed properties. As noted earlier, increased building intensity is often necessary to support some of the more innovative development concepts such as mixed-use and live/work projects.

Low Interest loans and/or grants: The use of low interest loans and/or grants has been suggested as a means to encourage maintenance and rehabilitation of existing developments. These incentives are currently a part of the Costa Mesa Beautiful/Costa Mesa Safe program. Such programs have been used to rehabilitate the "Demonstration Block" (east side of Newport Boulevard between 18th Street and Broadway) within the Downtown Redevelopment Project Area in 1985. While many cities have such programs, most are funded by non-City revenue sources such as redevelopment tax increment financing or Community Development Block Grant funds.

Flexible development standards: Whether a project is new construction or a rehabilitation of existing developments, nearly all of the developers indicated that the City must be more flexible in the application of development standards. All new construction along West 19th Street will be infill projects which must fit into the existing Westside development fabric. These projects typically require special consideration and adaptation of development standards related to overall project design, setbacks, lot sizes, parking requirements, and building height. Such flexibility in development standards is also concept supported by the Costa Mesa Beautiful/Costa Mesa Safe program being considered for the West 19th Street commercial corridor.

Develop customized development standards for new infill development: As an alternative to providing more flexibility within existing development standards, many developers suggested the creation of new development standards for new infill developments. These standards would recognize the special needs and unique challenges inherent in infill development projects. They could also include minimum lot sizes for new developments and include density incentives to encourage the combination of lots into larger development sites. This is especially critical for the West 19th Street corridor given the small lot sizes and multiple ownership patterns. This would preclude redevelopment of smaller, single lots which many actually hinder more effective and efficient developments on the Westside.

Fee waivers: One indirect financial incentive is the waiver of development impact fees (specifically, Traffic Impact Fees) or processing fees (such as planning application, plan check, or building permit fees). However, while these waivers

would reduce overall development costs, they must also be weighed against the loss of projected revenues to support the new development in terms of needed circulation improvements, and services. As with direct financial incentives, fee waivers are also preempted by Policy 500-12.

Expedited permit processing: Because “time is money”, many developers expressed interest in expedited plan or permit processing schedules. While Costa Mesa does offer a relatively rapid and efficient processing schedule when compared to surrounding jurisdictions, any time that can be saved on high priority projects will improve the economic feasibility of the project.

Next Steps

Staff is seeking City Council direction regarding the above discussion of economic incentives. As noted above, some of the incentives can be implemented as a part of other programs and efforts, such as the annual capital improvement process or the Costa Mesa Beautiful/Costa Mesa Safe program.

The results of the West 19th Street Assessment of Economic and Blight Indicators prepared by Alfred Gobar Associates in response to the Redevelopment Agency consideration of the expanded redevelopment project area may also provide a source of direction regarding which of the above incentives may be appropriate for the area. The study results may be used to help Council decide if direct economic incentives are necessary to improve the area, or if incentives and programs focusing on the physical appearance are sufficient.

As noted earlier, should Council be interested in moving forward with incentives related to direct financial incentives or fee waivers, City Council Policy 500-12 must be amended to allow their consideration.

Attachments: 1. City Council Policy 500-12–Economic Development Strategy
 2. Newport Boulevard Specific Plan Area Traffic Impact Fee Incentives

cc: City Manager
 City Attorney
 Deputy City Mgr. – Dev. Services Director
 Public Services Director
 City Clerk
 Staff (4)
 File (2)

ATTACHMENT 1

City Council Policy 500-12 Economic Development Strategy

COUNCIL POLICY

SUBJECT	POLICY NUMBER	EFFECTIVE DATE	PAGE
ECONOMIC DEVELOPMENT STRATEGY	500-12	5/15/2000	1 of 3

BACKGROUND

The City Council and City staff are frequently asked for "development incentives" by property owners, business owners, and developers. The justification for such requests is that the business is going to better Costa Mesa; therefore, the City should be willing to offer a special rebate or other financial inducements in return. In order to explicate the City's position on such requests, this policy sets forth a detailed Economic Development Strategy. The Economic Development Strategy identifies those professional services the City offers that are advantageous to the developer, property and business owner. Furthermore, the Economic Development Strategy specifies those items and requests that the City will not provide.

POLICY

1. Welcome all businesses to the City.
2. Treat all businesses equitably under the same policies and codes.
3. Provide City information pertaining to property proposed for development or redevelopment (zoning code, applicable Municipal Code sections, current fee rate schedule, processing information, business license information, and other pertinent information).
4. Exhibit "A" of Policy 500-12 is to be used as:
 - a. a reference by City staff; and
 - b. as hand-out to clarify the City's position on development practices, in conjunction with Exhibit "B," the City's "Business Location Incentives."
5. Encourage property owners, business owners, and developers to review all information thoroughly.
6. Emphasize the many long-term, solid relationships the City maintains with various businesses that range from the "Mom and Pop" shops to the large-scale retailer or industrial firm.

ATTACHMENT 2

Newport Boulevard Specific Plan Area Traffic Impact Fees

City of Costa Mesa
NEWPORT BOULEVARD SPECIFIC PLAN AREA
INCENTIVES FOR REDUCTION OF THE CITYWIDE TRAFFIC
IMPACT FEE

NON-RESIDENTIAL USES

FEE = \$100/ADT	FEE = \$75/ADT	FEE = \$50/ADT	FEE = \$33/ADT*
<p>Applicable for any expansion of an existing use or change in use.</p>	<p>Applicable when one of the following conditions are met:</p> <ul style="list-style-type: none"> • Renovation of existing building. • Install or upgrade onsite landscaping consistent with zoning code requirements. • Replace signage consistent with zoning code requirements. 	<p>Applicable when two of the following conditions are met:</p> <ul style="list-style-type: none"> • Demolition of existing structures. • Construction of new structures. • No variances. • Lot consolidation. • Conversion of motel to another use. 	<p>Applicable when three of the following conditions are met:</p> <ul style="list-style-type: none"> • Demolition of existing structures. • Construction of new structures. • No variances. • Lot consolidation. • Conversion of motel to another use.

RESIDENTIAL USES

FEE = \$108/ADT*
Applicable for all new residential units.

* or the lowest fee allowed within Growth Management Area #8