



MINUTES

CITY COUNCIL SPECIAL MEETING

Steven Choi
Mayor

Lynn Schott
Mayor Pro Tempore

Beth Krom
Councilmember

Jeffrey Lalloway
Councilmember

Christina Shea
Councilmember

**May 24, 2016
5:00 PM**

**City Council Chamber
One Civic Center Plaza
Irvine, CA 92606**

CALL TO ORDER

The special meeting of the Irvine City Council was called to order at 5:08 p.m. on May 24, 2016 in the City Council Chamber, Irvine Civic Center, One Civic Center Plaza, Irvine, California; Mayor Choi presiding.

ROLL CALL

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| Present: | 5 | Councilmember: | Beth Krom |
| | | Councilmember: | Jeffrey Lalloway |
| | | Councilmember: | Christina Shea |
| | | Mayor Pro Tempore: | Lynn Schott |
| | | Mayor: | Steven Choi |

PLEDGE OF ALLEGIANCE

Mayor Pro Tempore Schott led the Pledge of Allegiance.

INVOCATION

Mayor Choi invited Rabbi Leah Lewis from Congregation of Shir Ha-Ma'a lot in Irvine to provide the Invocation.

MUSICAL PRESENTATION

Mayor Choi introduced Natalie Rodriguez, Board Certified Music Therapist from VITAS Healthcare of Orange County in Irvine, who performed "America the Beautiful."

CITY MANAGER'S REPORT

There was no report.

ANNOUNCEMENTS/COMMITTEE REPORTS/COUNCIL REPORTS

Councilmember Shea noted a report received from Terry Walker, Superintendent, Irvine Unified School District, with an update regarding toxic testing at the future Portola High School, which provided that the California Department of Toxic Substances deemed the site safe for students, families, staff and the community. The California Department of Toxic Substances also confirmed support of its 2014 and 2015 site approvals.

Councilmember Lalloway announced that the World's Largest Swimming Lesson will take place on June 24 at the William Woollett Jr. Aquatics Center. The worldwide attempt to set the record for the largest swimming lesson is an effort to educate parents and children about water safety and spread the message that "Swimming Lessons Save Lives." Children 3 and older of all swimming abilities can participate in the free lesson from 12:30 to 1 p.m. and enjoy free recreational swim time until 3 p.m. To learn more or to register, visit irvineaquatics.org.

Mayor Choi made the following announcements:

- The City of Irvine is hosting two Memorial Day ceremonies, with the first being held on Sunday, May 29 at 4 p.m. at Northwood Community Park, which includes a tribute in partnership with the Northwood Memorial Committee; and the second being held on Monday, May 30 at 10 a.m. at Colonel Bill Barber Marine Corps Memorial Park. For information, visit cityofirvine.org.
- The 22nd Annual Studio Arts Festival will take place on June 4 from 9 a.m. to 5 p.m. at the Irvine Fine Arts Center. The festival features items from 100 local artists whose works include ceramics and sculpture, jewelry, photography and more. The festival includes live music, art demonstrations and summer treats. Admission and parking are free. For information, call 949-724-6880 or visit irvinefinearts.org.
- A statewide Presidential Primary Election will be held on Tuesday, June 7 to nominate or elect candidates for various Federal, State and County offices. In an effort to promote voter participation, the City of Irvine encourages all eligible residents to vote. Polls will be open from 7 a.m. to 8 p.m. Those who are not registered are encouraged to do so for the General Election on November 8. To find your polling place, become a poll worker or register to vote, visit ocvote.com.

- The Irvine Police Department is hosting a Community Traffic Safety Presentation on June 16th from 6:30 to 8:30 p.m. at the South Coast Chinese Cultural Center, located at 9 Truman Street. The presentation will be conducted in Mandarin and will focus on traffic safety, including traffic laws. No RSVP is needed. For information, call 949-724-7000.

2. CONSENT CALENDAR

ACTION: Moved by Councilmember Lalloway, seconded by Councilmember Shea, and unanimously carried to approve City Council Calendar Item Nos. 2.1 through 2.10, with the exception of Item No. 2.8, which was removed for separate discussion. Councilmember Krom abstained on Item No. 2.4.

2.1 MINUTES

ACTION:

Approved the minutes of the regular meeting of the Irvine City Council held on May 10, 2016.

2.2 PROCLAMATIONS

ACTION:

- 1) Proclaimed June 2016 as "Immigrant Heritage Month."
- 2) Proclaimed the week of June 13-19, 2016 as "National Men's Health Week."
- 3) Proclaimed June - August 2016 as "Play Ball Summer."

2.3 WARRANT AND WIRE TRANSFER RESOLUTION

ACTION:

Adopted RESOLUTION NO. 16-40 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF IRVINE, CALIFORNIA, ALLOWING CERTAIN CLAIMS AND DEMANDS AND SPECIFYING THE FUNDS OUT OF WHICH THE SAME ARE TO BE PAID

2.4 WARRANT AND WIRE TRANSFER RESOLUTION - AT&T

ACTION:

Adopted RESOLUTION NO. 16-41 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF IRVINE, CALIFORNIA, ALLOWING CERTAIN CLAIMS AND DEMANDS OF AT&T AND SPECIFYING THE FUNDS OUT OF WHICH THE SAME ARE TO BE PAID

Councilmember Krom abstained.

2.5 APPROVAL OF THE 2016 CONSULTANT TEAM

ACTION:

Approved the City's 2016 Consultant Team selection for professional consultant services for a three-year period from July 1, 2016 through June 30, 2019, as set forth in the Consultant Team Recommendations List; and authorized department directors to execute master contracts with the recommended Consultant Team firms.

2.6 EXTENSION OF INFORMATION SERVICES AGREEMENT

ACTION:

Approved the Eighth Amendment to the Information Services Agreement with ACS Enterprise Solutions, LLC, a Delaware limited liability company and wholly owned subsidiary of the Xerox Corporation (ACS), extending the current term from June 30, 2016 to October 31, 2016.

2.7 AMENDMENT TO REVENUE LEASE AGREEMENT WITH ORANGE COUNTY PRODUCE, LLC, FOR FARMING AT THE ORANGE COUNTY GREAT PARK

ACTION:

- 1) Approved Amendment No. 4 to Revenue Lease Agreement with Orange County Produce, LLC.
- 2) Authorized the City Manager to execute the Amendment.

(Unless otherwise directed by a member of the City Council, the vote on this matter will reflect the prior action of each Councilmember when he or she sat and voted as a member of the Board of Directors of the Orange County Great Park Corporation. However, if a Councilmember is not present at the City Council meeting, his or her vote will be reflected as absent.)

Approved 5-0

2.8 ACCEPTANCE OF MARUCHAN, INCORPORATED DONATION

This item was removed at the request of Mayor Choi, who expressed his appreciation to Maruchan, Incorporated for its annual donation and for giving back to the community.

ACTION: Moved by Mayor Choi, seconded by Councilmember Shea, and unanimously carried to:

Accept a \$100,000 donation from Maruchan Incorporated.

2.9 JOINT USE AGREEMENT WITH SOUTHERN CALIFORNIA EDISON FOR THE UNDERGROUNDING OF OVERHEAD ELECTRICAL FACILITIES ON JAMBOREE

ACTION:

Approved and authorized the Mayor to execute a Joint Use Agreement with Southern California Edison for the conversion of electrical facilities from overhead to underground on Jamboree between I-405 and Michelson.

2.10 APPROVAL OF PLANS, SPECIFICATIONS AND CONTRACT DOCUMENTS FOR GREAT PARK WESTERN SECTOR SEWER AND RECYCLED WATER INFRASTRUCTURE

ACTION:

- 1) Approved the plans, specifications and contract documents for the construction of Great Park Western Sector sewer and recycled water infrastructure, Capital Improvement Project 361612.
- 2) Approved the Engineers Estimate, Construction Contingency and Project Funding Summary.
- 3) Authorized staff to solicit competitive bids and award the construction contract to the lowest responsive and responsible bidder, in accordance with the City's financial policies and purchasing procedures.

(Unless otherwise directed by a member of the City Council, the vote on this matter will reflect the prior action of each Councilmember when he or she sat and voted as a member of the Board of Directors of the Orange County Great Park Corporation. However, if a Councilmember is not present at the City Council meeting, his or her vote will be reflected as absent.)

Approved 5-0

3. PUBLIC HEARINGS

3.1 REQUEST TO RENAME TRABUCO ROAD TO GREAT PARK BOULEVARD

Barry Curtis, Manager of Planning Services, and Bill Jacobs, Principal Planner, presented the staff report and responded to questions.

Mayor Choi opened the public hearing at 5:47 p.m.

The following individuals spoke in opposition to renaming Trabuco Road in its entirety to Great Park Boulevard:

Scott Ayers, Spectrum Montessori
Nora Caldwell, Human Options
Dale Falusco, Business Property Owner, 4200 Trabuco
Courtney Santos, Irvine resident
Li Ting, Business Owner
Dr. John C. Green, Business Owner, 4200 Trabuco
Kippy Wroten, Wroten and Associates
Farrah Khan, Irvine resident
Andrew Quinio, Irvine resident

ACTION: Moved by Mayor Choi, seconded by Councilmember Lalloway, and unanimously carried to close the public hearing at 6:15 p.m.

City Council discussion included: recognizing the impacts to residents and local businesses; noted that the Great Park would become a destination once completed; acknowledging that street names do change from time to time and that businesses relocate; confusion between the Irvine and Lake Forest segments of Trabuco; noted the name change was a small cost for long-term benefits; allowing visitors to find the Great Park easier if Trabuco was renamed in its entirety; expressed appreciation to residents and business owners for relaying their concerns; reviewing the option of renaming Trabuco starting at Sand Canyon to minimize impacts to residents and business owners; retaining community nature and history of Trabuco; potential increase in traffic by motorists traveling through Northwood, Woodbury and other nearby villages; acknowledged the costs to comply with government regulations and not burdening local businesses or places of worship with such costs; and noted the importance of the process in determining a final action.

ACTION: Moved by Councilmember Lalloway, seconded by Mayor Pro Tempore Schott, and unanimously carried to:

Adopt RESOLUTION NO. 16-42 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF IRVINE, CALIFORNIA, APPROVING STREET NAME CHANGE 00670606-PPA TO RENAME TRABUCO ROAD TO GREAT PARK BOULEVARD; FILED BY THE CITY OF IRVINE COMMUNITY DEVELOPMENT DEPARTMENT

As amended to rename Trabuco Road beginning at Sand Canyon Avenue.

3.2 APPEAL OF THE PLANNING COMMISSION ACTION APPROVING A SIGN PROGRAM FOR THE RESIDENCES ON JAMBOREE RESIDENTIAL COMPLEX LOCATED AT 2801 KELVIN AVENUE IN PLANNING AREA 36 (IRVINE BUSINESS COMPLEX)

Mayor Choi noted that the appeal had been withdrawn by the appellant and therefore would not be considered.

4. COUNCIL BUSINESS

4.1 SHORT-TERM RENTALS IN IRVINE

Mayor Choi and Councilmember Shea provided brief opening remarks, noting the recent increase in short-term rentals in the City and complaints received by surrounding property owners. They also noted concerns raised by community members about the ambiguity of the Municipal Code and its definition of transient occupancy.

Susan Emery, Director of Community Development, and Joe Kirkpatrick, Chief Building Official, presented the staff report and responded to questions.

Courtney Santos, Irvine resident, spoke in opposition to staff recommendations and suggested amending the Zoning Code to provide discretion to individual homeowners associations with regard to short-term rentals.

Reza Toossi, Irvine resident, expressed support to allow short-term rentals, recommending that the City adopt procedures to establish a tax on short-term rentals and require permits.

Jorge Zamora, Irvine resident, noted his opposition to restricting short-term rentals, noting that a moratorium should be placed on banning short-term rentals until input was sought by the community.

Don Davis, Irvine resident and Woodbridge Village Association (WVA) Boardmember, noted that the WVA Board instituted a rule prohibiting short-term rentals of 30 days or less in Woodbridge, and suggested that the City provide clarification of short-term rental regulations.

City Council discussion included: impacts to those living within close proximity to short-term rentals; whether the City gets involved with homeowners who rent individual rooms; noted the different variations of non-traditional rentals; questioned current regulations, the City's response to complaints and the importance of consistency and clarity; noted the rights of homeowners to rent their properties; whether staff had been in communication with the League of California Cities to see how short-term rentals were addressed throughout the State; noted recent regulations adopted by the City of Santa Monica; maintaining the quality of life while respecting personal property rights; noted the need for additional information prior to moving forward with a decision to allow or ban short-term rentals; challenges of banning short-term rentals and unintended consequences; implementing a business license model at no charge to property owners that would allow the ability to track short-term rentals while delegating discretion to HOAs; requested further study to determine alternatives for structuring regulations, how to enforce complaints, and how to resolve ambiguity prior to implementing policy; clarifying existing policy by adding in the word "transient" and questioned how replacing "short-term" with "transient" would clarify existing regulations; inquired about the increasing trend in short-term rentals over the last year; restricting commercial activity in residential neighborhoods; working with community members on a compromise to develop regulations that do not disturb surrounding neighbors and limit the number of tenants on a property; noted that short-term rental activity is increasing based on technological advances; noted that the City has already prohibited this activity and options available based on this prohibited activity; noted the importance of being proactive as opposed to reactive; comparing regulations in other cities; and directing staff to return with all conceivable options within the next six months to a year.

ACTION: Moved by Mayor Choi, seconded by Councilmember Krom, and unanimously carried to:

Direct staff to gather additional information, which includes reaching out to the League of California Cities and other communities dealing with the issue of short-term rentals, and return to the City Council at such time for review and approval.

4.2 688-ACRE ORANGE COUNTY GREAT PARK IMPROVEMENT AREA CONSTRUCTION STATUS UPDATE

Eric Tolles, Assistant City Manager, Orange County Great Park, and Pete Carmichael, Manager of Great Park Planning and Development, presented the staff report and responded to questions. Mr. Carmichael also noted an errata memo which included an exhibit to the staff report that was referenced but inadvertently omitted from the agenda packet.

City Council discussion included: difficulty interpreting language contained in the Second Adjacent Landowner Agreement (ALA II); public/private partnerships and importance of having trust in partners; clarification of certain provisions of the ALA II with respect to Heritage Fields' authority; promises made to the community to build the Orange County Great Park, FivePoint Communities' (FivePoint) commitment to adhere to certain deadlines, and recent acknowledgement by FivePoint that such deadlines may not be met; clarification of precise scheduling; noted the absence of FivePoint/Heritage Fields representatives at Great Park Board and City Council meetings; need for additional facts from the developer; directing the City Attorney to look into what remedies are available to the City; history of the Irvine Company's development and whether it was able to adhere to a precise schedule; whether staff meets with the developer regularly and if FivePoint was in compliance with the ALA II; whether a Closed Session was needed to further discuss scheduling and concerns about compliance with the ALA II; considered options for contractual remedies and whether additional delays would ensue; importance of continued dialogue and taking a more positive approach with the developer; noted that quarterly meetings with the developer was not enough; referenced redevelopment funding taken by the State and the leveraging of the \$250 million in development fees during the housing bubble, at which time FivePoint was not developing; noted the amenities at the Great Park created by the public sector; and directing the City Attorney look into available contract remedies.

Assistant City Manager Tolles noted that the planned soccer fields and stadium scheduled for completion in December 2016 were anticipated to be completed by May 2017.

City Attorney Melching noted that contractual remedies should be discussed in Closed Session, and any investigation or initiation of litigation would require direction by the City Council.

ACTION: By consensus, received and filed the 688-Acre Orange County Great Park Improvement Area Construction Status Update.

4.3 CONSIDERATION OF COUNCILMEMBER LALLOWAY'S REQUEST FOR RELEASE OF A PRIVILEGED DOCUMENT

This item was agendaized at the request of Councilmember Lalloway, who read his memo into the record expressing his desire to release a privileged document that included a City Attorney opinion about potential lobbying activities by Councilmember Shea. He also expressed concern about statements referencing City Attorney comments and what he opined.

The following individuals spoke in support of Councilmember Shea:

Steve Greenberg, Irvine resident
Alan Bartlett, Irvine resident
Jim Shute, Irvine resident
Russell Stein, Irvine resident

Courtney Santos, Irvine resident, spoke in support of releasing the privileged document.

Jim Ferguson, legal counsel for Councilmember Shea, expressed concern with waiving attorney/client privilege and urged the City Council to deny the request to release the privileged document.

City Council discussion included: questioning the expected outcome if the document was released; whether the Fair Political Practices Commission (FPPC) was charged with investigating noncompliance with conflict-of-interest laws and thereby render its own decision; clarification that the issue before the City Council concerned statements made by the City Attorney and what he opined; whether questions raised by individual Councilmembers were protected under attorney/client privilege and how the City Council had the ability to overrule that privilege; expressed concern that waiving of confidentiality by the City Council could apply in other situations as well; differentiating between releasing the document in question and waiving confidentiality; noted that part-time City Councilmembers engage in outside employment; and reiterated the right to call City staff and ask questions.

Councilmember Shea read a brief statement into the record, noting that allegations against her were untrue, and reiterated her request that the City Attorney's written opinions to her be made available to the public for transparency.

City Attorney Melching provided clarification with respect to releasing the privileged document and whether attorney/client privilege would be waived as a result. He also noted that his written opinion concerning Councilmember Shea could be released by a majority vote of the City Council; however, he expressed concern in doing so due to attorney/client privilege. City Attorney Melching also reiterated that the City Council has not historically waived confidentiality; and that in order to release the document, two motions were necessary to: 1) waive confidentiality, and 2) release the document to the public.

ACTION: Moved by Councilmember Lalloway to:

Release the legal opinions that the City Attorney has given to Councilmember Shea regarding her work with Kia, and ask the City Attorney whether he has opined any violation of state laws.

The motion failed for lack of second. No further action was taken.

PUBLIC COMMENTS

David Klubniken spoke on recent actions taken by the Orange County Board of Supervisors and District Attorney.


Robert Flournoy, President/CEO, Loaves and Fishes x10, provided a brief overview of the organization’s mission, and expressed his appreciation to Dan Manassero, owner of The Original Manassero Farms, and AG Kawamura, owner of Orange County Produce LLC, who have also been instrumental in helping to fight hunger in collaboration with his organization.

Kathleen Graves, Irvine resident and Irvine Animal Care Center Volunteer, expressed her appreciation to Animal Care Center Subcommittee Members Lalloway and Schott, City Manager Joyce, Assistant City Manager Landers, and Community Services Director Hoffman, and the City Council for the recent improvements at the Irvine Animal Care Center.

Ilya and Robert Tseglin reiterated a domestic issue related to an autistic family member.

ADJOURNMENT

Moved by Mayor Choi, seconded by Councilmember Shea, and unanimously carried to adjourn the meeting at 9:56 p.m.



CITY CLERK OF THE CITY OF IRVINE



MAYOR OF THE CITY OF IRVINE

June 14, 2016