



## KATRINA FOLEY

ORANGE COUNTY BOARD OF SUPERVISORS  
SUPERVISOR, SECOND DISTRICT

ORANGE COUNTY HALL OF ADMINISTRATION  
333 W. SANTA ANA BLVD.  
SANTA ANA, CALIFORNIA 92701  
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July 28, 2022

Buena Park  
Costa Mesa  
Cypress  
Fountain Valley  
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La Palma  
Los Alamitos  
Newport Beach  
Rossmore  
Seal Beach  
Stanton

Grace Leung, City Manager  
Aaron C. Harp, City Attorney  
City of Newport Beach  
100 Civic Center Drive  
Newport Beach, CA, 92660

Re: Concerns About Mental Health Collective Facilities in Newport Beach

Dear Ms. Leung and Mr. Harp:

I'm writing to express my concern about a potential social rehabilitation facility that my office received complaints about at 2072 Tustin Ave., Newport Beach, CA 92660. My office was informed that the above property is currently in escrow with The Mental Health Collective. I'm concerned about this operator's documented pattern of operating two unlicensed social rehabilitation facilities as 6 and under sober living homes, which seems to violate the Newport Beach Municipal Code.

According to the Department of Social Services (DSS) transparency portal, the Mental Health Collective owns three potential social rehabilitation facilities in Newport Beach. All three facilities are "pending" approval, and not yet licensed facilities. I fully understand that the state and federal laws prohibit the City from enforcing most local regulations against state licensed facilities. I'm writing today with concerns about the City's enforcement against unlicensed facilities.

According to DSS records, on 3/17/22 DSS performed a facility evaluation via telephone of the two facilities 1911 Kings Road and 519 Santa Ana Ave. operated by the Mental Health Collective.<sup>1</sup> According to both reports, each facility's census included "4 sober living clients; they will be transitioned out prior to pre-licensing."<sup>2</sup> The reports for both facilities included identical language. By the operator's own admission to DSS, these two facilities operated—at least on 3/17/22—as unlicensed 6 and under sober living home facilities in single family neighborhoods. This evidence raises questions about the operator's compliance with the Newport Beach Municipal Code.

As I understand it, zoning ordinance 2008-05 amended the Newport Beach Municipal Code to prohibit unlicensed 6 and under facilities in single-family and two-family zones (with a Conditional Use Permit (CUP) required in the multi-Family zone). During the community

<sup>1</sup> See attachment A and attachment B.

<sup>2</sup> See attachment A and attachment B.

meeting in October, city officials indicated that “the only new facilities that have been legally permitted to operate in Newport Beach have been licensed by the State, not the City because “there is less regulation and enforcement by the State.”<sup>3</sup>

The City has clear authority to enforce its local regulations for unlicensed 6 and under facilities. I’m writing to ensure that this authority is exercised. By abdicating this authority, the city will allow these unlicensed facilities to be totally unregulated—which exposes patients and the community to risk of harm.

Based on this operator’s admitted and documented pattern of operating two unlicensed 6 and under facilities in violation of the Newport Beach Municipal Code, I’m concerned that inaction by the city will set a precedent that could encourage more unlicensed and unregulated facilities to open. This concern is more pressing with the operator’s recent purchase at 2072 Tustin Ave.

To assuage well-founded community concerns about this operator’s actions prior to licensing, please promptly act to regulate this operator. As admitted by a representative of the Mental Health Collective during the 3/17/22 phone call with DSS, that two of these facilities had “4 sober living clients” living at the unlicensed facility.

Please investigate these two facilities to assess if they continue to operate as unlicensed 6 and under facilities, as admitted by a representative of the Mental Health Collective. Please use all enforcement mechanisms available to the city in response to evidence of an entity operating as an unlicensed 6 and under facility and update my office with actions taken. Finally, please advise my office as to what efforts the city plans to take to assure the community that facilities will not operate illegally prior to being licensed by the state.

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<sup>3</sup> <https://www.newportbeachca.gov/home/showpublisheddocument/70744/637700694419670000>  
<https://www.newportbeachca.gov/home/showpublisheddocument/70754/637703409585700000>

Grace Leung, City Manager  
Aaron C. Harp, City Attorney  
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Page 3

I appreciate the city's continued partnership with my office on these critical issues. We also want you to update us on the status of your ordinance amendments related to sober living homes. If you wish to discuss this matter further, please contact Alex Rounaghi in my office at (714) 834-3220. My office intends to work with the City and DSS to ensure that all regulations—both local and state—are followed to protect the health and safety of the entire community.

Sincerely,



Katrina Foley  
Orange County Supervisor, Second District

cc: Newport Beach City Council  
Todd Spitzer, District Attorney  
Cottie Petrie-Norris, State Assemblywoman – 74<sup>th</sup> District  
Dave Min, State Senator – 37<sup>th</sup> District

KF: ar

Attachments: as stated

# Department of SOCIAL SERVICES

## Community Care Licensing

# FACILITY EVALUATION REPORT

**Facility Number:** 306006144

**Report Date:** 03/17/2022

**Date Signed:** 03/17/2022 02:44:02 PM

**Document Has Been Signed on** 03/17/2022 02:44 PM - **It Cannot Be Edited**

STATE OF CALIFORNIA - HEALTH AND HUMAN SERVICES AGENCY

## FACILITY EVALUATION REPORT

CALIFORNIA DEPARTMENT OF SOCIAL  
SERVICES  
COMMUNITY CARE LICENSING DIVISION  
CCLD Regional Office, 744 P STREET, MS 9-14-  
8201  
SACRAMENTO, CA 95814

**FACILITY NAME:** MENTAL HEALTH COLLECTIVE, THE

**FACILITY** 306006144

**ADMINISTRATOR:** ROSENBAUM, GREGORY

**NUMBER:**

**ADDRESS:** 1911 KINGS ROAD

**FACILITY TYPE:** 772

**CITY:** NEWPORT BEACH

**STATE:** CA

**TELEPHONE:** (888) 717-9555

**CAPACITY:** 6

**CENSUS:** 4

**ZIP CODE:** 92660

**TYPE OF VISIT:** Office

**ANNOUNCED**

**DATE:** 03/17/2022

**MET WITH:** Gregory Rosenbaum, Applicant/Administrator;

**TIME BEGAN:** 11:00 AM

Wendy Galvan, Compliance Specialist

**TIME**

**COMPLETED:** 12:00 PM

### NARRATIVE

1 Facility Type: SRF  
2  
3 Application Type: Initial  
4  
5 Capacity: 6  
6 Census (if any clients in care): 4 sober living clients; they will be transitioned out  
7 prior to pre-licensing.  
8  
9  
10 Method: Telephone call with CAB  
11  
12 COMP II Participants: Gregory Rosenbaum, Applicant/Administrator; Wendy Galvan, Compliance  
13 Specialist  
14 Applicant/administrator participated in COMP II via telephone call with the  
15 analyst at CAB. During COMP II, applicant and administrator confirmed the  
16



17 *understanding of Title 22. Component II was successfully completed.*

18

19

20 *During COMP II, CAB analyst confirmed Applicant/Administrator's understanding*  
 21 *of following areas:*

22

23 *1. Facility operation: License type, client/resident populations, and program*

24

25 *2. Staff qualifications and responsibilities*

*3. Applicant and Administrator qualifications*

*4. Program policy: Abuse, admission agreement, medication management, reporting incidents to CCL, restricted & prohibited conditions*

*5. Grievances, Complaints, Community resources*

*6. Physical plant, food service*

*7. Application document review and technical assistance: Criminal record clearance, Health screening, Fire clearance, First Aid/CPR certificate, Administrator certificate, Financial verification, Pre-licensing inspection, Compliance history, Control of property*

**SUPERVISOR'S NAME:** Jude De La Concepcion

**TELEPHONE:** (916) 651-7841

**LICENSING EVALUATOR NAME:** Victoria Christiansen

**TELEPHONE:** (916) 651-7844

**LICENSING EVALUATOR SIGNATURE:**

?

**DATE:** 03/17/2022

**I acknowledge receipt of this form and understand my licensing appeal rights as explained and received.**

**FACILITY REPRESENTATIVE SIGNATURE:**

?

**DATE:** 03/17/2022

**This report must be available at Child Care and Group Home facilities for public review for 3 years.**

# Department of SOCIAL SERVICES

## Community Care Licensing

# FACILITY EVALUATION REPORT

**Facility Number:** 306006143

**Report Date:** 03/17/2022

**Date Signed:** 03/17/2022 02:37:56 PM

**Document Has Been Signed on** 03/17/2022 02:37 PM - It Cannot Be Edited

STATE OF CALIFORNIA - HEALTH AND HUMAN SERVICES AGENCY	CALIFORNIA DEPARTMENT OF SOCIAL SERVICES COMMUNITY CARE LICENSING DIVISION CCLD Regional Office, 744 P STREET, MS 9-14-8201 SACRAMENTO, CA 95814
<b>FACILITY EVALUATION REPORT</b>	

**FACILITY NAME:** MENTAL HEALTH COLLECTIVE, THE

**FACILITY NUMBER:** 306006143

**ADMINISTRATOR:** ROSENBAUM, GREGORY

**FACILITY TYPE:** 772

**ADDRESS:** 519 SANTA ANA AVE.

**TELEPHONE:** (888) 717-9555

**CITY:** NEWPORT BEACH

**STATE:** CA

**ZIP CODE:** 92660

**CAPACITY:** 6

**CENSUS:** 4

**DATE:** 03/17/2022

**TYPE OF VISIT:** Office

**ANNOUNCED**

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16 *understanding of Title 22. Component II was successfully completed.*  
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  6. *Physical plant, food service*
  7. *Application document review and technical assistance: Criminal record clearance, Health screening, Fire clearance, First Aid/CPR certificate, Administrator certificate, Financial verification, Pre-licensing inspection, Compliance history, Control of property*

**SUPERVISOR'S NAME:** Jude De La Concepcion**TELEPHONE:** (916) 651-7841**LICENSING EVALUATOR NAME:** Victoria Christiansen**TELEPHONE:** (916) 651-7844**LICENSING EVALUATOR SIGNATURE:****DATE:** 03/17/2022

I acknowledge receipt of this form and understand my licensing appeal rights as explained and received.

**FACILITY REPRESENTATIVE SIGNATURE:****DATE:** 03/17/2022

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