



CITY OF DESERT HOT SPRINGS

REGULAR MEETING OF THE CITY COUNCIL

And the City Council Sitting as the:

SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY BOARD
DESERT HOT SPRINGS PUBLIC FINANCING AUTHORITY
DESERT HOT SPRINGS FINANCING CORPORATION

REVISED AGENDA

FEBRUARY 21, 2017

4:00 P.M. – STUDY SESSION

5:00 P.M. CLOSED SESSION

(Immediately Following the Study Session)

5:30 P.M. – PRESENTATIONS

6:00 P.M. – REGULAR SESSION

MISSION SPRINGS WATER DISTRICT

Board Room

66575 2nd Street, Desert Hot Springs, California 92240

STUDY SESSION – 4:00 P.M.

CALL TO ORDER

ROLL CALL

1. I-10 Corridor Study

~~Interim Community Development Director, Charles Rangel — Packet Page 11~~

~~**Recommendation:** Provide Staff with direction on how the City Council would like to proceed with its vision for the land abutting or near the I-10 Freeway.~~

***Item 1 has been WITHDRAWN and re-scheduled to March 7, 2017.**

CLOSED SESSION PUBLIC COMMENTS

At this time, item(s) on the Closed Session agenda may be discussed during Public Comments. PLEASE STATE YOUR NAME FOR THE RECORD.

CLOSED SESSION – 5:00 P.M.
(Immediately Following the Study Session)

CLOSED SESSION

2. **CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION**

(Paragraph (1) of subdivision (d) of Section 54956.9)

Name of case: Kirk Clymer v. City of Desert Hot Springs
United States District Court, Central District of California
Case No. 5:16-cv-02055-BRO-JCx.

3. **CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION**

(Paragraph (1) of subdivision (d) of Section 54956.9)

Name of case: Gough v. City of Desert Hot Springs
County of Riverside Superior Case Number (Small Claims) – INS1700077

4. **CONFERENCE WITH LEGAL COUNSEL—POTENTIAL INITIATION OF LITIGATION** *(Paragraph (4) of subdivision (d) of Section 54956.9)*

The facts and circumstances related to this matter are possible breach of contract.

5. **CONFERENCE WITH REAL PROPERTY NEGOTIATORS**

Pursuant to Government Code Section 54956.8:

Property: Vacant Property at 6th Street and Palm Drive
(APNs 639-211-011, 012, 013, 015)
Agency Negotiator: Charles L. Maynard, City Manager/Executive Director
Jennifer Mizrahi, City Attorney/General Counsel
Joseph M. Tanner, Administrative Services Director
Negotiating parties: Suresh Shah
Under negotiation: Price and Terms

6. **CONFERENCE WITH REAL PROPERTY NEGOTIATORS**

Pursuant to Government Code Section 54956.8:

Property: Vacant Property on Palm Drive
(APNs: 639-212-019, 020, 021, 022, 023)
Agency Negotiator: Charles L. Maynard, City Manager/Executive Director
Jennifer Mizrahi, City Attorney/General Counsel
Joseph M. Tanner, Administrative Services Director
Negotiating parties: Suresh Shah and Calvin Chun
Under negotiation: Price and Terms

7. **CONFERENCE WITH REAL PROPERTY NEGOTIATORS**

Pursuant to Government Code Section 54956.8:

Property: 66620 and 66550 Pierson Blvd.
(APNs: 639-293-023, 024, 025, 026, 027, 028)
Agency Negotiator: Charles L. Maynard, City Manager/Executive Director
Jennifer Mizrahi, City Attorney/General Counsel
Joseph M. Tanner, Administrative Services Director
Negotiating parties: Lorenzo Brooks and Meridian Devco; Chris Miller; Dan
Watson; Chris Chun; and Halferty Devco
Under negotiation: Price and Terms

8. **CONFERENCE WITH REAL PROPERTY NEGOTIATORS**

Pursuant to Government Code Section 54956.8:

Property: Vacant Property on Palm Drive (APN: 641-113-004)
Agency Negotiator: Charles L. Maynard, City Manager/Executive Director
Jennifer Mizrahi, City Attorney/General Counsel
Joseph M. Tanner, Administrative Services Director
Negotiating parties: Jeffrey Eugene Ridge; Chris Baik; and Suresh Shah
Under negotiation: Price and Terms

9. **CONFERENCE WITH REAL PROPERTY NEGOTIATORS**

Pursuant to Government Code Section 54956.8:

Property: West Drive and Ironwood (APN: 641-191-008)
Agency Negotiator: Charles L. Maynard, City Manager/Executive Director
Jennifer Mizrahi, City Attorney/General Counsel
Joseph M. Tanner, Administrative Services Director
Negotiating parties: Nuno
Under negotiation: Price and Terms

PRESENTATIONS - 5:30 P.M.

10. **Sara Thomas Proclamation**

Mayor, Scott Matas

11. **Black History Month**

Mayor, Scott Matas

RECESS

REGULAR SESSION – 6:00 P.M.

CALL TO ORDER

ROLL CALL

INVOCATION

Moment of Silence in Memory of Sara Thomas, CAL FIRE Firefighter

PLEDGE OF ALLEGIANCE

CITY ATTORNEY REPORT ON CLOSED SESSION

APPROVAL OF THE AGENDA

At this time the City Council may amend the order of the agenda, approve the Consent Calendar, remove items from the Consent Calendar for separate discussion and action, and add Urgency Items.

Urgency Items ("Added Starters"): The Brown Act, which governs public meetings, permits the City Council to take action on any item that does not appear on the agenda only if 2/3 of the City Council (if all are present) or all members of the City Council (if fewer than all members are present) determine there is a need to take immediate action on the item, and the need to take immediate action came to the City Council's attention after the agenda was posted.

PUBLIC COMMENTS

At this time, pursuant to the Brown Act, any person may comment on matters of general interest within the subject matter jurisdiction of the City Council, NOT listed on the agenda. Under the Brown Act, the City Council should not take action on or discuss matters raised during Public Comment portion of the agenda that are not listed on the agenda.

Comments are limited to the first ten (10) speakers at three (3) minutes per speaker. Speakers may not yield their time to others without consent of the Mayor. All comments are to be directed to the City Council and shall be devoid of any personal attacks. Members of the public are expected to maintain a professional, courteous decorum during public comments.

Please complete and submit a "speaker card" to the City Clerk. You will be asked to STATE YOUR NAME AND CITY OF RESIDENCE FOR THE RECORD.

CITY MANAGER REPORT

MAYOR AND COUNCIL MEMBER REPORTS

PUBLIC HEARINGS:

12. **[\(Desert Hot Springs Public Financing Authority - Special Meeting Item\)](#)**
Resolution Establishing Regular Meetings, Appointing Officers and Approving Related Actions
Administrative Services Director, Joseph M. Tanner, Jr. Packet Page 21
Recommendation: Adopt a Resolution of the Desert Hot Springs Public Financing Authority establishing regular meetings, appointing officers and approving related actions.

13. [\(City of Desert Hot Springs / Desert Hot Springs Public Financing Authority / Successor Agency\)](#)
Resolutions Approving and Adopting a Debt Management Policy
Administrative Services Director, Joseph M. Tanner, Jr. Packet Page 27
Recommendation: 1) Adopt a Resolution of the City Council of the City of Desert Hot Springs adopting a Debt Management Policy;
2) Adopt a Resolution of the Desert Hot Springs Public Financing Authority adopting a Debt Management Policy;
and
3) Adopt a Resolution of the Successor Agency to the Redevelopment Agency of the City of Desert Hot Springs adopting a Debt Management Policy.
14. [\(Desert Hot Springs Public Financing Authority - Regular Meeting Item\)](#)
Resolution Approving Documents and Actions Relating to the Issuance of 2017 Bonds for Refinancing of 2004 Certificates of Participation and 2004 Judgement Obligation Bonds
Administrative Services Director, Joseph M. Tanner, Jr. Packet Page 39
Recommendation: Adopt a Resolution of the Desert Hot Springs Public Financing Authority Authorizing the Issuance and Sale of 2017 Refunding Lease Revenue Bonds, and Approving Related Documents and Official Actions.
15. [\(City Council\)](#)
Resolution Approving Documents and Actions Relating to the Refinancing of 2004 Certificates of Participation and 2004 Judgment Obligation Bonds
Administrative Services Director, Joseph M. Tanner, Jr. Packet Page 251
Recommendation: Adopt a Resolution of the City Council of the City of Desert Hot Springs Approving Documents and Actions Related to the Refinancing of 2004 Certificates of Participation and 2004 Judgment Obligation Bonds.
16. [\(City of Desert Hot Springs Financing Corporation\)](#)
Resolution Approving Documents and Actions Relating to the Refinancing of 2004 Certificates of Participation and Funding Additional Capital Improvements
Joseph M. Tanner Jr., Administrative Services Director Packet Page 465
Recommendation: Adopt the Resolution of the City of Desert Hot Springs Financing Corporation approving documents and actions relating to the Refinancing of 2004 Certificates of Participation and Financing Additional Capital Improvements.

17. [\(Successor Agency\)](#)

Resolution Approving the Issuance of Bonds in Order to Refund Certain Prior Bonds of the Former Redevelopment Agency of the City of Desert Hot Springs, Approving the Execution and Delivery of an Indenture of Trust and an Escrow Agreement, and Providing for Other Matters Properly Relating Thereto

Administrative Services Director, Joseph M. Tanner, Jr. Packet Page 475

Recommendation: Adopt a Resolution of the Successor Agency to the Redevelopment Agency of the City of Desert Hot Springs, Approving the Issuance of Bonds in order to refund certain prior bonds of the Former Redevelopment Agency of the City of Desert Hot Springs, Approving the Execution and delivery of an Indenture of Trust and an Escrow Agreement, and providing for other matters properly relating thereto.

18. [Conditional Use Permits \(CUP Nos. 09-15, 18-16, 01-16, 19-16\), Tentative Parcel Map \(TPM No. 37065\), and Development Agreements \(DA Nos. 08-15 and 01-16\) for Construction of Four \(4\) 36,000 Square Foot Industrial Buildings for the Purpose of Indoor Cultivation of Medical Marijuana on a 6.29 Acre Site Located on the East Side of Cabot Road, Approximately 670 Feet South of Two Bunch Palms Trail in the Light Industrial \(I-L\) Zone \(One Project Site\)](#)

(Applicants: Rob Allen/Alan Cooper on behalf of Cabot Building Partners; and Amanda Bui on behalf of DHS Therapeutics)

Interim Community Development Director, Charles Rangel Packet Page 565

Recommendation:

- 1) Staff Report;
- 2) Entertain Questions of Staff from City Council;
- 3) Open the Public Hearing;
- 4) Take Testimony from Applicant;
- 5) Take Public Testimony;
- 7) Opportunity for Applicant Rebuttal;
- 6) Close the Public Hearing;
- 8) City Council discussion and questions to Staff;
- 9) Approve: A) Mitigated Negative Declaration for the Cabot Project; B) Mitigated Negative Declaration for the DHS Therapeutics Project; C) Tentative Parcel Map 37065; and D) Conditional Use Permit Nos. 09-15, 01-16, 18-16, 19-16; E) an Ordinance approving Development Agreement Nos. 08-15 (Cabot Building Partners); and F) an Ordinance approving Development Agreement 01-16 (AB & D Holdings) for the Cultivation Project Located on the East Side of Cabot Road, approximately 670 Feet South of Two Bunch Palms Trail in the Light Industrial (I-L) Zone (APNs: 665-030-066, 038).

19. [Appeal of the Planning Commission's Decision to Deny the Extension of Tentative Tract Map Nos. 35009 and 35448 \(Appeal of Planning Case Number AP-1-16\)](#)

Interim Community Development Director, Charles Rangel

Packet Page 751

- Recommendation:**
- 1) Receive Staff Report;
 - 2) Questions of Staff from City Council;
 - 3) Open the Public Hearing;
 - 4) Take Testimony from Applicant;
 - 5) Take Testimony from those supporting the project;
 - 6) Take Testimony from those opposing the project;
 - 7) Take testimony from anyone else;
 - 8) Rebuttal of Applicant;
 - 9) Close the Public Hearing;
 - 10) Conduct City Council discussion and questions to staff;
 - 11) City Council action to either:
 - A. Uphold the Planning Commission's decision to deny First Extension of Time - Tentative Tract Maps 35009 & 35448: Located West of State Route 62 within the Rancho Royale Specific Plan encompassing most of Section 20, Range 4 East, Township 2 South; San Bernardino Baseline and Meridian; and Adopt the Resolution upholding the decision and denying the project with the appropriate findings contained therein in the attached Resolution (Exhibit 1), which such findings can be amended as the City Council deems fit; OR
 - B. Overturn the Planning Commission's decision to deny the project and adopt appropriate findings as made by the City Council.

ADMINISTRATIVE CALENDAR:

20. [Appointment to the Community and Cultural Affairs Commission to Fill Vacancy for Unexpired Term](#)

City Clerk, Jerryl Soriano, CMC

Packet Page 1602

- Recommendation:** Ratify Mayor Scott Matas' appointment to the Community and Cultural Affairs Commission (CCAC) to fill one (1) vacancy consisting of an unexpired term ending January 2018.

21. [Professional Services Agreement with The Lew Edwards Group for Services Related to the Public Safety Ballot Measure](#)

Administrative Services Director, Joseph M. Tanner, Jr.

Packet Page 1325

- Recommendation:** Authorize the City Manager to negotiate and execute a Professional Services Agreement with The Lew Edwards Group related to a possible ballot measure in an amount not to exceed \$149,600.00; with approval as to form by the City Attorney.

22. [Ordinance Amending the Desert Hot Springs Municipal Code to Change the City's General Municipal Election Dates to Coincide with Statewide General Elections in November of Even-Numbered Years Pursuant to the Provisions of Senate Bill 415 \("California Voter Participation Rights Act"\)](#)

City Clerk, Jerryl Soriano, CMC

Packet Page 1349

Recommendation: Introduce for First Reading and read by title, "An Ordinance of the City Council of the City of Desert Hot Springs, California, amending Section 2.04.060 ("Change of Election Day") of Article II ("Elections") of Chapter 2.04 ("City Council") of the Desert Hot Springs Municipal Code relating to moving the City's General Municipal Elections to the first Tuesday after the first Monday in November of each even-numbered year, which General Municipal Election Shall Commence November of 2018.

CONSENT CALENDAR:

Matters on the "Consent Calendar" are considered routine and may be acted upon by one motion under "Approval of the Agenda." Individual items may also be removed by the City Council for separate discussion under "Approval of the Agenda." The title is deemed to be read and further reading waived on any ordinance listed on the Consent Calendar for second reading and adoption.

23. [City Council Regular Meeting Minutes: January 17, 2017](#)

City Clerk, Jerryl Soriano, CMC

Packet Page 1377

Recommendation: Approve Minutes as presented; or as corrected.

24. [Second Reading and Adoption of an Ordinance Approving a Development Agreement \(DA 16-16\) with AGreenCulture DHS, Inc. \(Contact: Dmitry Margusov\)](#)

Interim Community Development Director, Charles Rangel

Packet Page 1391

Recommendation: Approve Second Reading, read by title only and adopt an Ordinance of the City Council approving Development Agreement No. 16-16 to establish an approximate 29,000 square foot medical marijuana cultivation facility on a 1.23 acre site located on the northeast corner of Little Morongo Road and 15th Avenue in the I-L (Light Industrial) Zone. (APNs: 665-050-021, 027, and 030)

25. [Second Reading and Adoption of an Ordinance Restricting Camping on Private Property](#)

City Clerk, Jerryl Soriano, CMC

Packet Page 1557

Recommendation: Approve Second Reading, read by title only and adopt: "An Ordinance of the City Council of the City of Desert Hot Springs amending Chapter 12.04 "Camping Restrictions" of Title 17 "Streets, Sidewalks and Public Places" of the Desert Hot Springs Municipal Code to restrict camping on private property."

26. [Second Reading and Adoption of an Ordinance Requiring Landscape-Related Businesses to Complete a Course on Water Efficiency](#)
City Clerk, Jerryl Soriano, CMC *Packet Page 1569*
Recommendation: Approve Second Reading, read by title only and adopt: "An Ordinance of the City Council of the City of Desert Hot Springs amending Title 5 "Business Licenses and Regulations" of the City of Desert Hot Springs Municipal Code to repeal and readopt Chapter 5.04.040 "License Required" with a required landscaper course on Water Efficiency for issuance of a Business License to landscape-related businesses in the City of Desert Hot Springs in its entirety."
27. [Payment Register and City Council Expenditures Report for the Month of December 2016](#)
Administrative Services Director, Joseph M. Tanner, Jr. *Packet Page 1577*
Recommendation: Receive and file.
28. [Contracts Management Report as of February 21, 2017](#)
Administrative Services Director, Joseph M. Tanner, Jr. *Packet Page 1593*
Recommendation: Receive and file.
29. [Treasurer's Report as of December 31, 2016](#)
Administrative Services Director, Joseph M. Tanner, Jr. *Packet Page 1597*
Recommendation: Receive and file.

FUTURE AGENDA ITEMS

PUBLIC COMMENTS

Opportunity is given to those members of the public who have NOT addressed the City Council on an item which is NOT on the agenda. Comments are limited to three (3) minutes per speaker. PLEASE STATE YOUR NAME AND CITY OF RESIDENCE FOR THE RECORD.

ADJOURN

UPCOMING DATES

**Please refer to the City website [calendar](#) at www.cityofdhs.org for meeting locations and the most up to date information.*

February 28	Economic Development Committee	6:00 p.m.
March 7	City Council Regular Meeting	6:00 p.m.
March 8	RDA Oversight Board Meeting	8:00 a.m.
March 8	CCAC	6:00 p.m.
March 9	Public Safety Commission	6:00 p.m.
March 14	Planning Commission	6:00 p.m.
March 21	City Council Regular Meeting	6:00 p.m.
March 28	Economic Development Committee	6:00 p.m.

NOTICES

Americans with Disabilities Act

In an effort to comply with the requirements of Title 2 of the Americans with Disabilities Act of 1990, the City of Desert Hot Springs requires that any person in need of any type of special equipment, assistance, or accommodation(s) in order to communicate at a City public meeting, must inform the City Clerk a minimum of 72 hours prior to the scheduled meeting to enable the City to make reasonable arrangements.

SB 343

In accordance with California Government Code Section 54957.5, any writing or document that is a public record, relates to an open session agenda item, and is distributed less than 72 hours prior to a regular meeting will be made available for public inspection in the Office of the City Clerk at City Hall during normal business hours at 65950 Pierson Boulevard, Desert Hot Springs, CA 92240.

If, however, the document or writing is not distributed until the regular meeting to which it relates, then the document or writing will be made available to the public at the location of the meeting, as listed on this agenda at 11711 West Drive, Desert Hot Springs, CA 92240.