



CITY OF DESERT HOT SPRINGS

**REGULAR MEETING OF THE CITY COUNCIL
And the City Council Serving as the Successor Agency to the
Redevelopment Agency Board**

DRAFT MINUTES

JANUARY 17, 2017

3:30 P.M. – STUDY SESSION

CLOSED SESSION

(Immediately Following the Study Session)

5:30 P.M. – PRESENTATIONS

6:00 P.M. – REGULAR SESSION

**CITY COUNCIL CHAMBERS
Carl May Community Center
11711 West Drive, Desert Hot Springs, California**

STUDY SESSION - 3:30 P.M.

CALL TO ORDER

Mayor Matas called the Study Session to order at 3:30 P.M.

ROLL CALL

Present:

Council Members: Russell Betts, Yvonne Parks, Anayeli Zavala

Mayor Pro Tem: Joe McKee

Mayor: Scott Matas

STUDY SESSION

- Draft Ordinance Amending Section 17.40.110 "Fences, Walls, and Hedges" of the Desert Hot Springs Municipal Code to Include Regulations for Fencing Surrounding Vacant Property**

Council Member, Russell Betts; and Mayor Pro Tem, Joe McKee

Recommendation: Review and provide direction to Staff.

Council Member Betts presented the report.

A discussion ensued.

[Name inaudible] Sailor, expressed concerns regarding fencing.

The City Council directed that the Planning Commission be made aware of the City Council's comments.

2. California Senate Bill 415 "Voter Participation Rights Act" and Direction Regarding the Timing of Transitioning to a Statewide Election Date

City Clerk, Jerryl Soriano, CMC

Recommendation: Provide direction as to the timing of transitioning the City's general municipal elections to a statewide election date (November of each even-numbered year) to occur not later than November 8, 2022 pursuant to California Senate Bill No. 415 known as the California Voter Participation Rights Act.

Jerryl Soriano, City Clerk, presented the staff report; and responded to questions.

The City Council provided direction regarding Option 1 and directed Staff to return with an Ordinance on February 21, 2017.

CLOSED SESSION PUBLIC COMMENTS

There were no comments.

Jennifer Mizrahi, City Attorney, announced the Closed Session items.

The City Council recessed to Closed Session at 4:02 P.M.

CLOSED SESSION
(Immediately Following the Study Session)

CLOSED SESSION

3. CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Pursuant to Government Code Section 54956.8:

Property: 66338 1st Street (APN: 639-251-031 Vacant Lot)

Agency Negotiator: Charles L. Maynard, City Manager/Successor Agency
Executive Director

Jennifer Mizrahi, City Attorney/Successor Agency General
Counsel

Joseph M. Tanner, Administrative Services Director

Negotiating parties: Bradley Adams

Under negotiation: Price and Terms

4. CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Pursuant to Government Code Section 54956.8:

Property: Vacant Lot (APN: 641-113-004)

Agency Negotiator: Charles L. Maynard, City Manager/Successor Agency Executive Director

Jennifer Mizrahi, City Attorney/Successor Agency General Counsel

Joseph M. Tanner, Administrative Services Director

Negotiating parties: Jeffrey Ridge

Under negotiation: Price and Terms

5. CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION

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

Name of Case: People v Chryssikos

Riverside Superior Court Case No. INM1302153.

6. CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION

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

Name of case: City of Desert Hot Springs v John Van Beek, et al.,

Riverside County Superior Court Case No. PSC1602949

7. 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.

8. CONFERENCE WITH LEGAL COUNSEL—POTENTIAL INITIATION OF LITIGATION

(Paragraph (4) of subdivision (d) of Section 54956.9)

PRESENTATIONS - 5:30 P.M.

9. Selection of Mayor Pro Tem

Mayor, Scott Matas

Action: McKee moved to ratify Mayor Matas' appointment of Yvonne Parks as Mayor Pro Tem, motion seconded by Betts, motion carried 5/0 by the following voice vote:

Vote: AYES: 5 - Zavala, Parks, Betts, Matas, McKee
Passed NOES: 0 - (None)

Dale Mondary, Chief of Police, introduced new employee Nicole Sanchez, Administrative Assistant to the Chief of Police.

Dale Mondary, Chief of Police, reported on "Operation Sand Storm."

RECESS

The City Council recessed at 5:49 P.M.

REGULAR SESSION - 6:00 P.M.

CALL TO ORDER

Mayor Matas called the Regular Session to order at 6:00 P.M.

ROLL CALL

Present:

Council Members: Russell Betts, Yvonne Parks, Anayeli Zavala
Mayor Pro Tem: Joe McKee
Mayor: Scott Matas

INVOCATION

A Moment of Silence was held in Memory of John Benoit, Riverside County Supervisor.

PLEDGE OF ALLEGIANCE

Boy Scout Troop 1606 led the Pledge of Allegiance.

CITY ATTORNEY REPORT ON CLOSED SESSION

Jennifer Mizrahi, City Attorney, advised that there was no reportable action.

APPROVAL OF THE AGENDA

Action: McKee moved to approve the January 17, 2017 Regular Meeting agenda, approve the Consent Calendar in its entirety (with Council Member Betts recused from Item 21), motion seconded by Parks, motion carried 5/0 by the following vote:

Vote: AYES: 5 - Zavala, Parks, Betts, Matas, McKee
Passed NOES: 0 - (None)

PUBLIC COMMENTS

Jeff Horton made announcements regarding Veteran affairs.

Isaac Giron spoke regarding the Martin Luther King Peace and Unity Walk event.

Bruce Montgomery announced various upcoming events.

Nikohl Vandel expressed concerns.

Mike Picardi gave various announcements.

John Peterson inquired about the process for a zoning change.

Sylvia Nino spoke regarding the backyard camping issue.

CITY MANAGER REPORT

Charles Maynard, City Manager, introduced Interim Community Development Director, Charles Rangel.

Charles Rangel, Interim Community Development Director, provided his background.

MAYOR AND COUNCIL MEMBER REPORTS

Council Member Betts reported on the various meetings and events he attended.

Council Member McKee reported on the various meetings and events he attended.

Council Member Zavala reported on the various meetings and events she attended.

Mayor Pro Tem Parks reported on the various meetings and events she attended.

Mayor Matas reported on the various meetings and events he attended.

PUBLIC HEARINGS:

10. Ordinance Adopting the 2016 California Fire Code with Amendments

Deputy Fire Marshal, Kevin Reinertson

Recommendation: 1) Receive public input on the proposed ordinance; and
2) Introduce for First Reading, an Ordinance of the City Council of the City of Desert Hot Springs Amending Title 15 "Buildings And Construction" of the City of Desert Hot Springs Municipal Code to Repeal and Readopt Chapter 15.24 "California Fire Code" with Selected Appendices and Amendments and to Repeal Chapter 15.56 "NFPA 101 Life Safety Code" in its Entirety ("Ordinance"); waive the reading of the Ordinance in its entirety and City Clerk read by title only.

James Frater, Riverside County Fire Marshal, and Kevin Reinertson, Deputy Fire Marshall, presented the staff report; and responded to questions.

Catherine Shumfeld spoke regarding the Item.

Action: Zavala moved to approve staff recommendation, motion seconded by Parks, motion carried 5/0 by the following vote:

Vote: AYES: 5 - Zavala, Parks, Betts, Matas, McKee
Passed NOES: 0 - (None)

11. Annexation No. 8 to the City of Desert Hot Springs Community Facilities District No. 2010-1 (Services) (Canndescent)

Administrative Services Director, Joseph M. Tanner, Jr.

Recommendation: 1) Open the public hearing;
2) Staff Report;
3) Take testimony;
4) Close the Public Hearing;
5) Questions of Staff;
6) City Council Discussion;
7) Adopt a Resolution of the City Council calling an election to submit to the qualified electors the question of levying a special tax within the area proposed to be annexed to Community Facilities District No. 2010-1 (Services) (Annexation No. 8)
8) Hold the Election;
9) Canvass the Election; and
10) Adopt a Resolution of the City Council declaring election results for Annexation No. 8 to Community Facilities District No. 2010-1 (Services).

Mayor Matas recused in accordance with the campaign contribution ordinance.

Mayor Pro Tem Parks presiding.

Joe Tanner, Administrative Services Director, presented the staff report and advised that the ballot was not yet received and recommended continuance.

There was no testimony

Action: Betts moved to continue the Public Hearing to February 7, 2017, motion seconded by McKee, motion carried 4/0 by the following vote:

Vote: AYES: 4 - Zavala, Parks, Betts, McKee
Passed NOES: 0 - (None)

12. Conditional Use Permit Application (CUP 23-16) and Development Agreement (DA 15-16) for the Construction of a 57,907 Square Foot Medical Marijuana Cultivation Facility Located on the Southwest Corner of Two Bunch Palms Trail and Cabot Road in a Light Industrial (I-L) Zone, APN 665-030-058

Applicant: Bunch Palms Trail, LLC / Medi Tehranchi
Interim Community Development Director, Charles Rangel

Recommendation: 1) Staff Report;
2) Questions of Staff;
3) Open the Public Hearing;
4) Take Applicant Testimony;
5) Take Public Testimony;
6) Close the Public Hearing;
7) Opportunity for Applicant Rebuttal;
8) City Council discussion; and
9) Approve: (1) Conditional Use Permit No. 23-16; and (2) and 2nd Reading and adoption of an Ordinance approving Development Agreement No. 15-16 for a medical marijuana cultivation facility to be constructed at the Southwest corner of the intersection of Two Bunch Palms Trail and Cabot Road in the Light Industrial (I-L) Zone, subject to the attached conditions of approval.

Scott Taschner, Associate Planner, presented the staff report; and responded to questions.

Mayor Matas opened the Public Hearing.

Paul DePalatis (MSA Consulting) representing the Applicant, addressed the City Council and responded to questions.

There was no public testimony.

Mayor Matas closed the Public Hearing.

Action: Betts moved to approve staff recommendation, motion seconded by McKee, motion carried 5/0 by the following vote:

Vote: AYES: 5 - Zavala, Parks, Betts, Matas, McKee
Passed NOES: 0 - (None)

13. Appeal of Planning Commission Action of Denial:

First Extension of Time - Tentative Tract Maps 35009 and 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

Interim Community Development Director, Charles Rangel

Recommendation: 1) Staff Report;
2) Entertain Questions from the City Council;
3) Open the Public Hearing; and
4) Continue the Public Hearing to February 21, 2017.

Mayor Matas opened the Public Hearing.

There was no public testimony.

Action: Betts moved to approve staff recommendation (continue to February 21, 2017), motion seconded by McKee, motion carried 5/0 by the following vote:

Vote: AYES: 5 - Zavala, Parks, Betts, Matas, McKee
Passed NOES: 0 - (None)

14. Ordinance to Allow Certain Medical Marijuana Manufacturing Facilities to Request a Minor Modification to a Conditional Use Permit to Allow Manufacturing of Medical Marijuana

Interim Community Development Director, Charles Rangel

Recommendation: 1) Open the Public Hearing;
2) Take Public Testimony;
3) Close the Public Hearing; and
4) Introduce for First Reading, an Ordinance of the City Council of the City of Desert Hot Springs amending Section 17.180.060 "Medical Marijuana Manufacturing Facilities" of Chapter 17.180 "Medical Marijuana Facilities Operation and Location" of Title 17 "Zoning" of the Desert Hot Springs Municipal Code to allow certain medical marijuana manufacturing facilities to request a minor modification to a Conditional Use Permit to allow manufacturing of medical marijuana," waive the reading of the Ordinance in its entirety and City Clerk read by title only.

Jennifer Mizrahi, City Attorney, presented the staff report; and responded to questions.

Mayor Matas opened the Public Hearing

There was no testimony.

Mayor Matas closed the Public Hearing.

Action: Zavala moved to approve staff recommendation, motion seconded by McKee, motion carried 4/0 by the following vote:

Vote: AYES: 4 - Zavala, Parks, Matas, McKee
Passed NOES: 0 - (None)

The City Council recessed at 7:33 P.M.

The City Council reconvened at 7:42 P.M.

ADMINISTRATIVE CALENDAR:

15. Audited Financial Statements for Fiscal Year 2015-2016

Administrative Services Director, Joseph M. Tanner, Jr.

Recommendation: Receive and file.

Kenneth Pun, Auditor, presented the Audited Financial Statements for Fiscal Year 2015-16; and responded to questions.

A discussion ensued.

The item was received and filed.

16. Professional Services Agreement with The Pun Group, Incorporated for Professional Audit Services

Administrative Services Director, Joseph M. Tanner, Jr.

Recommendation: Authorize the City Manager to extend the Professional Services Agreement with The Pun Group, Incorporated for a total amount not-to-exceed \$157,058.00 (\$78,529.00 per Fiscal Year) to continue professional Auditing Services for the City of Desert Hot Springs and the Desert Hot Springs Health and Wellness Foundation from July 1, 2017 through June 30, 2019; with approval as to form by the City Attorney.

Action: McKee moved to continue to February 7, 2016, motion seconded by Parks, motion carried 5/0 by the following vote:

Vote: AYES: 5 - Zavala, Parks, Betts, Matas, McKee
Passed NOES: 0 - (None)

17. Award of Contract for Senior Center Operations

Administrative Services Director, Joseph M. Tanner, Jr.

Recommendation: Authorize the City Manager to execute an agreement with Mizell Senior Center for a period of three years (with extension options for years four and five) for an amount not to exceed \$125,000 dollars per year by minute order.

Joseph Tanner, Administrative Services Director, presented the staff report; noted corrections to the staff report; and responded to questions.

Juanita Pin expressed concerns regarding potential fees.

Ted Mayrhofer spoke in support of staff's recommendation.

Cathy [last name unknown] expressed concerns regarding potential fees.

A discussion ensued.

Catherine Shonefeld provided additional comments related to her concerns.

Action: Betts moved to approve staff recommendation, motion seconded by Zavala, motion carried 5/0 by the following vote:

Vote: AYES: 5 - Zavala, Parks, Betts, Matas, McKee
Passed NOES: 0 - (None)

18. Loitering Ordinance

City Manager, Charles L. Maynard

Recommendation: Introduce and approve for First Reading, an Ordinance of the City Council of the City of Desert Hot Springs amending the Desert Hot Springs Municipal Code by: 1) Adding Article VI "Obstruction of Pedestrian Traffic Prohibited," 2) Adding Article VII "Carl May Center Parking Lot, and Driveways Use Restrictions," and 3) Repealing Section 10.36.050 "Unreasonable Interference with Free Passage of Pedestrians" of Title 10 "Vehicles and Traffic"; waive the reading of the Ordinance in its entirety and City Clerk read by title only.

Jennifer Mizrahi, City Attorney, presented the staff report; noted a correction on the agenda and staff report; and responded to questions.

A discussion ensued.

Cathy [last name unknown], expressed concerns

Suzie Giron expressed concerns and suggested community service.

Ted Mayrhofer spoke in support.

A discussion ensued.

Action: Betts moved to approve staff recommendation, motion seconded by Parks, motion carried 3/2 by the following vote:

Jennifer, add medians

Vote: AYES: 3 - Parks, Betts, Matas
Passed NOES: 2 - Zavala, McKee

19. Construction of Tenant Improvements at 11999 Palm Dr (Visitor Center)

Public Works Manager, Daniel Porras, P.E.

Recommendation: Authorize the City Manager to execute a contract with Diamond Construction, Inc. for the Construction of Tenant Improvements at 11999 Palm Drive in an amount of \$157,470.00 with a 20% contingency amount of \$31,494.00 for unforeseen expenses, which brings the total budgeted amount to \$188,964.00.

Council Member Betts recused due to a potential conflict of interest (owns property within 500 feet).

Daniel Porras, Public Works Manager, presented the staff report; and responded to questions.

Action: Zavala moved to approve staff recommendation, motion seconded by Parks, motion carried 4/0 by the following vote:

Vote: AYES: 4 - Zavala, Parks, Matas, McKee
Passed NOES: 0 - (None)

CONSENT CALENDAR:

20. City Council Regular Meeting Minutes: December 6, 2016

City Clerk, Jerryl Soriano, CMC

Recommendation: Approve Minutes as submitted; or as corrected.

21. (Successor Agency)

Recognized Obligation Payment Schedule (ROPS 17-18) for the Period of July 1, 2017 Through June 30, 2018

Administrative Services Director, Joseph M. Tanner, Jr.

Recommendation: Adopt a Resolution of the Successor Agency approving the Recognized Obligation Payment Schedule (ROPS 17-18) and administrative budget for the Successor Agency for the period of July 1, 2017 through June 30, 2018.

22. Second Reading and Adoption of an Ordinance Approving a Development Agreement (DA 06-16) with Ryan Csaftis / MERJ, LLC

Interim Community Development Director, Charles Rangel

Recommendation: Approve Second Reading and adopt an Ordinance of the City Council approving Development Agreement No. 06-16 to establish a medical marijuana cultivation facility located on the eastside of Little Morongo Road (northeast corner of Little Morongo Road and 16th Avenue, unimproved) within the General Plan Light Industrial (I-L) Zone; waive the reading of the Ordinance in its entirety and City Clerk read by title only.

23. Second Reading and Adoption of an Ordinance Repealing "Registered Sex Offender Restrictions"

City Clerk, Jerryl Soriano, CMC

Recommendation: Approve Second Reading and adopt "An Ordinance of the City Council of the City of Desert Hot Springs repealing Chapter 9.24 "Registered Sex Offender Restrictions" Contained in Title 9 of the Desert Hot Springs Municipal Code," waive the reading of the Ordinance in its entirety and City Clerk read by title only.

24. **Second Reading and Adoption of an Ordinance Amending Chapter 17.60 "Art in Public Places Program" of Title 17 "Zoning" of the Desert Hot Springs Municipal Code**
City Clerk, Jerryl Soriano, CMC
Recommendation: Approve Second Reading and adopt "An Ordinance Amending Chapter 17.60 "Art in Public Places Program" of Title 17 "Zoning" of the Desert Hot Springs Municipal Code" to render it expressly applicable to industrial development projects in order to maximize the potential for new artwork to be created and installed throughout the City, thereby improving the City's overall aesthetic; waive the reading of the Ordinance in its entirety and City Clerk read by title only.
25. **Second Reading and Adoption of an Ordinance Authorizing the City Manager to Negotiate, Award and Execute Certain Agreements, As So Set by Resolution by the City Council; A Resolution Authorizing the City Manager to Execute Certain Agreements**
City Clerk, Jerryl Soriano, CMC
Recommendation: Approve Second Reading and adopt "An Ordinance of the City Council of the City of Desert Hot Springs adding Section 3.44.170 (Facility Use Agreements and Non-Exclusive License Agreements – Negotiation, Award and Signature Authority) to Chapter 3.44 (Purchasing) of Title 3 (Revenue and Financing) of the Desert Hot Springs Municipal Code, authorizing an Officer other than the Mayor to negotiate, award and execute certain agreements, as so set by resolution of the City Council; waive the reading of the Ordinance in its entirety and City Clerk ready by title only.
26. **Contracts Management Report as of January 17, 2017**
Administrative Services Director, Joseph M. Tanner, Jr.
Recommendation: Receive and file.
27. **Treasurer's Report as of October 31, 2016**
Administrative Services Director, Joseph M. Tanner, Jr.
Recommendation: Receive and file.
28. **Treasurer's Report as of November 30, 2016**
Administrative Services Director, Joseph M. Tanner, Jr.
Recommendation: Receive and file.
29. **Payment Register and City Council Expenditures Report for the Month of October 2016**
Administrative Services Director, Joseph M. Tanner, Jr.
Recommendation: Receive and file.
30. **Payment Register and City Council Expenditures Report for the Month of November 2016**
Administrative Services Director, Joseph M. Tanner, Jr.
Recommendation: Receive and file.

FUTURE AGENDA ITEMS

None.

PUBLIC COMMENTS

None.

ADJOURN

Mayor Matas adjourned the meeting at 9:11 P.M.

Jerryl Soriano, CMC, City Clerk