



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**

ACTION MINUTES

NOVEMBER 21, 2017

3:30 P.M. – STUDY SESSION

**4:30 P.M. – 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 3:31 P.M.

ROLL CALL

Present:

Council Members: Russell Betts, Joe McKee, Anayeli Zavala (arrived after Roll Call)

Mayor Pro Tem: Yvonne Parks

Mayor: Scott Matas

STUDY SESSION

1. **Cannabis Microbusinesses**

Deputy City Manager, Luke Rainey

Recommendation: Discuss and provide direction to Staff.

Council Member Zavala entered the meeting at 3:08 P.M.

Luke Rainey, Deputy City Manager, presented the staff report.

Greta Carter provided input.

Ryan Fingerhut provided input.

Jim Provance spoke in support.

Bruce Hutchinson provided input.

A discussion ensued.

Charles Maynard, City Manager, clarified City Council direction/thoughts regarding the following:

- Special dispensary licensing for spas, tasting rooms and bakeries (issued separate from the original 16 dispensary licenses)
- Spas: on-site sales only, for guests; complaints: 3 validated complaints (verified by Staff) within a 12-month period
- Cultivation Tasting Rooms: customers can purchase but cannot take off-site
- Bakery Locations: no cultivation, no extraction on-site, use purchased products to develop product.

It was decided to hold an additional Study Session on January 16, 2018.

CLOSED SESSION PUBLIC COMMENTS

None.

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

CLOSED SESSION **(Immediately Following the Study Session)**

CLOSED SESSION

2. CONFERENCE WITH LEGAL COUNSEL--ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to subdivision (d)(2) of Section 54956.9: (1 case). The facts and circumstances involve issues pertaining a certain business owner who has threatened litigation against the City, although no formal claim has been filed.

PRESENTATIONS - 5:30 P.M.

3. Introduction and Swearing In of New Police Officer

Chief of Police, Dale Mondary; and Deputy City Clerk, Roberta Crncic

Dale Mondary, Chief of Police, introduced new Police Officer Israel Mendez.

Roberta Crncic, Deputy City Clerk, administered the Oath.

4. Presentation by the Coachella Valley Volunteers in Medicine, Clinic Services

Richard Soderstrom, MD, presented an overview of the services that the Coachella Valley Volunteers in Medicine provides to the Coachella Valley.

5. Recognition of Support for Regional Homelessness Efforts Presented by the Desert Healthcare District and Coachella Valley Association of Governments (CVAG)

Sabby Jonathan, Chairman of the CVAG Homelessness Committee, expressed thanks to the City Council for the City's participation in regional homelessness efforts.

RECESS

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, Joe McKee, Anayeli Zavala (arrived after Roll Call)

Mayor Pro Tem: Yvonne Parks

Mayor: Scott Matas

INVOCATION

Council Member Betts gave the Invocation.

PLEDGE OF ALLEGIANCE

Desert Hot Springs Scouts, Troop 1606, presented the colors and 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 November 21, 2017 Regular Meeting agenda; and approve the Consent Calendar in its entirety, motion seconded by Zavala, motion carried 5/0 by the following vote:

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

PUBLIC COMMENTS

Doria Wilms, Public Information Officer and Management Analyst to the City Manager, announced the City's upcoming Tree Lighting and Holiday Parade events.

Jennifer Braun spoke regarding God's Kitchen.

David Fellman spoke regarding God's Kitchen.

Janice Fellman spoke regarding God's Kitchen.

Suzanne Mitchell spoke regarding God's Kitchen.

Carol Morrison spoke regarding God's Kitchen.

James Fields spoke regarding God's Kitchen.

Donna Wardean expressed thanks for Veterans Day event.

James Provance spoke regarding the cannabis microbusiness study session.

Kathy Kusmitch expressed thanks for Senior Center improvements.

Kathryn Schoenfeld spoke regarding Senior Center events.

Jeff Horton expressed thanks and commended the CCAC for the Veterans Day event.

Judy Shea spoke regarding her veterans center project.

Sam Messler spoke regarding the Diversity DHS, first Pride Festival event, and expressed thanks to volunteers.

Nina Duarte spoke regarding the passage of Measures B and C.

Megan Shea spoke regarding God's Kitchen.

Loren Harris spoke regarding cannabis microbusinesses.

Mark McKinney spoke regarding canna tourism.

Michael Picardi gave various updates and announcements.

Luke Stiede spoke regarding God's Kitchen.

CITY MANAGER REPORT

There was no report.

MAYOR AND COUNCIL MEMBER REPORTS

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

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

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

The City Council recessed at 7:15 P.M.

The City Council reconvened at 7:21 P.M.

PUBLIC HEARINGS:

6. [An Appeal of the Planning Commission's Decision to Deny the Extension of Time for Tentative Tract Map No. 33746 \(Case Number AP 01-17\)](#)

Community Development Director, Daniel Porras, P.E.

- 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; and
 - 11) City Council action to either:
 - A. Uphold the Planning Commission's decision to deny First Extension of Time for Tentative Tract Map 33746
 - for the Silver Oaks Sunset Ridge Residential

Development located on approximately 165.7 gross acres at the southeast corner of Mission Lakes Boulevard and Karen Avenue (Assessor Parcel No. 664-020-001) and Adopt the Resolution upholding the decision and denying the project with the appropriate findings contained in the Resolution, 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 the Resolution denying the decision and approving the project with the appropriate findings contained in the Resolution, which findings can be amended as the City Council deems fit.

Mayor Matas opened the Public Hearing.

Kelly Wack, representing the Applicant, addressed the City Council; and responded to questions.

Neil Gascon, representing the Applicant/Owner, addressed the City Council.

Peter Scott De la Torre spoke opposed.

Neil Gascon, representing the Applicant/Owner, provided rebuttal to public testimony.

Mayor Matas closed the Public Hearing.

A discussion ensued.

Action: Parks moved to approve recommendation to overturn the Planning Commission's decision and adopt *Resolution No. 2017-105*, motion seconded by McKee, motion carried 4/1 by the following vote:

As a friendly amendment, Council Member McKee asked to include examination of the retention basin. Mayor Pro Tem Parks accepted the friendly amendment.

As a friendly amendment, Council Member Betts asked for a time frame of one year. Mayor Pro Tem Parks did not accept the friendly amendment.

As an amended motion, Council Member Betts moved approve the recommendation with a time frame of one year. The amended motion failed for lack of a second.

Vote: AYES: 4 - Zavala, Parks, Matas, McKee
Passed NOES: 1 - Betts

7. [Annexation No. 24 to the City of Desert Hot Springs Community Facilities District No. 2010-1 \(Services\) for APN 665-030-060 Located at 14250 Little Morongo Road \(DHS Manna, LLC\)](#)

Administrative Services Director, Joseph M. Tanner, Jr.

- Recommendation:**
- 1) Staff Report;
 - 2) Entertain questions of staff from the City Council;
 - 3) Open the Public Hearing;
 - 4) Take public testimony;
 - 5) Close the Public Hearing;
 - 6) City Council discussion and questions of Staff;
 - 7) Adopt a Resolution 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. 24)
 - 8) Hold the election;
 - 9) Canvass the election; and
 - 10) Adopt a Resolution declaring election results for annexation to Community Facilities District No. 2010-1 (Services) (Annexation No. 24).

Joe Tanner, Administrative Services Director, presented the staff report.

Mayor Matas opened the Public Hearing.

There was no testimony.

Mayor Matas closed the Public Hearing.

Action: McKee moved to adopt *Resolution No. 2017-106* (Calling the Election), motion seconded by Zavala, motion carried 4/1 by the following vote:

<u>Vote:</u>	AYES: 4 - Zavala, Parks, Matas, McKee
Passed	NOES: 1 - Betts

Jerryl Soriano, City Clerk, canvassed the Election and advised that the property owner voted "yes."

Action: McKee moved to adopt *Resolution No. 2017-107* (Declaring Election Results), motion seconded by Parks, motion carried 4/1 by the following vote:

<u>Vote:</u>	AYES: 4 - Zavala, Parks, Matas, McKee
Passed	NOES: 1 - Betts

8. [**Annexation No. 27 to the City of Desert Hot Springs Community Facilities District No. 2010-1 \(Services\) for APNs 666-340-004 and 666-340-006 Located South of 18th Avenue and East of Indian Canyon Drive \(Coachillin Holdings, LLC.\)**](#)

Administrative Services Director, Joseph M. Tanner, Jr.

- Recommendation:**
- 1) Staff Report;
 - 2) Entertain questions of staff from the City Council;
 - 3) Open the Public Hearing;
 - 4) Take public testimony;
 - 5) Close the Public Hearing;

- 6) City Council discussion and questions of Staff;
- 7) Adopt a Resolution 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. 27)
- 8) Hold the election;
- 9) Canvass the election; and
- 10) Adopt a Resolution declaring election results for annexation to Community Facilities District No. 2010-1 (Services) (Annexation No. 27)

Joe Tanner, Administrative Services Director, presented the staff report.

Mayor Matas opened the Public Hearing.

There was no testimony.

Mayor Matas closed the Public Hearing.

Action: McKee moved to adopt *Resolution No. 2017-108* (Calling the Election), motion seconded by Parks, motion carried 4/1 by the following vote:

<u>Vote:</u>	AYES: 4 - Zavala, Parks, Matas, McKee
Passed	NOES: 1 - Betts

Jerryl Soriano, City Clerk, canvassed the Election and advised that the property owner voted "yes."

Action: Parks moved to adopt *Resolution No. 2017-109* (Declaring Election Results), motion seconded by McKee, motion carried 4/1 by the following vote:

<u>Vote:</u>	AYES: 4 - Zavala, Parks, Matas, McKee
Passed	NOES: 1 - Betts

9. Creating Special Tax Area 28 (DHS Facilities LLC) for APN 663-280-025 located on the Northeast Corner of 14th Ave. and Little Morongo Rd., within the Desert Springs Special Public Safety Tax Area

Administrative Services Director, Joseph M. Tanner, Jr.

Recommendation:

- 1) Staff Report;
- 2) Entertain questions of Staff from the City Council;
- 3) Open the Public Hearing;
- 4) Take public testimony;
- 5) Close the Public Hearing;
- 6) City Council discussion and questions of Staff;
- 7) Hold the election;
- 8) Canvass the election; and
- 9) Adopt an Ordinance Establishing a Special Public Safety Tax Area Zone 28 (DHS Facilities LLC)

Joe Tanner, Administrative Services Director, presented the staff report.

Mayor Matas opened the Public Hearing.

There was no testimony.

Mayor Matas closed the Public Hearing.

Jerryl Soriano, City Clerk, canvassed the Election and advised that the property owner voted "yes."

Action: McKee moved to approve staff recommendation and adopt *Ordinance No. 636*, motion seconded by Parks, motion carried 4/1 by the following vote:

<u>Vote:</u>	AYES: 4 - Zavala, Parks, Matas, McKee
Passed	NOES: 1 - Betts

10. Creating Special Tax Area 29 (DHS Manna LLC) for APN 665-030-060 Located at 14250 Little Morongo Road, Within the Desert Springs Special Public Safety Tax Area

Administrative Services Director, Joseph M. Tanner, Jr.

Recommendation:

- 1) Staff Report;
- 2) Entertain questions of Staff from the City Council;
- 3) Open the Public Hearing;
- 4) Take public testimony;
- 5) Close the Public Hearing;
- 6) City Council discussion and questions of Staff;
- 7) Hold the election;
- 8) Canvass the election; and
- 9) Adopt an Ordinance Establishing a Special Public Safety Tax Area Zone 29 (DHS Manna LLC).

Joe Tanner, Administrative Services Director, presented the staff report.

Mayor Matas opened the Public Hearing.

There was no testimony.

Mayor Matas closed the Public Hearing.

Jerryl Soriano, City Clerk, canvassed the Election and advised that the property owner voted "yes."

Action: McKee moved to approve staff recommendation and adopt *Ordinance No. 637*, motion seconded by Parks, motion carried 4/1 by the following vote:

<u>Vote:</u>	AYES: 4 - Zavala, Parks, Matas, McKee
Passed	NOES: 1 - Betts

11. [Creating Special Tax Area 32 \(Coachillin Holdings LLC\) for APNs 666-340-004 and 666-340-006 located south of 18th Ave. and east of Indian Canyon Rd., within the Desert Springs Special Public Safety Tax Area](#)

Administrative Services Director, Joseph M. Tanner, Jr.

- Recommendation:**
- 1) Staff Report;
 - 2) Entertain questions of Staff from the City Council;
 - 3) Open the Public Hearing;
 - 4) Take public testimony;
 - 5) Close the Public Hearing;
 - 6) City Council discussion and questions of Staff;
 - 7) Hold the election;
 - 8) Canvass the election; and
 - 9) Adopt an Ordinance Establishing a Special Public Safety Tax Area Zone 32 (Coachillin Holdings LLC.)

Joe Tanner, Administrative Services Director, presented the staff report.

Mayor Matas opened the Public Hearing.

There was no testimony.

Mayor Matas closed the Public Hearing.

Jerryl Soriano, City Clerk, canvassed the Election and advised that the property owner voted "yes."

Action: McKee moved to approve staff recommendation and adopt *Ordinance No. 638*, motion seconded by Parks, motion carried 4/1 by the following vote:

<u>Vote:</u>	AYES: 4 - Zavala, Parks, Matas, McKee
Passed	NOES: 1 - Betts

ADMINISTRATIVE CALENDAR:

12. [Joint Powers Agreement to Implement a Community Choice Aggregation Program](#)

Deputy City Manager, Luke Rainey

Recommendation: Introduce for First Reading and read by title only, "An Ordinance of the City Council of the City of Desert Hot Springs authorizing implementation of a Community Choice Aggregation program and approving the Desert Community Energy Joint Powers Agreement."

Luke Rainey, Deputy City Manager, presented the Staff report.

Katie Barrows, CVAG Director of Environmental Resources, addressed the City Council and responded to questions.

Nate Otto, Palm Springs resident, Hot Purple Energy, spoke in support.

Kim Floyd, Palm Desert resident, spoke in support.

Rosario Avila spoke opposed.

A discussion ensued.

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

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

Action: McKee moved to continue to January 16, 2017, motion seconded by Zavala, motion carried 4/1 by the following vote:

Vote: AYES: 4 - Zavala, Parks, Matas, McKee
Passed NOES: 1 - Betts

13. An Ordinance and URGENCY Ordinance Amending Chapter 5.50 "Medical Marijuana Facilities Regulatory Permit" of Title 5 "Business Licenses and Regulations" of the Desert Hot Springs Municipal Code

City Manager, Charles L. Maynard

Recommendation: 1) Introduce for First Reading and read by title only, "An Ordinance of the City Council of the City of Desert Hot Springs, California, Amending Chapter 5.50 "Medical Marijuana Facilities Regulatory Permit" of Title 5 "Business Licenses and Regulations" of the Desert Hot Springs Municipal Code;" AND
2) Adopt and read by title only, "An URGENCY Ordinance of the City Council of the City Of Desert Hot Springs, California, Amending Chapter 5.50 "Medical Marijuana Facilities Regulatory Permit" of Title 5 "Business Licenses And Regulations" of the Desert Hot Springs Municipal Code."

Jennifer Mizrahi, City Attorney, presented the staff report.

Ryan Fingerhut spoke in support.

Kenny Dickerson spoke in support.

Action: Parks moved to approve staff recommendation and adopt *Urgency Ordinance No. 639*, 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. [Desert View Sidewalk Project - Riverside County Transportation Commission \(RCTC\) Agreement for Funding Under Senate Bill \(SB\) 821 Bicycle Pedestrian Facilities Program](#)

Community Development Director, Daniel Porras, P.E.

Recommendation: Authorize the City Manager to execute a funding agreement between Riverside County Transportation Commission (RCTC) and the City of Desert Hot Springs, to receive SB

821 funding totaling \$293,000 for the Desert View Sidewalk Project.

Daniel Porras, Community Development Director, presented the staff report.

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)

15. [Award of Professional Services Agreement for the Systematic Safety Analysis Report Project](#)

Community Development Director, Daniel Porras, P.E.

Recommendation: Authorize the City Manager to execute the Professional Services Agreement for the Systematic Safety Analysis Report Project with KOA Corporation in the amount not to exceed \$83,920.00; with approval as to form by the City Attorney.

Daniel Porras, Community Development Director, presented the staff report.

Action: Parks moved to approve staff recommendation, motion seconded by Zavala, motion carried 4/1 by the following vote:

Vote: AYES: 4 - Zavala, Parks, Matas, McKee
Passed NOES: 1 - Betts

16. [Ordinance Amending Title 4 "Code Enforcement" of the Desert Hot Springs Municipal Code to Clarify the Procedures for the Selection of Administrative Hearing Officers](#)

Community Development Director, Daniel Porras, P.E.

Recommendation: Introduce for First Reading and read by title only, "An Ordinance Of The City Council Of The City Of Desert Hot Springs, California, 1) Amending Section 4.16.110 ("Procedures For Appeal Of Public Nuisance And Order To Abate"); and 2) Amending Section 4.16.140 ("Abatement Cost Appeals Procedure") Of Chapter 4.16 ("Public Nuisances") Of Title 4 ("Code Enforcement") Of The Desert Hot Springs Municipal Code ("DHSMC") to clarify the procedures for selection of Hearing Officers."

Jennifer Mizrahi, City Attorney, presented the staff report.

Action: McKee 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)

CONSENT CALENDAR:

17. **City Council Regular Meeting Minutes: November 7, 2017**

City Clerk, Jerryl Soriano, CMC

Recommendation: Approve Minutes as presented; or as corrected.

18. **Second Reading and Adoption of an Ordinance Amending Section 10.16.050 "Use of City Streets for Storage of Vehicle Prohibited" of Chapter 10.16 "Stopping, Standing and Parking" of the Desert Hot Springs Municipal Code**

City Clerk, Jerryl Soriano, CMC

Recommendation: Approve Second Reading, read by title and adopt, "An Ordinance of the City Council of the City of Desert Hot Springs, California, amending Section 10.16.050 ("Use of Streets for Storage of Vehicle Prohibited") of Chapter 10.16 ("Stopping, Standing and Parking") of Title 10 ("Vehicles and Traffic") of the Desert Hot Springs Municipal Code.

Ordinance No. 640

19. **Second Reading and Adoption of an Ordinance Adding Chapter 17.190 "Desert Harvest Specific Plan" to Title 17 "Zoning" of the Desert Hot Springs Municipal Code to Establish Zoning Standards for the Desert Harvest Specific Plan Area**

Community Development Director, Daniel Porras, P.E.

Recommendation: Approve Second Reading, read by title only and adopt: "An Ordinance of the City Council of the City of Desert Hot Springs Adding Chapter 17.190 "Desert Harvest Specific Plan" to Title 17 "Zoning" of the Desert Hot Springs Municipal Code to Establish Zoning Standards for the Desert Harvest Specific Plan Area."

Ordinance No. 641

20. **Second Reading and Adoption of an Ordinance Adding Chapter 17.200 "Coachillin' Specific Plan" to Title 17 "Zoning" of the Desert Hot Springs Municipal Code to Establish Zoning Standards for the Coachillin Specific Plan Area**

Community Development Director, Daniel Porras, P.E.

Recommendation: Approve Second Reading, read by title only and adopt, "An Ordinance of the City Council Adding Chapter 17.200 "Coachillin' Specific Plan" to Title 17 "Zoning" of the Desert Hot Springs Municipal Code to establish zoning standards for the Coachillin Specific Plan area." The 153.71-acre project site (APN 666-340-004, -006) is located on the east side of Indian Canyon Drive between 18th and 19th Avenues.

Ordinance No. 642

21. Treasurer's Report as of September 30, 2017

Administrative Services Director, Joseph M. Tanner, Jr.

Recommendation: Receive and file.

22. Payment Register and City Council Expenditures Report for the Month of September 2017

Administrative Services Director, Joseph M. Tanner, Jr.

Recommendation: Receive and file.

23. Contracts Management Report as of November 21, 2017

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 10:03 P.M.

Jerryl Soriano, CMC, City Clerk