



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 16, 2018

5:00 P.M. – CLOSED 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**

CLOSED SESSION - 5:00 P.M.

CALL TO ORDER

Mayor Matas called the Closed Session to order at 5:00 P.M.

ROLL CALL

Present:

Council Members: Russell Betts; Joe McKee; Yvonne Parks

Mayor Pro Tem: Anayeli Zavala

Mayor: Scott Matas

Jennifer Mizrahi, City Attorney, requested that the City Council add an urgency closed session item concerning potential exposure to litigation.

Action: McKee moved to approve the addition of an urgency closed session item concerning potential exposure to litigation with findings that there was an urgent need to discuss the matter, and that the matter came to the attention of the City subsequent to the posting of the agenda, motion seconded by Betts, motion carried 5/0 by the following vote:

Vote:

Passed

AYES: 5 - Zavala, Parks, Betts, Matas, McKee

NOES: 0 - (None)

PUBLIC COMMENTS

There were no comments.

Jennifer Mizrahi, City Attorney, announced the Closed Session Items listed on the agenda including the Urgency Closed Session Item: Conference with Legal Counsel - Anticipated Litigation concerning significant exposure to litigation pursuant to subdivision (d)(2) of Section 54956.9: (1 case).

CLOSED SESSION:

1. REAL PROPERTY NEGOTIATIONS

Pursuant to Government Code Section 54956.8:

Property: 66098-66108 Pierson Boulevard,
Desert Hot Springs, CA, 92240
Agency Negotiator: Charles L. Maynard, City Manager / Executive Director
Jennifer Mizrahi, City Attorney / General Counsel
Joseph M. Tanner, Administrative Services Director
Negotiating Parties: Richard Feenstra
Under Negotiation: Price and Terms

PRESENTATIONS - 5:30 P.M.

2. Presentation by California Commission on Peace Officer Standards and Training ("POST") Executive Certificate to the Chief of Police

Gary Manini, POST Regional Manager, presented the POST Executive Certificate to Dale Mondary, Chief of Police, for successfully completing the training required to obtain the Certificate.

3. Introduction and Swearing In of 5 New Police Officers

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

Dale Mondary, Chief of Police, introduced the 5 new Police Officers.

Roberta Crncic, Deputy City Clerk, administered the Oath.

RECESS

REGULAR SESSION - 6:00 P.M.

CALL TO ORDER

Mayor Matas called the Regular Session to order at 6:02 P.M.

ROLL CALL

Present:

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

INVOCATION

None.

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 January 16, 2018 Regular Meeting agenda withdrawing Item 13; and approve the Consent Calendar pulling Item 19, motion seconded by Betts, motion carried 5/0 by the following vote:

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

PUBLIC COMMENTS

Jeff Horton spoke regarding veterans affairs.

Chris Cunningham gave Desert Valley Disposal updates and announcements; and spoke regarding waste disposal at cannabis facilities.

Eddie Johnson spoke about his activities regarding veterans.

Marcus Aquino expressed concerns regarding squatting occurring at a home behind his residence.

Sylvia Aquino expressed concerns regarding squatting occurring at a home behind her residence.

Michael Picardi gave various updates and announcements.

Frank Cornell spoke regarding Item 13.

CITY MANAGER REPORT

Charles Maynard, City Manager, advised that he would provide an update to the City Council regarding the squatting issue on Buena Vista Avenue.

MAYOR AND COUNCIL MEMBER REPORTS

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

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

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

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

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

PUBLIC HEARINGS:

4. An Ordinance Amending Chapter 17.60 "Art in Public Places Program" of Title 17 "Zoning" of the Desert Hot Springs Municipal Code

City Manager, Charles L. Maynard

Recommendation: 1) Staff Report;
2) Questions of Staff from the City Council;
3) Open the Public Hearing;
4) Take Testimony of those in Favor;
5) Take Testimony of those Opposed;
6) Take Testimony of those in a neutral position;
7) Close the Public Hearing;
8) City Council discussion and questions to Staff; and
9) The Planning Commission recommends that the City Council introduce and read by title only "An Ordinance of the City Council of the City of Desert Hot Springs, California, amending Chapter 17.60 "Art in Public Places Program" of Title 17 "Zoning" of the Desert Hot Springs Municipal Code," as amended by the Planning Commission.

Jennifer Mizrahi, City Attorney, presented the staff report.

Mayor Matas opened the Public Hearing.

Greta Carter spoke opposed to the Art in Public Places Program applying to the Industrial area.

Ryan Fingerhut spoke opposed.

Tony Rivera spoke opposed.

Mayor Matas closed the Public Hearing.

Action: Betts moved to approve recommendation, motion seconded by McKee, motion carried 4/1 by the following vote:

As a friendly amendment, Council Member McKee proposed that the rate for industrial be reduced from 0.75% to 0.25%, temporarily. Council Member Betts accepted the friendly amendment.

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

It was the consensus to bring the matter back in the future for further study and consideration.

5. Annexation No. 22 to the City of Desert Hot Springs Community Facilities District No. 2010-1 (Services) for APN 665-030-037 Located at the Southwest Corner of Cabot Road and San Jacinto Lane (Tim Guderian)

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. 22)
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. 22)

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 approve staff recommendation and adopt *Resolution 2018-001 (Calling the Election)*, motion seconded by Zavala, motion carried 5/0 by the following vote:

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

Jerryl Soriano, City Clerk, canvassed the election and advised that the property owner voted in favor of the annexation.

Action: McKee moved to approve staff recommendation and adopt *Resolution No. 2018-002 (Declaring Election Results)*, motion seconded by Parks, motion carried 5/0 by the following vote:

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

6. Annexation No. 25 to the City of Desert Hot Springs Community Facilities District No. 2010-1 (Services) for APN 665-040-017 Located East of Little Morongo Road and North of Palomar Lane (Desert Grow, 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. 25)
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. 25)

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 approve staff recommendation and adopt *Resolution No. 2018-003 (Calling the Election)*, motion seconded by Parks, motion carried 5/0 by the following vote:

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

Jerryl Soriano, City Clerk, canvassed the election and advised that the property owner voted in favor of the annexation.

Action: McKee moved to approve staff recommendation and adopt *Resolution 2018-004 (Declaring Election Results)*, motion seconded by Parks, motion carried 5/0 by the following vote:

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

7. Annexation No. 26 to the City of Desert Hot Springs Community Facilities District No. 2010-1 (Services) for APN 665-110-004 Located East of Little Morongo Road, and North of Dillon Road (Oxford Properties)

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. 26)
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. 26)

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: Parks moved to approve staff recommendation and adopt *Resolution No. 2018-005 (Calling the Election)*, motion seconded by McKee, motion carried 5/0 by the following vote:

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

Jerryl Soriano, City Clerk, canvassed the election and advised that the property owner voted in favor of the annexation.

Action: McKee moved to approve staff recommendation and adopt *Resolution No. 2018-006 (Declaring Election Results)*, motion seconded by Parks, motion carried 5/0 by the following vote:

Vote:
Passed

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

8. Creating Special Tax Area 27 (Tim Guderian) for APN 665-030-037 Located on the Southwest Corner of Cabot Road and San Jacinto Lane, 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 27 (Tim Guderian)

Council Member Betts explained his reasoning for his dissenting vote on Items 8, 9, and 10.

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 in favor.

Action: McKee moved to approve staff recommendation and adopt *Ordinance No. 648*, motion seconded by Parks, motion carried 4/1 by the following vote:

Vote:
Passed

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

9. Creating Special Tax Area 30 (Desert Grow LLC) for APN 665-040-017 Located North of Palomar Lane and East of 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 30 (Desert Grow 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.

Action: McKee moved to approve staff recommendation and adopt *Ordinance No. 649*, motion seconded by Parks, motion carried 4/1 by the following vote:

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

10. Creating Special Tax Area 31 (Oxford Properties LLC) for APN 665-110-004 Located North of Dillon Road and East of 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 31 (Oxford Properties 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 in favor.

Action: McKee moved to approve staff recommendation and adopt *Ordinance No. 650*, motion seconded by Parks, motion carried 4/1 by the following vote:

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

The City Council recessed at 7:28 P.M.

The City Council reconvened at 7:36 P.M.

ADMINISTRATIVE CALENDAR:

11. Audited Financial Statements for Fiscal Year 2016-2017

Administrative Services Director, Joseph M. Tanner, Jr.

Recommendation: Receive and file.

Joe Tanner, Administrative Services Director, introduced Frances Kuo, The Pun Group, who presented the Audited Financial Statements for FY 2016-17.

A discussion ensued.

The report was received and filed.

12. City Council Appointments to City Commissions

City Clerk, Jerry Soriano, CMC

Recommendation: City Council appoint to the following:

- 1) Community and Cultural Affairs Commission (5 Members);
- 2) Planning Commission (5 Members); and
- 3) Public Safety Commission (5 Members).

Action: Betts moved to ratify the following appointments to the Community and Cultural Affairs Commission: Michael Picardi (Scott Matas); Michael Burke (Anayeli Zavala); Maine Turner (Joe McKee); Barbara Eastman (Yvonne Parks); and Donna Poyuzina (Russell Betts), motion seconded by Zavala, motion carried 5/0 by the following vote:

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

Action: Betts moved to ratify the following appointments to the Planning Commission: Dirk Voss (Scott Matas); Jan Pye (Anayeli Zavala); Larry Buchanan (Joe McKee); None at this time (Yvonne Parks); and Scott De la Torre (Russell Betts), motion seconded by Zavala, motion carried 5/0 by the following vote:

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

Action: Betts moved to ratify the following appointments to the Public Safety Commission: Donna Lozano (Scott Matas); Nina Duarte (Anayeli Zavala); Walt Meyer (Joe McKee); Lee Eastman (Yvonne Parks); and Ted Mayrhofen (Russell Betts), 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. Resolution Setting Forth Certain Regulations Pertaining to Dispensaries

City Attorney, Jennifer A. Mizrahi

Recommendation: Adopt a Resolution of the City Council of the City of Desert Hot Springs setting forth certain regulations pertaining to dispensaries.

This Item was WITHDRAWN from under "Approval of the Agenda."

14. New Library Facility

Deputy City Manager, Luke Rainey

Recommendation: Approve continued exploration with Riverside County EDA for a replacement library facility on a County owned parcel located at Park Lane and Palm Drive.

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

Michael Picardi, Desert Hot Springs Library Advocates, expressed concerns regarding the proposed square footage.

A discussion ensued.

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

Vote:

Passed

AYES: 5 - Zavala, Parks, Betts, Matas, McKee

NOES: 0 - (None)

15. New City Hall Parking Lot Improvement Project

Community Development Director, Daniel Porras, P.E.

Recommendation: Authorize the City Manager to execute an Agreement with Valley Pipeline Incorporated to perform grading and parking lot construction services for the New City Hall Parking Lot Improvement Project in the amount of \$344,800.00 with a contingency amount of \$34,480.00 for a total amount of \$379,280.00; with approval as to form by the City Attorney.

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

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

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

Vote:

Passed

AYES: 4 - Zavala, Parks, Matas, McKee

NOES: 0 - (None)

RECUSED: 1 - Betts

16. (Successor Agency) Resolution Approving the Establishment of Recognized Obligation Payment Schedule 2018-2019 A and B for the Period of July 2018 through June 2019 and Approving Certain Related Actions

Administrative Services Director, Joseph M. Tanner, Jr.

Recommendation: Adopt a Resolution of the Successor Agency to the former Redevelopment Agency of the City of Desert Hot Springs approving the establishment of Recognized Obligation Payment Schedule 18-19 A & B for the period of July 2018 through June 2019 and approving certain related actions

Joe Tanner, Administrative Services Director, introduced Steve Dukett, Urban Futures, who presented the report.

Action: McKee moved to approve staff recommendation and adopt Resolution No. SA-2018-001 with the correction stated by Mr. Dukett, motion seconded by Zavala, motion carried 5/0 by the following vote:

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

17. (City Council and Housing Authority) Disposition of City Property to Housing Authority and Housing Authority Sale to Private Developer

Administrative Services Director, Joseph M. Tanner, Jr.

Recommendation: 1) City Council: Approve the disposition of real property, located at 66369 6th Street in the City of Desert Hot Springs, via quitclaim deed from the City of Desert Hot Springs to the City of Desert Hot Springs Housing Authority, and authorize the City Manager to execute all documents for the accomplishment of same;
2) Housing Authority: Accept title to said property, approve and adopt the Certificate of Acceptance, authorize the Executive Director of the Housing Authority to execute the Certificate of Acceptance and all documents for the accomplishment of same, and authorize recording of the duly executed Certificate of Acceptance;
3) Housing Authority: Approve the sale of said property to Lynne Byrnes pursuant to a Purchase and Sale Agreement and Joint Escrow Instructions and any amendments thereto, as all are finalized by the General Counsel, and authorize the Executive Director of the Housing Authority to negotiate and make any amendments thereto, execute same and to execute any and all documents for the accomplishment of same, including the execution of the Grant Deed conveying the property; and
4) City Council and Housing Authority: Each authorize its staff and the City Attorney/General Counsel, respectively, to take all necessary actions to effectuate the recommendations above.

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

Action: McKee moved to approve staff recommendations 1 through 4, motion seconded by Parks, motion carried 5/0 by the following vote:

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

18. Resolution Authorizing the City Manager to Settle Claims or Pending Actions Against or Brought by the City that do not Exceed Fifty Thousand Dollars (\$50,000.00)

City Attorney, Jennifer A. Mizrahi

Recommendation: Adopt Resolution of the City Council authorizing the City Manager, in consultation with the City Attorney, to allow, compromise or settle claims against the City and to compromise any pending lawsuit against or brought by the City. This authorization is limited to claims and actions involving up to fifty thousand dollars (\$50,000.00), and negotiate and execute all documentation for same.

Jennifer Mizrahi, City Attorney, presented the staff report.

Betts - requested that Council be notified

Action: Betts moved to approve staff recommendation and adopt *Resolution No. 2018-007*; and with the direction that the City Council receive notification, motion seconded by McKee, motion carried / by the following vote:

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

CONSENT CALENDAR:

19. City Council Regular Meeting Minutes: December 5, 2017

City Clerk, Jerryl Soriano, CMC

Recommendation: Approve Minutes as presented; or as corrected.

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

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

20. Second Reading and Adoption of an Ordinance Amending All Validly Approved Medical Marijuana Cultivation, Manufacturing, Testing, Distribution and Dispensary Development Agreements, Entitlements, Permits and Licenses That Are in Good Standing With the City to Include Recreational/Adult Marijuana Use

City Clerk, Jerryl Soriano, CMC

Recommendation: Approve Second Reading, read by title only and adopt, "an Ordinance of the City Council of the City of Desert Hot Springs, California, amending all validly approved Medical Marijuana Cultivation, Manufacturing, Testing, Distribution and Dispensary Development Agreements, Entitlements, Permits and Licenses that are in good standing with the City to include Recreational/Adult Marijuana Use.

21. Contracts Management Report as of January 16, 2018

Administrative Services Director, Joseph M. Tanner, Jr.

Recommendation: Receive and file.

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

Administrative Services Director, Joseph M. Tanner, Jr.

Recommendation: Receive and file.

23. Payment Register and City Council Expenditures Report for the Month of November 2017

Administrative Services Director, Joseph M. Tanner, Jr.

Recommendation: Receive and file.

FUTURE AGENDA ITEMS

Council Member McKee requested a future agenda item regarding the Art in Public Places Program.

PUBLIC COMMENTS

None.

ADJOURN

Mayor Matas adjourned the meeting at 9:02 P.M.

Jerryl Soriano, CMC, City Clerk