



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 ACTION MINUTES

MAY 7, 2019

4:30 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 - 4:30 P.M.

CALL TO ORDER

Mayor Matas called the Closed Session to order at 4:32 P.M.

ROLL CALL

Present:

Council Members: Russell Betts, Gary Gardner, Anayeli Zavala (arrived after Roll Call)

Mayor Pro Tem: Jan Pye

Mayor: Scott Matas

PUBLIC COMMENTS

Rich Tarpenting, KESQ, spoke regarding Item No. 2.

Julie Makinen, The Desert Sun, spoke regarding Item No. 2.

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

CLOSED SESSION:

1. **CONFERENCE WITH LEGAL COUNSEL — POTENTIAL INITIATION OF LITIGATION** (Paragraph (4) of subdivision (d) of Section 54956.9) (2 Potential Cases)
2. **CONFERENCE WITH LEGAL COUNSEL — ANTICIPATED LITIGATION**
Significant exposure to litigation pursuant to subdivision (d)(2) of Section 54956.9
The facts and circumstances involve issues pertaining a certain entity who has threatened litigation against the City, although no formal claim or action has been filed.

PRESENTATIONS - 5:15 P.M.

3. **"Every 15 Minutes" Drunk Driving Awareness Program Presentation**
Desert Hot Springs High School, Public Safety Academy

Students from the Desert Hot Springs High School, Public Safety Academy, gave a presentation regarding the "Every 15 Minutes" Drunk Driving Awareness Program.

4. **"Comfort Bag" Project Presentation**
Painted Hills Middle School

Students from Painted Hills Middle School presented their Comfort Bag Community Service Project to the Desert Hot Springs Police Department and Fire Department.

5. **Presentation of Gift Checks to Desert Hot Springs Student Groups in Appreciation of Volunteer Hours by DiversityDHS**
DiversityDHS, Sam Messler

Sam Messler, DiversityDHS, presented gift checks to various student groups in appreciation of volunteer hours.

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, Gary Gardner, Anayeli Zavala
Mayor Pro Tem: Jan Pye
Mayor: Scott Matas

INVOCATION

Pastor Ron Hobbs 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; and that the City Council would continue the Closed Session following the Regular Session.

APPROVAL OF THE AGENDA

Action: Gardner moved to approve the May 7, 2019 Regular Meeting agenda; and approve the Consent Calendar in its entirety, motion seconded by Betts, motion carried 5/0 by the following vote:

Vote: AYES: 5 - Zavala, Betts, Matas, Pye, Gardner
Passed NOES: 0 - (None)

PUBLIC COMMENTS

Eddy Johnson spoke regarding Veteran's Park and the Memorial Day Ceremony.

Jessica Gilbert announced a fund raiser event for the Early Act Program at Bella Vista Elementary School.

Allen Worthy spoke regarding the Chief of Police.

Alexis Brodie, Desert Hot Springs Library Manager, introduced herself.

Chris Clarke spoke regarding the Item 19 (Eagle Mountain).

Donna Wardean spoke on behalf of Sharon Hip regarding damage to the butterfly art pieces.

Michael Picardi gave various announcements.

CITY MANAGER REPORT

None.

MAYOR AND COUNCIL MEMBER REPORTS

Council Member Zavala announced that she was resigning from City Council effective July 2, 2019.

Council Member Gardner reported on various meetings and events he attended.

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

Mayor Pro Tem Pye reported on various meetings and events she attended; and announced that Ad-Hoc Homelessness Committee meetings would be held on the last Wednesday of every month.

Mayor Matas reported on various meetings and events he attended.

PUBLIC HEARINGS:

6. An Appeal of the Planning Commission's Decision (AP No. 01-19) to Approve the Proposed Discount Grocery Store (Grocery Outlet) Located on the West Side of Palm Drive at Park Lane and Within the C-N (Commercial Neighborhood) Land Use District

Rebecca Deming, Community Development Director

Recommendation: 1) Staff Report;
2) Entertain questions of Staff from the City Council;
3) Open the Public Hearing;
4) Take public testimony from the Applicant;
5) Take public testimony from those in favor of upholding the decision;
6) Take public testimony from those opposed to upholding the decision;
7) Take public testimony from those in a neutral position;
6) Opportunity for Applicant rebuttal;
7) Close the Public Hearing;
8) City Council discussion and questions to Staff; and
9) Consider Staff's recommendation to UPHOLD the decision of the Planning Commission, thereby APPROVING the proposed 20,000 square foot discount grocery store located on the west side of Palm Drive at Park Lane (APN 656-020-034) and within the C-N (Commercial Neighborhood) Zoning District (Case Nos. DR 04-18, DP 06-18, CUP 05-18, TTM 37571, SVAR 03-18) along with a Resolution of Convenience or Necessity, subject to the attached findings of fact, the attached conditions of approval, and the mitigation measures outlined in the mitigated negative declaration.

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

Mayor Matas opened the Public Hearing.

Carl Best, Best Development Group, Applicant, addressed the City Council.

Carol Rogers spoke in favor of upholding the Planning Commission's decision.

Karly Sultzbaugh, representing the Appellants, addressed the City Council.

Chris Butcher, Applicant's Legal Counsel, provided rebuttal.

Mayor Matas closed the Public Hearing.

A discussion ensued.

Mayor Matas re-opened the Public Hearing.

Carl Best, Applicant, responded to questions and agreed to underground the overhead utilities on the back portion of the project (western side, over the rear parking area).

Mayor Matas closed the Public Hearing.

Council Member Gardner moved to uphold the Planning Commission's decision, thereby approving the Project; with the added conditions stated by Staff. The motion failed for lack of a second.

Action: Betts moved to adopt *Resolution No. 2019-012* upholding the Planning Commission's decision, thereby approving the Project, with the added conditions stated by staff; and amending Condition No. 100 to reflect that all overhead utilities less than 92kv, located within the project boundaries, bordering the project and/or fronting the project shall be undergrounded, motion seconded by Zavala, motion carried 5/0 by the following vote:

Vote: AYES: 5 - Zavala, Betts, Matas, Pye, Gardner
Passed NOES: 0 - (None)

7. Creating Special Tax Area 38 (Green Bond, LLC) for APN 663-280-002 Located North of 14th Avenue and East of Little Morongo Road Within the Desert Hot Springs Special Public Safety Tax Area

Finance Director, Linda Kelly

- 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 38 (Green Bond, LLC).

Geoffrey Buchheim, Finance Manager, presented the staff report.

Mayor Matas opened the Public Hearing.

There was no public testimony.

Mayor Matas closed the Public Hearing.

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

Action: Gardner moved to approve staff recommendation and adopt *Ordinance No. 683*, motion seconded by Pye, motion carried 4/1 by the following vote:

Vote: AYES: 4 - Zavala, Matas, Pye, Gardner
Passed NOES: 1 - Betts

8. Creating Special Tax Area 40 (Quick Quack Development, LLC) for APN 641-251-018 Located North of 14th Avenue and West of Palm Drive Within the Desert Hot Springs Special Public Safety Tax Area

Finance Director, Linda Kelly

- Recommendation:**
- 1) Staff Report;
 - 2) Entertain questions to 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 Special Public Safety Tax Area Zone 40 (Quick Quack Development, LLC).

Geoffrey Buchheim, Finance Manager, presented the Staff report.

Mayor Matas opened the Public Hearing.

There was no public testimony.

Mayor Matas closed the Public Hearing.

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

Action: Zavala moved to approve staff recommendation and adopt *Ordinance No. 684*, motion seconded by Gardner, motion carried 4/1 by the following vote:

Vote: AYES: 4 - Zavala, Matas, Pye, Gardner
Passed NOES: 1 - Betts

9. Creating Special Tax Area 41 (Lenwood Hospitality Center, LLC) for APN 665-030-051 Located North of San Gorgonio Lane and East of Little Morongo Road Within the Desert Hot Springs Special Public Safety Tax Area
Finance Director, Linda Kelly

- 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 Special Public Safety Tax Area Zone 41 (Lenwood Hospitality Center, LLC).

Geoffrey Buchheim, Finance Manager, presented the Staff report and advised that the ballot was not returned from the land owner.

Mayor Matas opened the Public Hearing.

There was no public testimony.

Action: Zavala moved to continue the Public Hearing to June 4, 2019, motion seconded by Gardner, motion carried 4/1 by the following vote:

Vote: AYES: 4 - Zavala, Matas, Pye, Gardner
Passed NOES: 1 - Betts

10. Creating Special Tax Area 42 (Lenwood Hospitality Center, LLC) for APN 665-030-052 Located North of San Gorgonio Lane and East of Little Morongo Road Within the Desert Hot Springs Special Public Safety Tax Area
Finance Director, Linda Kelly

- 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 Special Public Safety Tax Area Zone 42 (Lenwood Hospitality Center, LLC).

Geoffrey Buchheim, Finance Manager, presented the Staff report and advised that the ballot was not returned from the land owner.

Mayor Matas opened the Public Hearing.

There was no public testimony.

Action: Zavala moved to continue the Public Hearing to June 4, 2019, motion seconded by Gardner, motion carried 4/1 by the following vote:

Vote: AYES: 4 - Zavala, Matas, Pye, Gardner
Passed NOES: 1 - Betts

ADMINISTRATIVE CALENDAR:

11. Approve Interfund Reimbursement Agreements Between the General Fund and Two Development Impact Fee Funds

Finance Director, Linda Kelly

Recommendation: Approve Interfund Reimbursement Agreements between: 1) the General Fund (001) and the General Facilities Development Impact Fee Fund (104); and 2) the General Fund (001) and the Public Use Facilities Development Impact Fee Fund (106); and authorize the City Manager to execute the agreements subject to finalization by the City Attorney.

Council Member Betts recused due to a potential conflict of interest.

Linda Kelly, Finance Director, introduced the Consultant.

Scott Thorpe, Consultant, presented the Staff report and responded to questions.

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

Vote: AYES: 4 - Zavala, Matas, Pye, Gardner
Passed NOES: 0 - (None)
RECUSED: 1 - Betts

The City Council recessed at 7:37 P.M.

The City Council reconvened at 7:49 P.M.

12. Resolution of Intention for Placing Desert Valley Disposal Annual Billings for Services of Residential Properties on the County Tax Rolls, Fiscal Year 2019-2020

Finance Director, Linda Kelly

Recommendation: 1) Adopt a Resolution of the City Council Declaring the Intention to Levy Annual Billing for Desert Valley Disposal Inc., Solid Waste Refuse Services for Residential Properties on the County Tax Roll for the Fiscal Year 2019-2020; 2) Approving the Attachment F Rate Schedule for the July 1, 2019 Rate Year; and 3) Setting a Time and a Place for the Public Hearing (June 4, 2019).

Linda Kelly, Finance Director, presented the staff report.

Action: Gardner moved to approve staff recommendation and adopt *Resolution No. 2019-013*, motion seconded by Zavala, motion carried 5/0 by the following vote:

Vote: AYES: 5 - Zavala, Betts, Matas, Pye, Gardner
Passed NOES: 0 - (None)

Item 19 was considered at this time.

13. Request from Assemblymembers Chad Mayes and Eduardo Garcia for State Funding to Combat Homelessness in Coachella Valley

City Manager, Charles L. Maynard

Recommendation: Consider authorizing a letter in support of Assemblymembers Mayes and Garcia's request for State funding to combat homelessness in the Coachella Valley.

A discussion ensued.

Maria Lopez expressed support.

A discussion ensued.

Action: Pye moved to authorize a letter of support, motion seconded by Gardner, motion carried 5/0 by the following vote:

Vote: AYES: 5 - Zavala, Betts, Matas, Pye, Gardner
Passed NOES: 0 - (None)

14. Award Architectural Design Contract for Corporate Yard Park

Public Works Director, Daniel Porras, P.E.

Recommendation: Authorize the City Manager to execute an agreement between Hermann Design Group and the City of Desert Hot Springs in an amount not to exceed \$219,615 for Architectural Design Services for the Design of Corporate Yard Park.

Danny Porras, Public Works Director, presented the staff report, and responded to questions.

A discussion ensued.

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

Vote: AYES: 5 - Zavala, Betts, Matas, Pye, Gardner
Passed NOES: 0 - (None)

15. Appointment to the Community and Cultural Affairs Commission (CCAC) to Fill Vacancy for Unexpired Term

City Clerk, Jerryl Soriano, CMC

Recommendation: Ratify Council Member Zavala's appointment to the CCAC to fill one (1) vacancy consisting of an unexpired term ending January 2020.

Action: Zavala moved to ratify Council Member Zavala's appointment of Dawn Diaz to the Community and Cultural Affairs Commission, motion seconded by Betts, motion carried 5/0 by the following vote:

Vote: AYES: 5 - Zavala, Betts, Matas, Pye, Gardner
Passed NOES: 0 - (None)

16. Lighting and Landscape Maintenance Districts and Drainage Assessment Districts Initiate Proceedings for the FY 2019-20 Levy and Collection of Assessments

Finance Director, Linda Kelly

Recommendation: 1) Adopt a Resolution of the City Council initiating proceedings for the levy and the collection of assessments for the Citywide Landscape and Lighting Maintenance District No. 1 Zone A and Zone B for Fiscal Year 2019-2020; 2) Adopt a Resolution of the City Council initiating proceedings for the levy and the collection of assessments for the Landscape and Lighting Maintenance District No. 2 for Fiscal Year 2019-20; and 3) Adopt a Resolution of the City Council initiating proceedings for the levy and collection of assessments for the Drainage Assessment District No. 1 for the Fiscal Year 2019-20.

Linda Kelly, Finance Director, presented the staff report.

Action: Gardner moved to approve staff recommendation No. 1 (Citywide Landscape and Lighting Maintenance District No. 1) and adopt *Resolution No. 2019-014*, motion seconded by Betts, motion carried / by the following vote:

Vote: AYES: 5 - Zavala, Betts, Matas, Pye, Gardner
Passed NOES: 0 - (None)

At this time, straws were drawn under the Rule of Necessity because a majority of the City Council present had a potential conflict of interest.

Mayor Matas and Council Member Gardner recused.

Mayor Pro Tem Pye assumed the Chair.

Action: Betts moved to approve staff recommendation No. 2 (Landscape and Lighting Maintenance District No. 2) and adopt *Resolution No. 2019-015*, motion seconded by Zavala, motion carried 3/0 by the following vote:

Vote: AYES: 3 - Zavala, Betts, Pye
Passed NOES: 0 - (None)
RECUSED: 2 - Matas, Gardner

Action: Gardner moved to approve staff recommendation No. 3 (Drainage Assessment District No. 1) and adopt *Resolution No. 2019-016*, motion seconded by Zavala, motion carried / by the following vote:

Vote: AYES: 3 - Zavala, Pye, Gardner
Passed NOES: 0 - (None)
RECUSED: 2 - Matas, Betts

17. Resolution Amending the Fiscal Year 2019-2020 Budget to Include Projects to be Funded by Senate Bill 1 (SB1)

Public Works Director, Daniel Porras, P.E.

Recommendation: Adopt a Resolution of the City Council amending the budget for Fiscal Year 2019-2020 to incorporate the list of projects to be funded by Senate Bill 1 (SB 1) - Road Maintenance Rehabilitation Account (RMRA) Funds with an estimated amount of \$492,279.

Danny Porras, Public Works Director, presented the staff report.

Action: Zavala moved to approve staff recommendation and adopt *Resolution No. 2019-017*, motion seconded by Gardner, motion carried 5/0 by the following vote:

Vote: AYES: 5 - Zavala, Betts, Matas, Pye, Gardner
Passed NOES: 0 - (None)

18. An Ordinance Amending Chapter 4.24 of the Desert Hot Springs Municipal Code to Revise the Procedures for the Issuance of Administrative Citations

City Attorney, Jennifer A. Mizrahi

Recommendation: 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 4.24 "Administrative Citation Procedure" of Title 4 "Code Enforcement" of the Desert Hot Springs Municipal Code to revise the procedures for the issuance of administrative citations."

Jennifer Mizrahi, City Attorney, presented the staff report.

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

Vote:
Passed

AYES: 5 - Zavala, Betts, Matas, Pye, Gardner
NOES: 0 - (None)

19. Discussion Item: Consideration of Support for the Proposed Eagle Mountain Pumped Storage Project

Mayor, Scott Matas

Recommendation: Consider whether to direct Staff to place the item on a future agenda for action.

Item 19 was considered following Item 12.

Casey (last name not provided) spoke opposed.

David Fick spoke opposed.

Paul Smith spoke opposed.

Arch McCulloch spoke opposed.

Pat Flannigan spoke opposed.

Lorraine Turk spoke opposed.

Action: Betts moved to deny placing the item on a future agenda for action, motion seconded by Zavala, motion carried 4/1 by the following vote:

Vote:
Passed

AYES: 4 - Zavala, Betts, Matas, Pye
NOES: 1 - Gardner

CONSENT CALENDAR:

20. City Council Regular Meeting Minutes: April 16, 2019

City Clerk, Jerryl Soriano, CMC

Recommendation: Approve the Minutes as presented; or as corrected.

PUBLIC COMMENTS

None.

ADJOURN

The City Council adjourned to Closed Session at 9:02 P.M.

The City Council reconvened in Open Session at 9:32 P.M.

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

Mayor Matas adjourned the meeting at 9:32 P.M.

Jerryl Soriano, CMC, City Clerk

DRAFT