MINUTES
REGULAR PALM DESERT CITY COUNCIL MEETING
THURSDAY, JUNE 27, 2019
CIVIC CENTER COUNCIL CHAMBER
73510 FRED WARING DRIVE, PALM DESERT, CA 92260

I. CALL TO ORDER - 3:00 P.M.

Mayor Weber convened the meeting at 3:01 p.m.

II. ROLL CALL

Present:
Councilmember Jan C. Harnik
Councilman Sabby Jonathan
Councilmember Kathleen Kelly
Mayor Pro Tem Gina Nestande
Mayor Susan Marie Weber

Also Present:
Lauri Aylaian, City Manager
Robert W. Hargreaves, City Attorney
Rachelle D. Klassen, City Clerk
Lori Carney, Director of Administrative Services
Russell Grance, Director of Building & Safety
Ryan Stendell, Director of Community Development
Martin Alvarez, Director of Economic Development
Janet M. Moore, Director of Finance/City Treasurer
Tom Garcia, Director of Public Works
Stephen Y. Aryan, Risk Manager
Ty Davis, Division Chief, Palm Desert Fire/Riverside Co. Fire Dept./Cal Fire
Mike Beverlin, Battalion Chief, Palm Desert Fire/Riverside Co. Fire Dept./Cal Fire
M. Gloria Sanchez, Management Specialist II

III. ORAL COMMUNICATIONS - A (CLOSED SESSION ITEMS)

MR. CHARLIE ARA, Palm Desert, stated he was here today to present a petition, signed by several residents of the City who are in favor of changing Palm Desert City Council Elections from the present at-large to a by-district system; he was also aware of some pending litigation on this issue. Referring back to the petition itself, he, along with several others, believed the City should adopt the by-district Election System as a matter of fairness and effective representation at the local level. He said this action would be within the letter and spirit of the California Voting Rights
Act – bringing voting and election of officials down to the local level. In addition, as a matter of fiscal responsibility, he believed the City should make this change to bring the lawsuit to an end before it becomes liable for huge legal fees, like those awarded against other cities choosing to fight similar lawsuits. Although, as he’s stated in previous appearances, his group wished to acknowledge the excellent work done by both past and present City Councilmembers, as this was a marvelous city. But like all things, demographics and situations change, demanding that a good look be given some of the ways that business is done – that being adoption of by-district City Council Elections to replace the at-large method in Palm Desert.

MR. LINDA SALAS, Palm Desert, indicated she came forward today to support Mr. Ara’s request for by-district elections, because it would be easier to communicate any concerns she had to people who were living within her neighborhood. She liked the idea of electing someone from her immediate area, bringing local government closer to the people it serves, which she was sure was the same goal shared by all.

IV. ADJOURN TO CLOSED SESSION

Request for Closed Session:

A. Conference with Legal Counsel regarding existing litigation pursuant to Government Code Section 54956.9(d)(1):

1) Lorraine Salas and Karina Quintanilla v. City of Palm Desert, Riverside County Superior Court, Case No. PSC 1903800

B. Conference with Legal Counsel regarding significant exposure to litigation pursuant to Government Code Section 54956.9(d)(2):

Number of potential cases: 2

C. Public Employee Performance Evaluation pursuant to Government Code Section 54957:

Title of Position: City Manager

With City Council concurrence, Mayor Weber adjourned the meeting to Closed Session at 3:06 p.m. She reconvened the meeting at 4:05 p.m.

V. RECONVENE REGULAR MEETING - 4:00 P.M.

A. REPORT ON ACTION FROM CLOSED SESSION.

Mr. Hargreaves reported from the Closed Session just ended that direction was given but no reportable actions were taken.
VI. PLEDGE OF ALLEGIANCE TO THE FLAG OF THE UNITED STATES OF AMERICA - Councilmember Kathleen Kelly

VII. INVOCATION/INSPIRATION - Councilmember Jan C. Harnik

VIII. AWARDS AND PRESENTATIONS

A. PRESENTATION TO THE CITY COUNCIL BY CAROL SCOTT ON BEHALF OF THE CHILDREN’S DISCOVERY MUSEUM OF THE DESERT.

Ms. Scott, CEO of the Children’s Discovery Museum of the Desert, provided a PowerPoint presentation reflecting the year’s activities, along with statistics for 2019 to date. She noted that attendance currently stands at a total of 75,551 visits, representing visitors from 47 states and 11 countries. She went on to describe current programs, along with future plans in the works for the Museum. She graciously thanked the City Council for all of its support and for serving on the Board there, acknowledging Mayor Weber as the current representative. (A copy of the presentation is on file and of record in the City Clerk’s Office.)

Mayor Weber and Councilmembers thanked Ms. Scott for taking time to provide an update to them today.

B. PRESENTATION TO THE CITY COUNCIL BY JOHN PATRICK DOLAN, DEAN OF THE CALIFORNIA DESERT TRIAL ACADEMY COLLEGE OF LAW.

Mr. Dolan provided a detailed report about the desert’s only law school that he and some other resident law practitioners founded with the State Bar’s approval eight years ago. Curriculum provided prepares students to take the first-year law students’ exam (“Baby Bar”), then eventually the California Bar exam. They have a 65% pass rate on the Baby Bar, compared to 20% statewide; and a 44% pass rate on the California Bar, comparing favorably with most schools, except Stanford and Harvard. Their facility offers three court rooms for students to learn in and about - a trial court room that is also a classroom, appellate court room, and a mock federal court room. Through May 2019, there have been 24 graduates receiving doctorate degrees from the California Desert Trial Academy College of Law (CDTACL); they just received new accreditation guidelines and are in line to be accredited in the State of California by this time next year. Faculty consists of lawyers and judges from the Coachella Valley who come in at night, with classes held Tuesday, Wednesday, and Thursday, and there are Saturday enrichment classes. The school and its participants also offer a low-cost legal clinic for issues, such as landlord-tenant disputes and credit card claims. He went on to say that the two biggest complaints about the legal profession today for people who graduate from any program are that they have ridiculous student
debt and cannot secure a job. CDTACL tuition is probably some of the lowest in the state for a fixed-facilities school at $12,000/year, including books and all, and by the time they graduate, students have met most of the people in the legal community locally and some beyond. He offered to provide updates on their progress as time goes along.

Mayor Weber and Councilmembers thanked Mr. Dolan for the informative presentation.

C. ANNOUNCEMENT TO RECOGNIZE TODAY, THURSDAY, JUNE 27, 2019, AS "PURPLE HEART DAY" IN THE CITY OF PALM DESERT, AS DESIGNATED BY PREVIOUS PROCLAMATION.

Mayor Weber made such an announcement and reminded all to take note of Purple Heart Day that was set and designated by the City Council in a previous proclamation.

IX. ORAL COMMUNICATIONS - B

MR. JOHN PICK, Gateway Drive, Palm Desert, addressed the City Council to encourage it to fully engage with DCE (Desert Community Energy). He attended their recent meeting, learning that Palm Desert is holding back on full engagement in the DCE process. He believed residents want the City to be a leader in clean energy, with this being an important opportunity to do so. Therefore, he asked City Council to reconsider its position of delaying implementation of DCE for electricity in Palm Desert and to definitely go ahead with the purchase of City municipal energy needs through DCE. He related that he and his wife moved to Palm Desert from Upstate New York just two years ago; prior to moving here, they thought that with the abundance of renewable energy potential in this area, things like DCE would already be well established and running, reiterating his request of the City to make it so for future generations to live in a better world.

MR. WALLY MELENDEZ, Coachella Valley resident, further pursued his request from prior appearances that the Palm Desert City Council do whatever it can to get College of the Desert (COD) offering a four-year bachelor’s degree. He emphasized that COD is the area’s “homegrown” institution, and even though there are other colleges and universities in the Coachella Valley, now including a four-year law school as presented earlier in this meeting, COD still meant a great deal to this area and its students, and should offer a bachelor’s degree to those wishing to eventually pursue the local law school.

X. MAYOR AND COUNCILMEMBER REPORTS & REMARKS TO THE COMMUNITY

A. Councilmember Jan C. Harnik Committee Reports and General Comments.

1. League of California Cities Executive Forum - attended last week’s educational event in Newport Beach, along with her colleagues
Councilmember Kelly and Mayor Weber. Felt it was one of the best she’d attended with particularly great information. Reported that one of the breakout sessions covered pending legislation, which was startling, at a minimum, with some of the things being talked about. She urged everyone to pay attention to these developments and make sure all voices are heard.

Later during Reports & Remarks, she noted that she had taken a lot of notes during the Forum, would be printing them up and distributing to her colleagues for their reference.

2. **Lifestream’s 9 Cities Challenge Blood Drive** – announced that this was the annual event where each of the nine cities in the Coachella Valley have a blood drive and friendly contest for the most donations. She related that two of the greatest sources of donated blood for most of the year are high school students and ‘snowbirds’. Now that school was out and part-time residents were gone for the summer, the need was great. Palm Desert’s event will be held July 13, 8:00 a.m. - 2:00 p.m. at Palm Desert Community Center. She hoped everyone would take part to help save a few lives in a very simple way. Additionally, she said for those who were unavailable on July 13, if they go to one of the other donation sites and let them know it’s intended for Palm Desert’s total, they will count it as such. Upon inquiry, she said unfortunately Palm Desert was not #1 last year, but should be, with the number of residents who have good blood to donate and save many lives.

B. **Councilman Sabby Jonathan** Committee Reports and General Comments.

1. **Desert Community Energy - Community Choice Aggregation** - attended the meeting on June 17. He explained DCE is a Joint Powers Authority (JPA) that Palm Desert participates in with the objective of encouraging and creating more green energy, either resulting in some cost savings and/or utilizing proceeds to plow back into the community. The entity is moving forward with an RFP (Request For Proposals) for an organization (e.g. Lift To Rise) to conduct community outreach in the three member cities of Palm Springs, Cathedral City, and Palm Desert, encouraging residents to sign up for the CARE (California Alternate Rates for Energy) and FERA (Family Electric Rate Assistance) programs. He said it requires some outreach, as many residents are unaware of the availability of these income-based programs. With the 30% and 18% rate reductions, respectively, estimated savings to the aforementioned three cities would be between $1 million and $3.5 million per year out there for the taking. Further, he said the Board voted to approve and has an official Citizens’ Advisory Committee, with each City allowed
five citizen representatives; Palm Desert currently has four with one vacancy. He encouraged anyone with an interest in promoting green energy to apply for this opening. He added that the Board adopted the 2019-2020 Budget, based accordingly on Palm Springs being the only city electing to launch in the coming year. However, he said Palm Desert needs to make a decision on City’s municipal account for the 100% green energy option. While this would probably result in a utility bill cost increase of 6%-7%, it would move the City into 100% clean energy. He would be asking for a related future agenda item at the appropriate time later in this meeting.

2. CVAG Homelessness Committee - attended meeting on June 19. Happy to report that effective July 1, Greg Rodriguez will be a full-time CVAG (Coachella Valley Association of Governments) employee and in charge of Homelessness Program, including moving from present strategy into the collaborative recommended in the Barbara Poppe report commissioned by Desert Healthcare District. Very good development that will centralize and make the effort more efficient. The Committee voted to extend the existing Path of Life contract that was set to expire June 30 by four months to October 31, because it didn’t want to be committed past that date. It is expected that evolution into the collaborative will be accomplished by then, but keeping options open just in case. Even more newsworthy was that the effort now has eight of the nine cities all in with their $100,000 contributions, noting that when he first joined the Committee, there were three cities participating. With Desert Healthcare District’s the matching program, the cities’ $800,000 put into the Homelessness Program became $1.6 million, including the County’s $362,000 and Tribe’s contribution, it amounted to over $2 million, which was unprecedented.

Councilman Jonathan added there were other sources of revenue, including that he represents the Coachella Valley on the Riverside County Continuum of Care Board of Governance, which oversees disbursement of $25 million of homelessness funding. Following from that Board, there was occasion that $400,000 previously allotted became available after a recipient failed to qualify, and he and Mr. Rodriguez spoke up to recommend that the Coachella Valley be selected for it – $200,000 for the cooling centers, now being built, and $200,000 for some other housing issues.

He went on to remind all that Palm Desert City Council committed to funding two Behavioral Resource Specialists, coming on board July 1. They will be dedicated full-time to the City of Palm Desert, coordinating and working with the Sheriff’s Department, Code Compliance, Planning, COPs, and Path of Life in this effort.
3. PDACC Annual Installation Dinner - attended event on Thursday, June 20. Congratulated the Palm Desert Area Chamber of Commerce for an amazing event and the City’s very own Senior Management Analyst Veronica Tapia for receiving the City’s well-deserved 2019 Award of Excellence. He went on to say that Ms. Tapia’s been with the City since 1997 and is personally responsible for saving the City tens of millions of dollars. He congratulated her and extended his personal gratitude for her accomplishments on the City’s behalf.

4. So Cal Cannabis Summit - privileged to attend this first-of-its-kind event hosted by the City of Coachella. Palm Desert is one of five cities in the Coachella Valley permitting the sale, distribution, and cultivation of recreational cannabis. He was honored to be on a panel discussion and very grateful to Principal Planner Eric Ceja for providing valuable information that he used there. Conference was immensely successful; it had a maximum capacity of 500, which sold out one week prior and turned away almost 300. He foresaw this event returning annually. For Palm Desert’s consideration, the three western cities have an informal working group, and there was talk of including Palm Desert and Coachella. He believed Mr. Ceja will be hearing from his counterparts in those three cities (Desert Hot Springs, Palm Springs, Cathedral City) about participating.

5. Cove Communities Commission Meeting - noted that he and Mayor Pro Tem Nestande attended the Commission Meeting on June 26, and another public recognition he wanted to make was to Deputy Joshua Smith, honored as an outstanding first responder-local hero for his service to the City of Palm Desert. He added that the Commission received a presentation by Richard Brady of the Matrix Group, who authored the Regional Study for Shared Police Services Contract, noting City Council previously authorized participation in that analysis. According to the study, if the cities of Rancho Mirage, Palm Desert, Indian Wells, and La Quinta entered into a joint contract, potential savings for all four together is $5.7 million annually, without reducing public safety service quality. Palm Desert’s share of that savings would be about $2.5 million per year. The Cove Commission felt that it was certainly worthy of pursuit, and the direction was for staff of the four cities to get together and analyze the report’s recommendations in further detail. He suggested that Palm Desert participate in that activity and bring it before the City’s Public Safety Commission for review, including Mr. Brady making a presentation. Then staff would come before City Council with Public Safety Commission’s recommendation.
C. Councilmember Kathleen Kelly Committee Reports and General Comments.

1. League of California Cities Executive Forum & Council Workshops - reported on her experience at this educational event, pointing out that the session that most caught her attention was about Emergency Preparedness. Panelists there were City Managers from Malibu and Santa Rosa, who shared their accounts after facing devastating fires. In both cases, it boiled down to both cities believing they had elaborate emergency preparedness plans. However, plans were quickly ineffective, when they found too few people have land lines. Once power was lost, people were unable to charge their cell phones, leaving both cities with tremendous communication challenges. Therefore, they're currently structuring neighborhood networks for the future, so that word of mouth can supplement what technology is sometimes unable to provide. She hoped that in their own planning, City staff consults with cities that have faced actual disasters, because they have great experience to impart.

D. Mayor Pro Tem Gina Nestande Committee Reports and General Comments.

1. Availability for Constituents – reminded all that she was available to meet with any constituent; they can call her City Hall Office to set up an appointment. Besides her regular meetings, on which her Council colleagues had already reported matters of importance here, she was happy to meet with the public and has met with several constituents over the last two weeks about both agenda and non-agenda matters. She said she has an open mind and encourages anyone wishing to contact her and meet on such matters to do so.

E. Mayor Susan Marie Weber Meeting Summaries Report for the Period of June 1-14, 2019.

Mayor Weber noted her Meeting Summaries Report in the agenda packets, and with City Council concurrence, it was received and filed.

1. League of California Cities Executive Forum & Council Workshops - adding to her colleagues’ prior reports on this event, felt this annual educational meeting was probably the most intensive of the League’s offerings. She said they present more facts and suggestions in a short period of time that typically leave her head spinning afterward. One of the things she learned this year was that whenever Palm Desert participates, she comes away feeling very grateful for her Council colleagues and staff. Many horrifying stories are shared, and Palm Desert is fortunate to be able to communicate within the City Council and with staff in such a manner that can often preclude things
getting out of hand. She reiterated her gratitude for all that Palm Desert has.

2. Palm Desert Independence Day Celebration - next week is July 4th, and she reminded all of the City’s world-famous celebration in Civic Center Park. She encouraged everyone to mark their calendars for a tremendous band concert and great time here that evening.

F. City Council Requests for Action.

1. Desert Community Energy - Councilman Jonathan asked staff to review potential for the City to opt in with the 100% green participation and come back to City Council with an analysis and recommendation.

2. Portola Community Center - Thanks! - Councilmember Harnik expressed appreciation for the quick remedial action by City staff after she’d mentioned broken signage at the Portola Community Center. It now reflects Palm Desert appropriately again.

3. Burrttec Notice Regarding Recycling - Councilmember Harnik recently received, along with everyone else, a postcard from Burrttec regarding recycling, adding that she’d brought the issue up at a prior Council Meeting. Previously she’d felt pretty well informed about recycling, but after receiving the subject notice, didn’t feel she was anymore. She asked if the City could work with Burrttec to conduct some educational events throughout the community to better inform residents - a lot of changes are occurring, and people needed to know about them.

G. City Council Consideration of Travel Requests/Reports.

None

XI. STAFF REPORTS AND REMARKS

A. City Manager


Ms. Aylaian noted the printed report provided in the agenda, and with City Council concurrence, it was received and filed.
2. **Follow-Up Report** on the Status of 44845 San Clemente Circle.

Ms. Aylaian called attention to the printed report provided for 44845 San Clemente Circle, in response to Councilmember Kelly’s prior request for information about demolition of this City-owned property.

With City Council concurrence, it was received and filed.

3. **Upcoming Mosquito Spraying.**

Ms. Aylaian asked Risk Manager Stephen Aryan to report on the upcoming activity.

Mr. Aryan announced that the Coachella Valley Mosquito and Vector Control District (CVMVCD) continued detecting high numbers of mosquitoes and virus-positive samples throughout the valley. In response, the District had scheduled ultra-low volume adult mosquito treatments by helicopter or truck in areas with strong virus activity detected multiple times. This includes the City of Palm Desert. Truck-mounted treatments were initiated in the City today and will continue through Saturday, June 29, between 8:00 p.m. - 8:00 a.m.; but based on current weather patterns, they anticipate it will more likely be between 3:00 a.m. - 6:00 a.m. The broad window of time allows for flexibility. Two specific routes were noted in Palm Desert for neighborhoods: 1) Behind the Bristol Farms Center and those along Hovley Lane West, between Monterey and Portola Avenues; 2) primarily within the Monterey and Chaparral Country Clubs. He said although the District indicates that the pesticide and techniques used pose low risks, they recommended that people who want to avoid exposure as a best practice, stay inside or away from the application area during and for 30 minutes afterward. Residents may contact the District at (760) 342-8287 to report mosquito problems or get additional information, or through their website: cvmvcd.org.

Upon inquiry by Councilmember Kelly as to methods being used to convey this information, Mr. Aryan said the City’s received e-mail notification, as well as announcements on the District’s website indicating that they post notices along the routes where they’ll be spraying. Additionally, he said they have detailed information online, showing route maps and press releases.

Councilmember Kelly acknowledged that the CVMVCD was not controlled by the City of Palm Desert; however, in light of the above, she felt most people would appreciate a more proactive, like door-to-door leaflet distribution, to assure contact about the activity.
Mr. Aryan offered to convey that information to the District, and Ms. Aylaian said it could also be posted on the City’s NextDoor account. Further, Ms. Klassen noted that CVMVCD had requested making a presentation to the City Council at its July 11 meeting, and the City could offer suggestions for outreach at that time.

B. City Attorney

None

C. City Clerk

1. Request for Designation of Voting Delegate(s) and Alternate(s) for the League of California Cities 2019 Annual Conference - Long Beach - October 16-18.

Mayor Weber asked which Councilmembers were intending to participate in the upcoming Conference, and all but Mayor Pro Tem Nestande indicated their plans to attend. She asked for volunteers/recommendations on appointees, and Councilmember Kelly was recommended as Delegate, and Councilmember Harnik volunteered to be the Alternate

Mayor Pro Tem Nestande moved to, by Minute Motion, appoint Councilmember Kathleen Kelly as Voting Delegate and Councilmember Jan C. Harnik as Alternate for the upcoming 2019 Annual League of California Cities Conference being held in Long Beach, October 16-18. Motion was seconded by Councilman Jonathan and carried by 5-0 vote (AYES: Harnik, Jonathan, Kelly, Nestande, and Weber; NOES: None).

D. Public Safety

1. Fire Department

None

2. Police Department

None
XII.  CONSENT CALENDAR

PALM DESERT CITY COUNCIL


Rec:  Approve as presented.


Rec:  Approve as presented.

C.  CLAIMS AND DEMANDS AGAINST THE CITY/HOUSING TREASURIES - Warrant Dated 6/7/2019 (Joint Consideration with the Palm Desert Housing Authority, Item X below).

Rec:  Approve as presented.

D.  CITY COMMITTEE AND COMMISSION MEETING MINUTES.


Rec:  Receive and file.

E.  REQUEST for Acceptance of the Resignation of Six (6) Palm Desert Youth Committee Members and Appointment of Three (3) New Members for Balance of 2019.

Rec:  By Minute Motion: 1) Accept the resignations of Palm Desert Youth Committee Members Umair Ahmad, Zachary Berenbaum, Tim Fitzpatrick, Ismael Haile, and Lily Kim; 2) appoint Georgette Jeffrey, Richard Post, and Nelly Valencia to the Palm Desert Youth Committee to fill three (3) of the aforementioned vacancies (term 12/31/19).

F.  REQUEST FOR ADOPTION of Resolutions - Setting Forth Findings and Authorizing the Destruction of Paper Records that Have Been Digitally Imaged from the City’s Department of Building & Safety – February-July 2017 Records.
Rec: Waive further reading and adopt the following Resolutions:


Rec: Waive further reading and adopt.

H. RESOLUTION NO. 2019 - 38 - A Resolution of the City Council of the City of Palm Desert, California, Setting Forth Its Findings and Authorizing the Destruction of Paper Records that Have Been Digitally Imaged from the Department of Community Development/Planning, to Rely On the Electronic Record as the Official Record - Paper Files Dated 1997-2016.

Rec: Waive further reading and adopt.

I. RESOLUTION NO. 2019 - 39 - A Resolution of the City Council of the City of Palm Desert, California, Setting Forth Its Findings and Authorizing the Destruction of Paper Records that Have Been Digitally Imaged from the Department of Community Development/Planning, to Rely On the Electronic Record as the Official Record - Paper Files from 2015.

Rec: Waive further reading and adopt.

J. REQUEST for Extension of Contract with Richards, Watson & Gershon for Specialized Legal Services Until June 30, 2024 (Contract No. SA28881) (Joint Consideration with the Successor Agency to the Palm Desert Redevelopment Agency and Palm Desert Housing Authority, Items V and Z below).

This item was removed for separate consideration under Section XIII - Consent Items Held Over. Please see that portion of the minutes for resulting discussion and action.
K. REQUEST FOR APPROVAL of Designated Vendors for Temporary and Contract Staffing Services Not to Exceed an Aggregate of $100,000 for FY 2019-2020, and Approval of Office Team for the Purpose of Payroll Processing for Student Interns Not to Exceed $20,000.

Rec: By Minute Motion, approve/authorize: 1) Staff to use the list of designated vendors for temporary and contract staffing services not to exceed an aggregate of $100,000 for FY 2019-2020; 2) use of Office Team for purpose of payroll processing for Student Interns - FY 2019-2020 in an amount not to exceed $20,000 – funds are included in the FY 2019-2020 budget, in addition to salary savings created by vacant positions that may offset expenditures for temporary staff.


Rec: By Minute Motion, approve/authorize: 1) Staff to use vendors on the Human Resources and Risk Management Authorized Vendors and Service Providers List for FY 2019-2020; 2) exception to purchasing requirements as provided by Sections 3.30.100, 3.30.120, 3.30.130, and 3.30.140 of the Palm Desert Municipal Code for FY 2019-2020.

M. REQUEST FOR AUTHORIZATION to Advertise a Notice Inviting Bids for Construction of the Civic Center Administration Lobby (Contract No. C37010B, Project No. 724-17).

Rec: By Minute Motion, authorize the City Clerk to advertise a Notice Inviting Bids for construction of the Civic Center Administration Lobby Project.

N. REQUEST FOR AUTHORIZATION to Purchase 24 Econolite Cobalt Traffic Signal Controllers and Related Equipment in the Amount of $118,903.56.

Rec: By Minute Motion, authorize purchase of 24 Econolite Cobalt Traffic Signal Controllers and related equipment in the amount of $118,903.56 from Econolite Control Products, Inc., Anaheim, California – funds are available in Account No. 2134294-4400100 - Measure “A” - Controller Cabinet Assembly Upgrades Program.
O. REQUEST FOR APPROVAL of Change Order No. 1 to Contract No. C36850 – Mechanical Maintenance and Chemical Acquisition at the Palm Desert Aquatic Center by Waterline Technologies, Inc., in the Amount of $10,000.

Rec: By Minute Motion, approve Change Order No. 1 in the amount of $10,000 to subject contract with Waterline Technologies, Inc., Santa Ana, California, for mechanical maintenance services and chemical acquisition at the Palm Desert Aquatic Center – funds are available in Fund 242 Accounts in the FY 2018-2019 Operating Budget.


Rec: By Minute Motion, approve: 1) The 2019 Y-Be-Fit Palm Desert Challenge scheduled for Sunday, October 6, 2019; 2) proposed event route and road closures; 3) temporary waiver of Palm Desert Municipal Code Section 11.01.140 - Amplified Sound - sponsorship of the event in the amount of $25,000 will be included as part of the FY 2019-2020 Budget and available in Account No. 1104416-4306201, once approved.

Q. CONSIDERATION of the Submission of a Letter of Opposition for Assembly Bill 377 (Garcia and Mayes) - Microenterprise Home Kitchen Operations.

This item was removed for separate consideration under Section XIII - Consent Items Held Over. Please see that portion of the minutes for resulting discussion and action.

R. CONSIDERATION of the Submission of a Letter of Opposition for Assembly Bill 516 (Chiu and Santiago) – Authority to Remove Vehicles.

Rec: By Minute Motion, approve the submission of a letter of opposition to the appropriate legislators for Assembly Bill 516.


Rec: Waive further reading and adopt Resolution No. 2019 - 40, approving Parcel Map No. 37436.
SUCCESSOR AGENCY TO THE PALM DESERT REDEVELOPMENT AGENCY

T. MINUTES of the June 13, 2019, Regular Meeting of the Board of Directors of the Successor Agency to the Palm Desert Redevelopment Agency.

Rec: Approve as presented.


Rec: Approve as presented.

V. REQUEST for Extension of Contract with Richards, Watson & Gershon for Specialized Legal Services Until June 30, 2024 (Contract No. SA28881) (Joint Consideration with the Palm Desert City Council and Palm Desert Housing Authority - Item J above and Z below).

This item was removed for separate consideration under Section XIII - Consent Items Held Over. Please see that portion of the minutes for resulting discussion and action.

PALM DESERT HOUSING AUTHORITY

W. MINUTES of the Housing Authority Meeting of June 13, 2019.

Rec: Approve as presented.

X. CLAIMS AND DEMANDS AGAINST THE CITY/HOUSING TREASURIES - Warrant Dated 6/7/2019 (Joint Consideration with the Palm Desert City Council, Item C above).

Rec: Approve as presented.

Y. HOUSING COMMISSION MINUTES for the Meeting of May 8, 2019.

Rec: Receive and file.
Z. REQUEST for Extension of Contract with Richards, Watson & Gershon for Specialized Legal Services Until June 30, 2024 (Contract No. SA28881) (Joint Consideration with the Palm Desert City Council and Successor Agency to the Palm Desert Redevelopment Agency - Items J and V above).

This item was removed for separate consideration under Section XIII - Consent Items Held Over. Please see that portion of the minutes for resulting discussion and action.

AA. REQUEST FOR AUTHORIZATION to Streamline the Use of Named Vendors for the Housing Authority by Granting an Exception to Bidding Requirements and Approving the Authority Vendor List.

Rec: By Minute Motion: 1) Grant an exception to bidding requirements, as provided for by Section 3.30.160(K) of the Palm Desert Municipal Code; 2) approve the Housing Authority Vendor List pursuant to Section 3.30.160(K) of the Palm Desert Municipal Code for purposes of providing recurring, routine contractual services, including maintenance work and materials, supplies, and equipment, effective July 1, 2019, not to exceed $25,000 in value, or as noted on the vendor list per each named vendor per property (in a 12-month period).


Rec: By Minute Motion, authorize: 1) Use of The Sherwin-Williams Company for purchase of paint and paint-related materials and supplies for Palm Desert Housing Authority Properties, pursuant to Sections 3.30.160(L) and 3.30160(E) of the Palm Desert Municipal Code, for FY 2019-2020 in an amount not to exceed $100,000; 2) Chairman and/or Executive Director to execute the Agreement and any documents necessary to effectuate the actions taken herewith – monies have been included in the FY 2019-2020 proposed Palm Desert Housing Authority’s Operating Budget in the appropriate Authority Account.
CC.  REQUEST FOR AUTHORIZATION of the Use of Curtis Allan Floorcovering, Inc., for Purposes of Procuring Floor Coverings and Related Supplies and Services with Engineered Floors, LLC (d.b.a. J+J Flooring Group and d.b.a. EF Contract) at the Palm Desert Housing Authority Properties in a Total Annual Amount Not to Exceed $125,000 (Contract No. HA38930).

Rec: By Minute Motion, authorize: 1) Use of Curtis Allan Floorcovering, Inc., National City, California, as the authorized vendor for purposes of procuring floor coverings and related supplies and services (includes costs for non-warranty partial replacements and repairs) at the Palm Desert Housing Authority properties for a term of three years under National Cooperative Purchasing Alliance Agreement, Flooring & Outdoor Surfaces Solutions Contract No. 02-60, with Engineered Floors, LLC (d.b.a. J+J Flooring Group and d.b.a. EF Contract), pursuant to Sections 3.30.160(L) and 3.30.160(E) of the Palm Desert Municipal Code, in a total annual amount not to exceed $125,000; 2) participation with the National Cooperative Purchasing Alliance; 3) Authority’s Legal Counsel to negotiate and finalize an agreement with Curtis Allan Floorcovering, Inc.; 4) Chairman and/or Executive Director to execute the Agreement and any documents necessary to effectuate the actions taken herewith – monies have been included in the FY 2019-2020 proposed Housing Authority’s Operating Budget, in the appropriate Authority Accounts for each property.

DD.  REQUEST FOR AUTHORIZATION of the Award of Contract to Garland/DBS, Inc., for Roof Repairs and Related Services at the Palm Desert Housing Authority Properties in a Total Annual Amount Not to Exceed $75,000 (Contract No. HA38940).

Rec: By Minute Motion, authorize: 1) Award of subject contract to Garland/DBS, Inc., Cleveland, Ohio, for roof repairs and related services (includes costs for roof repairs, permit fees for those repairs that may require one, and other repair-related costs) at the Palm Desert Housing Authority properties for a term of three years under the U. S. Communities Agreement Contract No. 14-5903, pursuant to Section 3.30.160 of the Palm Desert Municipal Code in a total annual amount not to exceed $75,000; 2) Palm Desert Housing Authority’s Legal Counsel to negotiate and finalize an agreement with Garland/DBS, Inc.; 3) participation with the U. S. Communities Government Purchasing Alliance; 4) Chairman and/or the Executive Director to execute the Agreement and any documents necessary to effectuate the actions taken herewith – monies have been included in the FY 2019-2020 proposed Palm Desert Housing Authority’s Operating Budget in the appropriate Authority Accounts for each property.
Councilmember/Director/Member Harnik asked that Item J (including Joint Consideration items of V and Z) be held over, and Councilmembers Harnik and Kelly asked that Item Q be held over for separate discussion under Section XII - Consent Items Held Over of the agenda.

Upon a motion by Harnik, second by Nestande, and 5-0 vote of the City Council/Successor Agency Board/Housing Authority Board (AYES: Harnik, Jonathan, Kelly, Nestande, and Weber; NOES: None), the remainder of the Consent Calendar was approved as presented.

XIII. CONSENT ITEMS HELD OVER

J., V., Z. REQUEST for Extension of Contract with Richards, Watson & Gershon (RWG) for Specialized Legal Services Until June 30, 2024 (Contract No. SA28881) (Joint Consideration with the Successor Agency to the Palm Desert Redevelopment Agency and Palm Desert Housing Authority, Items V and Z below).

Councilmember/Director/Member Harnik had no objection whatsoever to renewing the contract for five years, as requested. RWG has been great help to Palm Desert in the process of dissolving its Redevelopment Agency and done a great job at it, and she felt it’s in the best interest of the community to continue with them. However, she noted that since it’s the same contract that’s been in place for some time, with recommendation here being to continue it for five more years, she asked if there was an opportunity to look at the contract - from both sides - and see if it was still serving all concerned as well as possible.

Management Analyst Christopher Gerry confirmed that RWG continues to provide specialized legal services to the Successor Agency, Housing Authority, and City. Furthermore, he said that RWG has generally not requested a monthly flat retainer fee or annual cost of living increase; thus, they’ve maintained the same rates since at least 2009, and going even further back, it’s been a small percentage increase. He added from a cost perspective, that it absolutely is a value; part of the reason for requesting an extension is to preserve the continuity of that service. He went on to say that in looking at their monthly retainer of $15,000/month (totaling $180,000/year), it has been deferred for nearly 10 years; the average Palm Desert has spent is closer to $50,000-$60,000 per year.

Councilmember/Director/Member Harnik reiterated her concern that it work well for both parties, because she believed they were very valuable and have done a great job for Palm Desert.

Councilmember/Director/Member Harnik moved to, by Minute Motion, extend subject contract for specialized legal services for an additional five years, under the same
terms and conditions as the existing contract. Motion was seconded by Mayor Pro Tem/Vice Chair/Vice Chairman Nestande and carried by 5-0 vote (AYES: Harnik, Jonathan, Kelly, Nestande, and Weber; NOES: None).

Q. **CONSIDERATION** of the Submission of a Letter of Opposition for Assembly Bill 377 (Garcia and Mayes) - Microenterprise Home Kitchen Operations.

Councilmember Kelly referred to the proposed letter at the rear of the printed staff report and requested that the parenthetical references to the Bill’s sponsors be corrected to state “Garcia, Mayes.” Further, she asked if the two references to the Health and Safety Code on page 1 of the printed report reflected current language after the 2017-2018 Legislative Session, and Management Analyst Christopher Gerry confirmed that it did. Therefore, she went on to say that it appeared the City was concerned about loss of local control; however, it looked like that happened already in 2017-2018, because the second Code provision explicitly said that once a county has opted in, that decision shall be valid in any city within the county. Moreover, she remarked that if the two Coachella Valley Assemblymen were trying to clean up some other matters unrelated to the loss of local control, she felt perhaps the City would not want to send them an ‘opposition’ letter.

Mr. Gerry answered that perhaps a position of *opposition, unless amended*, might be more appropriate in order to allow local jurisdictions to have some control.

Councilmember Kelly added that her concern was that if the subject Garcia, Mayes Bill doesn’t speak to the issue of local control, then the City would be asking them to introduce different legislation. She suggested perhaps that should be done explicitly, instead of opposing legislation that itself is not responsible for the loss of local control, as she was concerned about seeming ill-informed on this matter with the City’s own Assemblymen.

Mr. Gerry explained that considering the language shown in the staff report being from the 2017-2018 session, he believed both of those sections would be removed and supplemented by different language. The language shown was from AB 626 enacted last year; AB 377 removes it and clarifies that the County is responsible for opting-in, cities have no ability to do so; that’s what has led to confusion over who’s responsible. Besides other health-related clean-up language, he said the Bill removes the City’s local control and just allows the County to opt-in – along with every city therein. Responding to comment, he went on to say that the previous Bill in 2017-2018 (AB 626) was also authored by Assemblyman Garcia and permitted the referenced enterprise home kitchen operations. Essentially, it allows for home-based restaurants that can serve 30 meals/day or 60/week with an annual cap of $50,000. That bill passed unanimously in both the House and Senate.
However, there was conflict over the language about which entity had control of opting in to the regulation of allowing a home-based kitchen (microenterprise) within their jurisdictions. Over the last year since enactment, no one - city or county - had opted in because of the confusion. The clean-up language removed confusion by eliminating the City from it. He remarked that prior to the subject legislation being passed, Riverside County has since opted in, but confusion remained.

Ms. Aylaian interjected that the City frequently has interests aligning with those of its regional State representatives. Although, in some cases their jurisdiction is different from that of discreet cities, and opinions differ. Each of these gentlemen represents areas both covered by cities and those under county control, and it’s presumed they’re looking at different concerns that would be impacted differently by this legislation than would the City of Palm Desert’s.

Councilmember Kelly appreciated the input, as well as the stated basis for opposing the legislation, but she still questioned the need to oppose with regard to local control.

Mr. Gerry answered that it was inferred, because the Health and Safety Code stated in the staff report has been removed and replaced by supplemental information. He offered that the item could come back to a future City Council agenda for more clarification.

Councilmember Kelly felt that would be appropriate, in addition to making sure that the City is certain before taking a position with its local Assembly representatives.

Councilmember Harnik commented that both Assemblymen were friends of Palm Desert, and it was certainly desirable to keep this good working relationship. Further, she said they have both previously served as members of their respective city councils, and while they may not necessarily agree, would understand Palm Desert’s position here. Therefore, she believed the City could say they could support the legislation, with amendment, or that it opposed the legislation unless amended – using a little friendlier and more effective approach. She asked if this could be incorporated into the discussion if the item is continued.

Mr. Hargreaves offered that his office (Best, Best & Krieger, LLP) had looked at the issue in some detail and offered to circulate their analysis of it. He agreed that there was and continues to be confusion; the County’s opting-in has to do with Health and Safety regulations for those businesses. The City Attorney Office’s opinion is that cities still retain their land use jurisdiction, and if it chose to, the City could adopt an ordinance regulating/prohibiting these kinds of uses. He, too, felt it would be appropriate to defer this matter
until he could circulate the aforementioned analysis to Councilmembers. Mr. Gerry added that his analysis was in line with Best, Best & Krieger’s, regarding communications.

Councilman Jonathan said he felt the matter was worthy of continuance and had no issue supporting that direction. However, while it was smart and appropriate to make nice with the City’s friends in Sacramento, at day’s end, the City has to fight the good fight of local control. For their own reasons, they’re presenting a bill that erodes local control, and the City may have to get tough with them about it. He suggested City staff contact the legislators’ offices to develop a better understanding and ask them how the cities can help the legislators by developing their own legislation and vice versa. He generally agreed with the suggested language of opposing unless amended or supporting with amendment, something clarifying that cities have the ability to develop their own regulations even if the County opts in.

Upon question for clarification if the subject piece of legislation passed that the City could adopt its own ordinance locally, Mr. Hargreaves confirmed that was his office’s position. Although, he pointed out that the County controls the Health and Safety permitting for such businesses, while the City could control the land use.

Councilmember Kelly moved to, by Minute Motion, continue consideration of proposed legislation AB 377 (Garcia and Mayes) to the meeting of July 11, 2019. Motion was seconded by Councilmember Harnik and carried by 5-0 vote (AYES: Harnik, Jonathan, Kelly, Nestande, and Weber; NOES: None).

XIV. RESOLUTIONS


Mr. Stendell stated this is an annual process by which the City Attorney’s Office, Best, Best & Krieger, LLP, has provided an update to CEQA Guidelines used by the City and offered to answer questions.

Mayor Weber commented one of the things that came up during the League of California Cities Executive Forum last week was the fact that CEQA regulations were choking construction activity and a real factor in the State’s housing shortage.

Councilmember Harnik moved to waive further reading and adopt Resolution No. 2019-41, amending ad adopting local guidelines for implementing CEQA. Motion was
seconded by Councilmember Kelly and carried by 5-0 vote (AYES: Harnik, Jonathan, Kelly, Nestande, and Weber; NOES: None).

XV. ORDINANCES

A. For Introduction:

None

B. For Adoption:

None

XVI. NEW BUSINESS

A. REQUEST TO REJECT BID PROTEST AND FOR AWARD OF CONTRACT IN THE AMOUNT OF $191,052 TO UNIVERSAL CONCRETE CONSTRUCTION FOR THE HAYSTACK PARKWAY TURF REDUCTION PROJECT (CONTRACT NO. C38700, PROJECT NO. 980-19).

In response to question, Landscape Supervisor Randy Chavez confirmed that the only turf being removed was that in the parkway, between the curb and gutter and south side of the sidewalk. Turf in the center of the area that is well used by residents will remain, noting that he and City Engineering staff walked the property a few months ago and determined it was necessary for soil retention.

Councilmember Kelly moved to, by Minute Motion: 1) Reject Bid Protest from Urban Habitat Environmental; 2) award subject contract in the amount of $191,052 to Universal Concrete Construction, Indio, California, for the Haystack Parkway Turf Reduction Project; 3) authorize Director of Finance to set aside a 10% contingency for the project in the amount of $19,105; 4) authorize City Manager or designee to review and execute Change Orders up to the contingency amount; 5) authorize the Mayor to execute said contract – funds are available in Account No. 4004437-4391503 - Capital Project Reserve. Motion was seconded by Councilman Jonathan and carried by 5-0 vote (AYES: Harnik, Jonathan, Kelly, Nestande, and Weber; NOES: None).

B. REQUEST FOR APPROVAL OF A THREE-YEAR AGREEMENT WITH THE COUNTY OF RIVERSIDE EMERGENCY MANAGEMENT DEPARTMENT FOR AN EMERGENCY SERVICES COORDINATOR IN AN AMOUNT NOT TO EXCEED $240,133 (CONTRACT NO. C38950).

Mr. Aryan reported that the City contracts with the County Emergency Management Department to provide emergency preparedness and planning services through the subject position. The Emergency Services Coordinator assists the City in many areas, including emergency planning, staff training,
community outreach, and coordinating mock incident exercises, emergency response, and post-recovery efforts. He referred back to Councilmember Kelly’s earlier comments in this meeting that nothing beats real-world experience. One benefit of having this position through the County Emergency Management Department is that the City benefits from their breadth of knowledge in responding to actual emergencies locally, as well as Statewide through various mutual-aid incident responses. He noted that Palm Desert pays for one-half of this cost-sharing position with the City of Indian Wells, also realizing some savings and reducing the cost with applying for a grant that covers 18% - 20%. Mr. Aryan offered that staff recommended approval, with the City Attorney and Public Safety Commission both also having reviewed the matter.

Councilman Jonathan asked for a detailed summary of all that’s been done by the Coordinator in the past year. Mr. Aryan responded that a monthly report is provided to the Public Safety Commission, and he offered to start sharing it with City Council. Further, he consented to provide a brief summary. However, he noted that the position was vacant for six months over the past year, and the level of activity will be somewhat limited from that of prior years.

Councilmember Harnik said she would appreciate receiving the monthly report, and Mr. Aryan agreed to provide it.

Anecdotally, Mayor Weber and Councilmember Harnik noted that Mr. Papazian was here working in the office after hours yesterday testing the City Hall emergency alert system. Responding to further comment, Mr. Aryan said the next CERT (Community Emergency Response Team) class is scheduled for November, with both the good and the bad news being, the roster of 40 positions filled up within one day of its announcement. Future offerings were being planned.

Councilman Jonathan added that there was also a CERT Refresher course that is now being offered. Mr. Aryan concurred that the City plans to make its next class the Refresher module.

Mayor Weber remarked that Mr. Papazian is also a fixture at many COPs (Citizens On Patrol) meetings, so he’s definitely been making himself available.

Councilmember Harnik moved to, by Minute Motion, approve a three-year agreement for an Emergency Services Coordinator with the County of Riverside Emergency Management Department in an amount not to exceed $240,133, and authorize City Manager to execute same – year one costs are included in the FY 2019-2020 Budget. Motion was seconded by Councilmember Kelly and carried by 5-0 vote (AYES: Harnik, Jonathan, Kelly, Nestande, and Weber; NOES: None).
C. REQUEST FOR APPROVAL OF AN AGREEMENT FOR LAW ENFORCEMENT SERVICES BETWEEN THE CITY OF PALM DESERT AND THE COUNTY OF RIVERSIDE FOR A FIVE-YEAR TERM (CONTRACT NO. C38780).

Mr. Aryan stated the current Law Enforcement Services Agreement with Riverside County Sheriff’s Department is set to expire on June 30, 2019; the new agreement has a five-year term through June 2024 and incorporates position modifications enacted by the City Council over the last three years, including those in the upcoming fiscal year (outlined within the printed report). He referred to the aforementioned Matrix Consulting Group report (see Section X - Mayor and Councilmember Reports & Remarks to the Community, Item B[5]), following completion of the analysis of police services’ workload, in an effort to identify additional efficiencies and feasibility of developing a joint law enforcement services contract with Palm Desert’s neighboring communities. Should the City opt to modify service levels within the next five years or terminate the subject agreement, it permits these actions with 12 months’ written notice. As it relates to service level changes, those greater than a 10% reduction in the contract require written notice; if under 10%, notice is not required. Mr. Aryan went on to say that as a standard practice, staff sends the Sheriff this written notice each year in anticipation of potentially going above the 10% reduction limit. This allows the City to initiate any potential modifications indicated by the Matrix Study, but no sooner than June 2020. Here too, the City Attorney and Public Safety Commission have reviewed the agreement, and staff recommended approval.

Responding to request for specific clarification regarding notice to be provided should the City decide to form a regional police force as contemplated in the Matrix Study, Mr. Aryan affirmed the contract specifies that for any service level reduction greater than 10% (anticipated with implementation of the Matrix Study recommendations), written notice would be required 12 months in advance. He reiterated that as a matter of practice, the City provides such notice at the end of each fiscal year. The soonest it could occur now would be June 2020.

Councilmember Harnik stated that there has been discussion of doing away with the moniker “Palm Desert Police” and replacing it with “Riverside County Sheriff.” She asked if it was contemplated in the subject agreement.

Mr. Aryan said he’d heard the new Sheriff mention it as one of his policy decisions but hadn’t seen it implemented in the community yet. He added that there has been discussion about it at the Contract Partners Meetings, as well as when Councilman Jonathan and Ms. Aylaian met with the Sheriff.
Councilman Jonathan commented that the Sheriff advised City officials that he is intending to eliminate individual badge identification for all contract cities. Although, it was indicated that he may be willing to have something ancillary, a small tag or the like, just not on the badge. The Sheriff’s reasoning was that Deputies working in contract cities do not feel they want to be distinguished in any way from their colleagues working in cities and the County. Councilman Jonathan went on to say it was brought up at the recent Cove Commission Meeting, with the other cities having been so advised. Upon inquiry about the reaction to this development, he said it appeared to be one of reluctant acceptance, adding that he was unsure it was the City’s call if it’s contracting for such services. He felt the uniform and branding was theirs to provide; although, the matter is still in flux, and in Palm Desert’s meeting with Sheriff Bianco, he mentioned that he would consider retaining the City’s name and logo on the vehicles, just not on the uniforms.

Councilmember Kelly countered that a contracting party usually has some leverage; the City doesn’t have to contract for services, and Councilman Jonathan responded that the City wasn’t really in a position to do otherwise at this time, or it wouldn’t have a police force after June 30.

Councilmember Kelly agreed, adding that the premise of contracting was that there is some negotiation involved, and Councilman Jonathan said he wasn’t opposed to exploring that avenue but was unsure that the contract as it currently exists allows the City to address uniforms.

Upon further inquiry, Mr. Aryan said there wasn’t anything in the current contract to address that issue. He added that he and Ms. Aylaian have attended Contract Partners Meeting on a smaller subcommittee level with two Sheriff’s Captains, who’ve been directed by the Sheriff to coordinate with cities on their contracts. He offered that this could be a topic of discussion at their next meeting in July.

Councilmember Harnik was surprised that the issue wasn’t addressed specifically in the contract and again asked if there was certainty about it not being included. Mr. Aryan confirmed that it was not addressed.

Mayor Pro Tem Nestande added that she understood the agreement from yesterday’s Cove Commission Meeting to be that if the parties decide to go with regional police services, everybody would wear the badge that says “Riverside County.”

Councilman Jonathan responded he thought it was something that will be addressed, and there was discussion about branding of a four-city department so residents know it’s the City’s – it could be ‘Cove Commission,’ or the like. He was equally concerned about this issue and expressed it was unfortunate that the contract was on today’s agenda to replace the one
expiring on June 30. In order to move forward, he suggested going with the contract at this time and strongly advising the Sheriff that Palm Desert does not want any change in branding for the next 12 months to give both sides opportunity to explore the matter, because it’s very important. That way, the City could possibly get an informal commitment from the Sheriff that the branding will not change in the first year of the five-year extension.

Mr. Aryan agreed to convey the request, and Councilmember Harnik added that it is important to the community.

Councilmember Kelly moved to, by Minute Motion, approve subject contract between City of Palm Desert and County of Riverside, on behalf of its Sheriff’s Department, to provide Law Enforcement Services for a five-year term commencing July 1, 2019, through June 30, 2024 - Fiscal Year 2019-2020 Budget for Police Services in the City is approximately $22.3 million, and funds are so allocated. Motion was seconded by Councilmember Harnik and carried by 5-0 vote (AYES: Harnik, Jonathan, Kelly, Nestande, and Weber; NOES: None).

Councilman Jonathan commended staff for their initiative and good work done in this regard, working to address increasing costs of public safety by not renewing vacant positions that do not impact the quality of public safety, resulting in a very significant savings of $2 million annually.

D. REQUEST FOR APPROVAL OF AMENDMENT TO THE PALM DESERT MUNICIPAL CODE REGARDING THE AUDIT, INVESTMENT, AND FINANCE COMMITTEE, AND FOR APPROVAL OF UPDATED BYLAWS THEREFOR.

Deputy City Treasurer Tom Metz stated the Finance Department was recommending a series of changes intended to align the Finance Committee with other City committees of similar responsibility and transform it into a model of democratic governance as a citizens’ advisory body. Specifically, he said it was recommended that all staff members be removed from the Committee itself, and that the number of community members be increased to five so that City Council has flexibility to determine whether it should be a five- or seven-member committee. Additionally, proposed Bylaws were presented here for adoption. The Audit, Investment & Finance Committee was somewhat different from other City boards, because it was originally created by ordinance without specific bylaws.

Upon inquiry, Mr. Metz said the number of community members would be increased to a minimum of five. Therefore, the total number of members could be seven or five, depending on how many community members were elected for appointment. Further responding, he said the other two members would be City Councilmembers, appointed by the Mayor.
Mayor Pro Tem Nestande moved to waive further reading and: 1) Pass to second reading Ordinance No. 1349, revising Chapter 2.16 of the Palm Desert Municipal Code relative to the Palm Desert Audit, Investment, and Finance Committee; 2) adopt Resolution No. 2019-42, approving Bylaws for the Committee, renamed as the Palm Desert Finance Committee. Motion was seconded by Councilmember Kelly and carried by 5-0 vote (AYES: Harnik, Jonathan, Kelly, Nestande, and Weber; NOES: None).

E. REQUEST FOR APPROVAL OF PROPOSED SPECIAL EVENTS AND SPONSORSHIPS FOR FISCAL YEAR 2019-2020 (CONTRACT NOS. C38960A-Z).

Management Analyst Vanessa Mager reviewed the request for special events and sponsorships in the coming fiscal year. She added that the attached list of events was presented and discussed at the City Council’s Budget Study Session in May and offered to answer questions.

Councilmember Harnik noted that City Council conducted a very good discussion about events at the aforementioned session, with one topic of specific interest being BAM (Behind A Miracle on El Paseo). Original proposal was $15,000 - BAM and $5,000 - Christmas Walk, then City Council received a $50,000 request for BAM. She felt all were taken aback by the $50,000 request, resulting in Council pulling back everything. However, she thought BAM was an excellent event that brings in thousands of people, many of whom shop on El Paseo and whose awareness is raised by participating in it. Therefore, she proposed putting sponsorship funds back into the budget for BAM.

Mayor Pro Tem Nestande agreed, adding she had discussed the matter with staff and those interested in the event, leading her to believe the City should donate something to BAM. She asked for clarification that the proposed budget provided a $50,000 buffer for modifications in the events list.

Ms. Mager affirmed that there was a $50,000 Miscellaneous Sponsorships line item in the budget, representing a fund for purchasing various table sponsorships at events throughout the coming fiscal year.

Councilman Jonathan then called attention to the Palm Desert Area Chamber of Commerce (PDACC) award amount, noting last year they were awarded $35,500; this year they asked for $45,000 and were recommended at $30,500. He noted that City Councilmembers received a list of expenses for the Golf Cart Parade. Further, there was discussion about elevating quality of the parade, which was strongly urged, including engaging a parade planner. He asked how the Chamber was doing in this regard.

Ms. Mager believed they had retained a parade planner for the event. Upon inquiry about whether the City had taken that expenditure into account when
recommending a $30,500 sponsorship, she said it had, and she thought cost for the parade planner was $10,000.

Councilman Jonathan observed that PDACC would likely have greater expense this year, partly attributable to the City’s request, yet receive a lower sponsorship amount. Ms. Mager answered that she was not completely certain that the parade planner was a prior request; if so, then it was considered in the recommendation.

Mayor Pro Tem Nestande believed the City should bear some, if not all, cost of the parade consultant, as it was the City’s request for an improved Golf Cart Parade. She also understood that it was the Chamber’s fund-raising event. Although, most people attending think it’s a City event, which impacts its reputation. Therefore, she wanted to make sure it was a great parade that everybody will be raving about, since comments over the past few years were going the other direction. Whether the City liked it or not, the Golf Cart Parade really is a reflection on the City, and she preferred helping pay for at least some of the cost of the consultant in this first year.

Councilman Jonathan concurred, adding that the Golf Cart Parade was part of Palm Desert’s identity and ethos; it’s all about having good fun and bringing the community together. City urged PDACC to bring it up to the next level, and he felt a sense of responsibility to support that effort financially, as they’ve been doing the work and will continue to do so. He agreed that at least in this first year, engagement of a parade planner resulting from the City’s specific request would be appropriate to support with a $40,500 award. Mayor Pro Tem Nestande offered her support to that suggestion.

Councilmember Harnik felt problem with the Golf Cart Parade was that quality had gone down considerably in the last few years, which she attributed to complacency; the event had not been representing the City or the Chamber of Commerce well. That led to the City asking for it to be stepped up. In reviewing last year’s total expenses provided by PDACC, they were less than the amount of City’s total sponsorship, and she felt it warranted further review, along with working to bring it up to par. However, she didn’t think the City should be bearing full brunt of the parade consultant’s cost.

Councilman Jonathan didn’t disagree, leading him to suggest that the increased funding be conditioned upon elevated quality of the event that will also impact future years’ consideration. He proposed this approach as a compromise, explaining that it represented City’s giving PDACC benefit of the doubt and investing in what City Council believes will be a higher quality event that properly reflects Palm Desert. If it doesn’t, they shouldn’t count on this level of support the year after.
Councilmember Harnik acknowledged that it was tough to make the comments she was offering, but the Golf Cart Parade is an important part of the community. Yet City Council has watched the quality diminish year after year; it was painful last year and the year before. She said what ends up happening is the amount made on the Parade is same as the amount given by the City for sponsorship. That’s why it needed to be looked at long and hard, but she wasn’t advocating for no donation or help with the event’s cost. However, she emphasized that it has to be done the right way and in keeping with similar events.

Mayor Weber asked for clarification about the $30,500 suggested sponsorship including $10,000 for the parade planner.

Ms. Mager responded $30,500 was recommended as the City’s total support. She also noted that the City has recommended removing the in-kind sponsorships that had been provided previously, instead asking PDACC to pay for the street closures, Police Department, and Burrtec.

Responding to comment, Councilman Jonathan didn’t think the $30,500 recommended sponsorship included a parade consultant. He called attention to the listing of last year’s expenses, which were $30,000 and didn’t include a parade planner. It was felt this year’s expenses would go up, with PDACC having to pay for some of the services previously provided in-kind.

Ms. Mager pointed out that the request was for $45,000, but she did not know exact breakdown of the event’s budget for 2019. Upon hearing a listing of last year’s expenses and prospectively comparing them to this year’s, Councilman Jonathan believed they would be over $45,000 in total, and his prior suggestion would cover about $40,000 of it.

Mayor Weber pointed out that when this was discussed at the Budget Session, PDACC’s ending up with a surplus equal to the amount of the City’s sponsorship lead her to question its purpose.

Councilman Jonathan responded that would not be the case this year; he agreed that it was a fund-raiser for PDACC, but money was fungible. In his view, supporting a successful fund-raiser for the City and its residents was a win-win situation.

Councilmember Kelly observed that the entire City Council supports PDACC, and they all want a fantastic Golf Cart Parade. Although, she questioned whether totally subsidizing its cost created the best incentive for PDACC to do its part toward a successful event. Although, she thought that concern was addressed by making clear that direct costs are being shifted from the City to the Chamber, which meant even if the City went to a $40,000 sponsorship - a significant investment - it would not be covering the total
cost. Therefore, she could support such a proposal, with all of the strings Councilman Jonathan described and City Council’s expecting results that would be key to next year’s consideration.

Mayor Weber commented that she’d heard suggestion that the City provide a 50-50 match for cost of the parade planner ($5,000); although, the City didn’t select that consultant. Councilmembers responded there was a PDACC Committee that had made a selection already.

Councilman Jonathan commented that $5,000 in the City’s $60 million total budget was not huge, but it is to the Chamber. He also wanted to send a strong message that the City has, does, and will continue to support the PDACC, but this contribution has specific expectations - it’s an important event to the City, which wants to ‘pay it forward’ while absolutely expecting results. Therefore, he was comfortable with a $40,500 funding level and wished them success. Mayor Pro Tem Nestande again agreed.

Councilmember Harnik said she could support $40,000, but results are critical. It’s a significant investment from the City for a significant event for the City and PDACC, and it was important to balance the two factors.

Councilmember Kelly offered that she also supported Councilmember Harnik’s first suggestion to return funding for BAM (Behind A Miracle on El Paseo), because it was exactly the kind of event creating extra interest in the street and brings folks there who are likely to patronize it. Responding to inquiry, she said she had participated in it in the past.

Mayor Weber indicated she was questioning her colleague because BAM had changed significantly over the last few years, leading her to somewhat back away from supporting it until some changes are made. Responding to question, she’d heard Councilmember Harnik say that it brings shoppers to the area. But she’s attended several years, and didn’t see holding BAM on El Paseo as adding any new shoppers there.

Councilmember Harnik responded that wasn’t her experience. She felt BAM raised awareness of El Paseo considerably, with thousands attending and attracting an increasing number. It’s a great event that garners tremendous media coverage – important to the City and El Paseo.

Mayor Pro Tem Nestande concurred, adding that the City wants to keep the west end of El Paseo vibrant and out in front of the community. She agreed the media attention was great and urged her colleagues to make sure they’re doing everything they can to support El Paseo.

Councilman Jonathan commented that it was difficult to quantify the value of special events, many of them held on El Paseo. He pointed out that it was
not necessarily the case that shoppers make purchases the day of - like on Cruise Night when people stand on the street watching - they’re brought there by the event. When he talks to shop owners, they relate that shoppers then become aware of their location on El Paseo and return. BAM creates great awareness for El Paseo in the way that the City desires – local media always picks it up and really makes it an event. He acknowledged always sharing the same concern as the Mayor’s about effectiveness for such expenditures, but there are ancillary benefits that would justify the City’s investment.

Councilmember Harnik added that she was not suggesting a contribution of $50,000 for it either. Upon inquiry, she proposed a $20,000 City sponsorship for BAM.

Councilman Jonathan moved to, by Minute Motion, approve/authorize: 1) Proposed Special Events and Sponsorships for FY 2019-2020, as amended, with modified donation totals for: a) Golf Cart Parade - $40,000, with expectations for equally increased performance and results; b) Behind A Miracle (BAM) - $20,000; 2) City Manager to take necessary action to facilitate the special events and sponsorships, including making discretionary changes provided that the total for City-Produced and City-Sponsored Events does not exceed $719,500; 3) City Manager to execute agreements associated with the events and sponsorships, if applicable; 4) City Manager to approve miscellaneous sponsorships for events during Fiscal Year 2019-2020 with values of $7,500 or less – funding for the above will be included as part of the FY 2019-2020 Budget and available in Account Nos. 1104416-4306101 and 1104416-4306201, once approved. Motion was seconded by Councilmember Harnik.

Mayor Weber noted that she had received requests to speak on this item and called upon those individuals at this time.

MR. FRED FERN and MR. DAVID FLETCHER, on behalf of The Shops On El Paseo Properties, Palm Desert, expressed appreciation for the consideration as recommended in the motion. Mr. Fletcher added that they were aware of the Mayor’s concern, which was something they’ve been addressing over the years. They found it challenging to get people to shop the night of the event. However, allowing their tenant stores to offer a promotion for a period of time before/after the event, when they’re donating money to BAM if someone comes back and buys, has helped draw people into the stores and accomplished The Shops’ goal of driving sales to their stores and increasing El Paseo’s awareness by hosting this event. He offered they were always open to suggestions for increasing sales and would be happy to sit down and discuss further. Responding to inquiry about mechanics of the event and its coordination with the Behind A Miracle organization, he said the event was initiated as a way to bring customers from Bighorn Golf Club to El Paseo. Their thought was to incorporate a charity that they were already passionate about to encourage participation.
and support the event even more. This is how BAM got involved with his office. He said 100% of the event cost is paid by The Shops On El Paseo, and 100% of ticket sales generated for the event go to BAM. Further, 100% of store donations from sales go to BAM, with each store setting its own threshold (e.g. 10%, 15%, etc.) and niche that works best for them. The Shops coordinate the event with Bighorn’s Marketing Director and the Committee for BAM, involving the Bighorn Community in a way that their Marketing Director and concierge believe works best.

MR. FERN offered that the event really radiates throughout all of the El Paseo environment. The stores like it a lot because they get customers that aren’t there necessarily that night; they come back later after they’ve found the merchandise and restaurants to be inviting.

MR. TODD RHODEN, President/CEO, Palm Desert Area Chamber of Commerce (PDACC), offered his thanks for the consideration given the Golf Cart Parade. He commented that he’d spoken with each Councilmember about the past year’s Parade and sponsorship really being needed. He added that the 2019 event will be his first full year of developing it, and he’d heard about its past few years. Nonetheless, he submitted that all of the Chamber’s events have increased in quality compared to the previous. He was personally standing behind this year’s Golf Cart Parade, as was Ray Rodriguez, Patrick Klein, and Tammy Martin, along with the rest of the Parade Committee, to produce a great event that Palm Desert can be proud of, realizing that it’s a huge reflection on the City itself. The Chamber appreciated every Councilmember’s support and that of City staff – for not only the Golf Cart Parade but all of their activities and the beautiful facility they were able to do business in.

Mayor Weber called for the vote on the motion, and it carried 5-0 (AYES: Harnik, Jonathan, Kelly, Nestande, and Weber; NOES: None).

**For purposes of clarification:**

Councilman Jonathan moved to, by Minute Motion, approve/authorize: 1) Proposed Special Events and Sponsorships for FY 2019-2020, as amended, with modified donation totals for: a) Golf Cart Parade - $40,000, with expectations for equally increased performance and results; b) Behind A Miracle (BAM) - $20,000; 2) City Manager to take necessary action to facilitate the special events and sponsorships, including making discretionary changes provided that the total for City-Produced and City-Sponsored Events does not exceed $719,500; 3) City Manager to execute agreements associated with the events and sponsorships, if applicable; 4) City Manager to approve miscellaneous sponsorships for events during Fiscal Year 2019-2020 with values of $7,500 or less – funding for the above will be included as part of the FY 2019-2020 Budget and available in Account Nos. 1104416-4306101 and 1104416-4306201, once approved. Motion was
seconded by Councilmember Harnik and carried by 5-0 vote (AYES: Harnik, Jonathan, Kelly, Nestande, and Weber; NOES: None).

F. RECEIVE AND FILE THE 2019 BUSINESS RETENTION AND EXPANSION PLAN.

City Business Advocate Deborah Glickman called attention to the Plan contained within the agenda packets, which was one of Council’s 2019 City Goals. Additionally, she said it was identified as a high-priority initiative in the Economic Development Strategic Plan. She detailed that goal of the Business Retention and Expansion Plan is to determine the needs of Palm Desert businesses and best way to address them. She went on to say this will be done by way of a survey to all City businesses with one-on-one and group follow-up afterwards, along with putting together potential training sessions, as identified by the survey, and working on the City website to be a much more robust resource for Palm Desert business attraction or helping to expand those currently existing here. She stated the Plan also includes staff services to help guide businesses through the development process with the City and answer any questions - a ‘one-stop shop’ for them. The Plan contains various other elements, and she offered to answer questions about it.

Councilmember Harnik noted that in her review of the Plan’s Section II - City Staff Ombudsman Services, the word ‘Ombudsman’ didn’t sound friendly or approachable, and maybe even non-supportive, which was the exact opposite of its intention. She felt most people weren’t familiar with the term and asked if it could be changed to ‘Support’. She went on to praise the work done to this point and was glad to see it on the agenda to help City’s businesses flourish.

Councilman Jonathan commented that the initial action here was to conduct an online survey that requires staff informing businesses about it through a direct-mail postcard, etc., but Palm Desert is a contract city. While acknowledging that business retention was certainly a City goal, he felt it was also an important part of the Chamber of Commerce’s existence, and they’re a City partner. He asked if staff had considered outsourcing this activity with the Chamber.

Ms. Glickman answered that it was absolutely one of the avenues considered; staff will work with all of the City’s partners, asking them to send e-mails to their Palm Desert business contacts and for further assistance in setting up meetings. She said this was especially true for the Chamber Board and General Membership, where she looked forward to working hand-in-hand with them throughout the process in order to reach as many businesses as efficiently and effectively as possible. In further response to question about outsourcing the whole survey process to the Chamber in
order to preserve valuable staff time, she said it had not been considered but could be.

Councilman Jonathan offered that the decision didn’t have to be made here, but it was a ‘fit’ as something the City and Chamber could collaborate on. He felt this might be such an opportunity to free-up staff time and save some money in the process. In answer to question, he commented that there had been discussions about, and the Chamber’s been asked and expressed an interest in, working more closely and more collaboratively with the City on economic and business issues, leading him to bring it up.

Councilmember Harnik moved to, by Minute Motion, receive and file the 2019 Business Retention and Expansion Plan. Motion was seconded by Mayor Pro Tem Nestande and carried by 5-0 vote (AYES: Harnik, Jonathan, Kelly, Nestande, and Weber; NOES: None).

XVII. CONTINUED BUSINESS

A. REQUEST FOR AWARD OF CONTRACT TO M & M SWEEPING, INC., IN A TOTAL AMOUNT OF $304,551 FOR FISCAL YEARS 2019-2020 AND 2020-2021 FOR COMMERCIAL AND RESIDENTIAL STREET SWEEPING SERVICES (CONTRACT NO. C38460, PROJECT NO. 754-20) (Continued from the meeting of June 13, 2019).

Councilman Jonathan stated he had asked for this item to be continued in order for staff to research any alternative technological options instead of street sweeping, being fully aware that the City has clean air and clean water mandates to meet.

Ms. Aylaian advised that staff had investigated potential alternatives. One identified was simply a different contracting strategy, but not a different technological approach. Staff identified that other cities, especially in the desert where blowing sand in large quantities is a real problem, have found that the best practice is to use street sweeping. She said staff was unable to identify any technology superior to it, noting that the City requires the operator’s equipment be fitted with the current technology. If new technology becomes available, City would require that it be implemented. At this time, there was nothing higher tech, newer, different, or better than street sweeping for removing fugitive dust and sand. Admittedly, she said street sweeping has its own faults.

Councilman Jonathan appreciated the information, because it was what he needed to know before being able to consider a $300,000+ contract.

Responding to comment, Ms. Aylaian pointed out that street sweeping is required by terms of the National Pollutant Discharge Elimination System
(NPDES). Mr. Garcia added the City has a Municipal Stormwater Permit requiring street sweeping and is also a requirement of the Air Quality Management District (AQMD). With regard to some of the concerns relative to air-blown dust and the like, City staff can address those with the equipment operator to ensure their tanks are full of water and operating properly.

Councilmember Harnik noted her support for the matter before City Council. She appreciated Mr. Garcia’s comment about the water requirement for the sweeper, as Mayor Pro Tem Nestande talked about the dust issue, and she had seen it occurring too. At that time she asked Mr. Garcia about the dust, and his answer was that the equipment had probably run out of water. She felt if that requirement was emphasized by the City and addressed by the operator, it would make a huge difference.

Councilmember Kelly noticed reference to the technology as “regenerative air vacuum system.” She asked if that meant the sweeper was actually vacuuming beyond sweeping, and Mr. Garcia confirmed that to be true. She went on to comment that it was somewhat of a misnomer, because the company’s name is ‘M & M Sweeping’, which sounds like they’re just moving the dirt and dust around; however, when the truck is operating correctly, the contaminants are being removed from the environment. Mr. Garcia concurred.

Councilmember Harnik moved to, by Minute Motion: 1) Award subject contract to M & M Sweeping, Inc., Thousand Palms, California, in a total amount of $304,551 for Fiscal Years 2019-2020 and 2020-2021 for Commercial and Residential Street Sweeping Services, with an option to renew for two additional years; 2) authorize the Mayor to execute said agreement - funds are available in General Fund Account No. 1104310-4332000 - Street Repair and Maintenance. Motion was seconded by Mayor Pro Tem Nestande.

Mayor Weber offered that at the prior consideration, Councilmember Harnik mentioned it being desirable to save as much sand as possible, clean and relocate it to the preserve lands within the Coachella Valley Conservation Commission’s (CVCC) jurisdiction. She asked if there was further information in that regard.

Mr. Garcia answered that waste picked up on the roadways currently is not recycled and is dumped. He offered to communicate with the operator about participating in the recycling effort.

Councilmember Harnik noted that CVCC has already started doing this, suggesting that staff contact them for more information about removing toxins from the sand and seeing how it will work.
Mayor Weber called for a vote on the motion, and it carried 5-0 (AYES: Harnik, Jonathan, Kelly, Nestande, and Weber; NOES: None).

With City Council concurrence, Mayor Weber called for a recess at 6:08 p.m. She reconvened the meeting at 6:20 p.m.

XVIII. OLD BUSINESS

None

XIX. PUBLIC HEARINGS

A. REQUEST FOR APPROVAL OF A ZONING ORDINANCE AMENDMENT, AMENDING THE EL PASEO OVERLAY DISTRICT AND THE DOWNTOWN DISTRICT TO ALLOW PROFESSIONAL OFFICE USES ON THE GROUND FLOOR FRONTING EL PASEO EAST OF SAN LUIS REY AVENUE, AND FOR ADOPTION OF A NOTICE OF EXEMPTION IN ACCORDANCE WITH THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA), Case No. ZOA 19-0002 (City of Palm Desert, Applicant).

Associate Planner Kevin Swartz summarized the history of this case to date, with prior City Council consideration on March 28, 2019, followed by direction given at the meeting of April 25, 2019. As reflected in the request title, he said this item focused attention on the easterly end of El Paseo, bordered by San Luis Rey Avenue, El Paseo, and Portola Avenue. That area currently has three existing office uses: 1) Bank of America building; 2) real estate and vacation rentals in portion of another building; 3) wealth management business and salon on the corner. He said part of staff’s recommendation was the same as presented previously (March 28) – not allowing office uses on corner lots nor any abutting/neighboring one another. He added that this recommendation does have one variation in the type of professional offices; there was good discussion about medical offices, and the suggestion for a dental or chiropractic office could fit the criteria. Accordingly, staff modified its recommendation to allow medical offices. Another criteria was to require a Conditional Use Permit (CUP). He felt the last criteria was the most challenging, relative to prohibited office uses that occupy more than 15% of the total linear building frontage per each side of the street (north and south). The challenge occurred on the southerly side of the street section, where there are currently 1,020 total building linear feet, and 15% equals 153 feet; however, the current wealth advisor occupies 34 feet, leaving 119 linear feet for a new business – it could be one or several throughout the south side there. Although, the north side was very limited, it has a total of 875 linear feet, but the existing Bank of America occupies 120, and the real estate office occupies 23 linear feet, for a total of 143 feet. If the 15% is applied, the north side is over the total by 12 linear feet, meaning no new business would be allowed there. He acknowledged that the recommendation was
very limiting, with staff’s reasoning being to start small with a new concept, although any of the criteria can be changed by City Council. Further, staff was unaware of the demand for office uses; over the past couple of years, there have been approximately three interested in possibly locating on the street. He said another factor was whether the landlord would approve office use.

Lastly, Mr. Swartz pointed out that two letters on this case were received since the agenda was posted. One letter was from Wilma & Frieda’s Café, which was opposed to office uses throughout the entire street. He had since spoken with their representative, advising that this recommendation was only for east end of the street. Wilma & Frieda’s was okay with that recommendation, because they didn’t want to see ground-floor offices throughout the street. He related that the other letter received was from Leeds & Sons, which has the opposite position of not wanting to see office uses segregated in one section of the street. If offices uses were to be allowed, they advocated allowing them throughout the street. Mr. Swartz added that was also the position of the El Paseo Parking and Business Improvement District when staff originally met with them about this issue - they do not support districting.

Councilman Jonathan pointed out that what he’d said previously was that the original report lacked an option for City Council to consider increased office use east of San Luis Rey Avenue and asked where that was in the present iteration.

Mr. Swartz answered that based on the criteria, it would only be allowed on the south side of the street there. If the discussion from City Council is to allow office use, then he would recommend removing the 15% cap. However, he would still recommend not allowing them on hard corners, as was also brought up by Mr. Gibbs during the Gibbs El Paseo Study, and not allowing them adjacent to one another.

Councilman Jonathan was aware that the City Council could make changes and would ultimately make a decision one way or the other, but countered that he’d specifically asked for an option - something comprehensive that increases office use east of San Luis Rey for City Council’s consideration. He again asked where that comprehensive option was being offered in the current staff report.

Mr. Stendell responded that the comprehensive view illustrates office use is currently denied, referring to the display showing existing uses that were ‘legacy’ offices – in place since being grandfathered in if built prior to 1986. Therefore, the comprehensive office up-zoning being referenced is prohibited right now until the regulation is amended, as was being presented
here. He added that if City Council wants a greater amount, they can so direct.

Councilman Jonathan acknowledged that he probably wasn’t clear enough previously to get the option he was seeking, because this proposal was not what he asked for or was expecting.

Mayor Weber asked for clarification that the proposal being considered was only for first-floor offices, because she understood they were already allowed on the second floor, and Mr. Stendell concurred.

Upon further inquiry, Mr. Swartz confirmed that under the current ordinance, office use is permitted above the first floor on the entirety of El Paseo and that today’s discussion was only about first-floor office space. Further responding to question about the current ordinance prohibiting first-floor office space east of San Luis Rey, he stated other than the aforementioned three that were grandfathered in, they are prohibited. With regard to first-floor office use for the remainder of El Paseo under the current ordinance, he said it was the same prohibition.

Councilman Jonathan restated that the City’s current ordinance doesn’t permit any first-floor office use anywhere on El Paseo, except for those that currently exist. Mr. Swartz pointed out that there is a provision in the El Paseo Overlay that if the building was built prior to 1987, then an office use could be permitted there. Further confirming, Mr. Swartz agreed that if someone wanted to construct a building on El Paseo with office use on the first floor, it was prohibited.

Councilman Jonathan asked if staff was aware that there are proposed - very preliminarily - office uses that might enhance the vision east of San Luis Rey, such as a mixed use project on the corner with some investment advisory firms, retail, possibly residential above, which would be prohibited under the proposal under consideration.

Mr. Swartz confirmed the statement, because he said it was based on the parcel. In further response regarding possibility for an exception, he answered that it could be included in the criteria and considered as part of the Conditional Use Permit (CUP) process. He affirmed that this criteria would need to be added to the present recommended action.

Mayor Pro Tem Nestande restated that theoretically, the 15% rule could be eliminated in order to rely purely on the CUP process on a case-by-case basis in order to provide Council more flexibility as projects come along.
Councilman Jonathan pointed out that the CUP would come before the Planning Commission and would only come before City Council if it specifically asked for a review of the matter.

Councilmember Harnik observed that Mr. Swartz referred to two letters received in this consideration, but she asked about correspondence received for the March 28 agenda item, because City Council received many on this topic.

Mr. Swartz responded that he has those letters, just not at this meeting. He agreed that there was some support from the El Paseo Parking and Business Improvement District for the entire one-mile corridor. Further responding to question, he said that group was interested in certain limited office uses, following the criteria being proposed – not allowed on corners, or abutting each other; their group recommended a 20% cap – for all of El Paseo.

With no further questions of staff, Mayor Weber declared the public hearing open and invited testimony SUPPORTING or OPPOSING Case No. ZOA 19-0002.

MS. CHRISTINE STEIN, on behalf of Leeds & Son Jewelers and WBS Holdings, El Paseo property owners, referred to the letter submitted yesterday to City Council from WBS Holdings in support of their position. Additionally, she noted that she serves on the Board of the El Paseo Parking and Property Improvement District, which voted for a position similar to that she was promoting here. For property owners Mr. Terry Weiner, Mr. Dave Baron, and Ms. Riki Stein, she thanked City Council for bringing the topic up for consideration and read excerpts of said letter for the record. She stated they recognize the continued challenges faced in the City of Palm Desert, more specifically, on El Paseo, with continued vacancies of properties there. She said as both property owners and luxury retail owners, they believed that having professional offices interspersed throughout El Paseo will both reduce vacancies and fill it with local buyers for the goods and services represented there. Further, they felt allowing market forces to dictate the percentages and mix of El Paseo would be the way to go, rather than imposing an arbitrary percentage (i.e., 20%). Although, some cap on professional office or commercial was probably warranted but at a higher level. She said they were more concerned about the proposal to make one section of El Paseo commercial or office use while making another section primarily retail. Proposal to make the west end exclusively retail, while allowing or pushing professional and other non-retail to the east end of El Paseo was very concerning to them – in fact, they felt it was a horrible idea – picking “winners” and “losers” on El Paseo. She added that aside from the obvious legal concerns about increasing property values to the detriment of property owners similarly situated, this idea was antithetical to the notion of mixed use and a vibrant El Paseo. As the City grows in
population and popularity, she inquired why it would want to restrict exclusive shopping to certain zones because it made no sense to a retail operator, other than to benefit a few landowners. The group she represented wanted to expand the shopping experience - not diminish it - advocating for a mixed use environment where people can live, work, and shop all along El Paseo, and for all to work together.

MS. MARSHA VINCELETTE, Las Montanas Road, Palm Desert, stated she was employed by IFC California, a California real estate development firm, which recently purchased the former Union Bank property at the corner of El Paseo and San Luis Rey. Shortly afterward came purchase of the building that housed Presage, with the most recent purchase of theirs being the building that housed Desert Art Collection. She went on to say that before the purchases were made, her firm spent a great deal of time reviewing the El Paseo Master Plan Alternatives prepared by Gibbs Planning Group; they believed that recommendations of the study, emphasizing mixed use for the east end of El Paseo, was a viable solution to the inability to attract much traffic to that part of the street. IFC’s overall plan for the corner of El Paseo/San Luis Rey includes some type of residential facility, along with a wraparound restaurant at the corner; retail will go from the restaurant to the Presage Building. Further, they believed that a professional office at the 73811 El Paseo location (former Presage Building) would bring a large clientele that may not be familiar with that end of the street. They also believed the tenant will have employees who will visit both restaurant and retail locations along the street and will also host their clients in the many restaurant locations there. She remarked they hope first-floor office use on a limited basis will be allowed, as City Council and staff would have control over tenancy through the Conditional Use Permit (CUP).

MS. ELYSSA GOLDBERG, BG’s El Paseo, concurred with both speakers prior to her today; they conveyed exactly what she was going to say about this matter. She agreed with their comments about benefitting El Paseo, having been on the street for 25 years herself and seeing its evolution. She felt it was time to go with the current workforce and allow office use on the first level throughout El Paseo. It would bring new customers, more traffic to the street – hustle-bustle – and vitality, with people coming and going throughout the day for all of the businesses there.

MS. LISA DEMPTON, El Paseo, stated she was both a building and business owner on the east end. She believed mixed use was needed but should not be limited to one end of the street. She noted the east end already has issues with retail and vacancies, and there is concern that if they’re limited to the office-use end, visitors will forget about the retail there.

MS. SONIA CAMPBELL, Spectacular Shades, El Paseo (on the east end past San Luis Rey) said she had been in her location for 31½ years and
seen many changes. Further, she’s also been a Member of the El Paseo Parking and Business Improvement District (EPPBID) Board for close to 30 years. She was opposed to first-floor Office Professional on El Paseo, noting that the EPPBID Board voted a few months ago for approximately 20% of Office Professional throughout the street, not just on the east end past San Luis Rey. She added that area has been plagued for many years with three banks located there from before. She commented that people would stop at San Luis Rey where Neil’s was and not go any farther east after seeing the bank on the corner, assuming that’s where the retail ended. She said they have lost quite a bit of business because of this, but now that the Union Bank corner is available were looking forward to retail or a hotel there. She urged City Council to allow Office Professional on the whole street, not just the east end past San Luis Rey.

MR. RAY RODRIGUEZ, Palm Desert, related in 1960s Palm Springs, there was a little taco shop called Las Casuelas that opened on North Palm Canyon Drive, because ‘that’s where all the action was.’ At that time, South Palm Canyon Drive was pretty blighted. Then the owners of Las Casuelas went to South Palm Canyon Drive and bought an old place, and everyone told them they were nuts. Subsequently, Las Casuelas Terraza opened on South Palm Canyon Drive, and today that area is bustling with activity. He felt it would be an error to try and district the beautiful street Palm Desert has created on El Paseo; City Council has shown wisdom in past decisions, keeping it a high-end street with high-end goals and maintaining those standards. He believed allowing a percentage of non-retail has been good for the area and will continue to be; however, vacancies were not. Therefore, he asked City Council to rule against designating specific districts for set purposes, because as with South Palm Canyon Drive in Palm Springs, no one really knew what would happen with some different strategies, investing, or thinking along the street, and there were beautiful opportunities for the future there that shouldn’t be limited.

With no further public testimony offered, Mayor Weber declared the public hearing closed.

Councilmember Kelly stated that allowing some professional office use on the street makes sense and does so from the vantage point of the retailers. With correct selection of the type of professional offices to be located there, it can bring some additional people to the street and assure that they’re potential customers for the retail establishments. For the proposal to achieve that objective, it needs to be interspersed and not concentrated at one end; therefore, she strongly favored a uniform policy for the whole street. She hoped City Council would instruct staff to come back with a proposed ordinance making the listed factors (i.e., corner status, potential placement next to another office use) conditions to be considered in the CUP
(Conditional Use Permit) process, instead of absolute prohibitions, giving the Planning Commission flexibility to respond if a perfect corner proposal came along with some food service-restaurant use coupled with an office on the first floor. She reiterated that her preference was for an ordinance treating some of the mandates as factors to be considered in the CUP process and reassesses the appropriate percentage cap for the street.

Mayor Pro Tem Nestande noted her support for such a proposal.

Councilman Jonathan observed that his thinking about office use on El Paseo has evolved, based on business and property owners talking to him about it from before and tonight, and his colleagues’ comments. He pointed out that his original dream was to fill El Paseo with retail, as was the City’s vision. Recently he visited Palm Canyon Drive in Palm Springs and walked quite a distance on it, noticing there was no office use until the very southern end. He felt it was more of an ideal, and maybe there were different ways to achieve it, noting that if people on the street were saying this was the best way to make El Paseo successful, then it should be heeded. Additionally, he pointed out that the City shouldn’t talk in extremes, referring to Councilmember Kelly’s remark that office should be allowed throughout El Paseo. He called attention to the fact that it already is permitted on the second floor, without restriction, cautioning that this fact should not be overlooked. He said as office use is added there, it could create a situation where too much could choke off the very retail the City’s trying to grow and needs to keep that in mind going forward. He felt Councilmember Kelly’s proposal made abundant sense, and he liked it – giving ability to press on the accelerator or let up – along with staff returning to City Council with a regulation to provide it. Lastly, he hoped that when it returns, the regulation contemplates exactly the type of mixed project described potentially for just east of San Luis Rey on the south side of El Paseo, combining retail with office and residential, because it was the very ideal he felt all wanted to achieve.

Councilmember Harnik thanked staff for all of the work on this matter, then asked for the meaning of the term “quasi-government uses,” and Mr. Swartz responded it would be CVWD (Coachella Valley Water District), The Gas Company, or the like. She went on to report that she’d done her own counting on El Paseo this morning, and there were certainly more vacancies than the City, or other businesses who depend on foot traffic, would like. It was important to create a sense of vibrancy on the street, and she believed the CUP (Conditional Use Permit) is a great tool to make sure the right mix of offerings is available there. She proposed that City Council go forward tonight with staff’s list of qualifications – professional offices, offices engaged in the production of intellectual uses – agreeing with Councilmember Kelly that they should be factors in the CUP process.
Upon inquiry about making a motion here that would allow street-level professional businesses, Councilmember Kelly responded that if the City Council was going to shift from specified prohibitions to factors considered in the CUP process, it was enough of a rewrite to ask that staff return with an ordinance that is carefully crafted for that purpose. Councilmember Harnik concurred, adding that she felt the City should remain nimble enough in the CUP process that it can respond instead of react. She also urged getting this back before City Council as quickly as possible, because those who rely on El Paseo for their livelihood need this new activity – people window-shopping, purchasing items, generating revenue – that not only helps El Paseo but the entire City. She felt the document presented here was very close to what can be returned for consideration soon.

Councilmember Kelly moved to, by Minute Motion, direct staff to: 1) Return to the City Council with a proposed ordinance for professional office uses that would apply to the whole of El Paseo, using factors set forth in the staff report as considerations (instead of absolute prohibitions) that would be assessed in the Conditional Use Permit (CUP) process, and emphasizing identification of desirable uses contemplated within the City’s vision; 2) provide a related proposal on the issue of percentage cap for professional office use. Motion was seconded by Councilman Jonathan.

Councilman Jonathan emphasized it was very important that instead of prohibiting certain uses, the new ordinance identifies the types that are desirable. Moreover, the City doesn’t want to start with “no,” but have something to discuss for promoting the shared vision, including uniformity throughout El Paseo.

Mayor Pro Tem Nestande pointed out with regard to a percentage cap, that Mr. Swartz’s staff report indicated the north side of the street was already pretty close to 15%. Therefore, if City Council wanted to approve a corner project at San Luis Rey, it could not do so; yet she liked the sound of that project.

Councilmember Kelly pointed out that was the reason she preferred giving staff a chance to work with the proposed regulation. She agreed the list of factors to be considered in the CUP process could, hopefully, start by defining the goal of being compatible with and supportive of retail uses.

Mayor Weber called for the vote on the motion, and it carried 5-0 (AYES: Harnik, Jonathan, Kelly, Nestande, and Weber; NOES: None).

Deputy City Treasurer Tom Metz reviewed the request and the staff recommendation.

Mayor Weber declared the public hearing open and invited testimony SUPPORTING or OPPOSING the District. With no public testimony offered, she declared the public hearing closed.

Councilmember Harnik moved to waive further reading and adopt Resolution No. 2019 - 43, approving the Final Engineer’s Annual Levy Report for, and ordering the levy and collection of assessments within, City of Palm Desert Benefit Assessment District No. 1 for FY 2019-2020, pursuant to provisions of The Benefit Assessment Act of 1982. Motion was seconded by Mayor Pro Tem Nestande and carried by 5-0 vote (AYES: Harnik, Jonathan, Kelly, Nestande, and Weber; NOES: None).


Deputy City Treasurer Tom Metz reviewed the request and staff recommendation.

Mayor Weber declared the public hearing open and invited testimony SUPPORTING or OPPOSING said District. With no public testimony offered, she declared the public hearing closed.

Councilmember Kelly moved to waive further reading and adopt: 1) Resolution No. 2019 - 44, approving the Final Engineer’s Annual Levy Report for Consolidated Palm Desert Landscaping & Lighting Maintenance District No. 1 for FY 2019-2020; 2) Resolution No. 2019 - 45, ordering the levy and collection of annual assessments within Consolidated Palm Desert Landscaping & Lighting Maintenance District No. 1 for FY 2019-2020. Motion was seconded by Councilmember Harnik and carried by 5-0 vote (AYES: Harnik, Jonathan, Kelly, Nestande, and Weber; NOES: None).

D. REQUEST FOR APPROVAL OF RESOLUTIONS RELATED TO ADOPTION OF THE FISCAL YEAR 2019-2020 BUDGET AND CAPITAL IMPROVEMENT PROGRAM (JOINT CONSIDERATION WITH THE PALM DESERT HOUSING AUTHORITY).

Ms. Moore related that the Fiscal Year 2019-2020 annual operating Budget for the City was now before Council, following two lengthy Study Sessions in early May to discuss the proposed plan and five-year Capital Improvement Program. She said the City’s General Fund Revenues were expected to increase by approximately 4.6% over the FY 2018-2019 Budget for a total of $60.67 million; General Fund Expenditures increased by approximately 4.5%
over FY 2018-2019, totaling $60.63 million, and the Budget was balanced. She noted that Article XIII(B) of the California Constitution requires calculation of an Appropriations Limit for the City, and it amounted to less than half of the total limit of $138.5 million. Further, she said in FY 2019-2020, the City’s Capital Improvement Program (CIP) totaled $22.1 million, and the request included authorization for the allocation of 116 positions, including four new positions from 2018-2019 (2-Student Interns, 2-Temporary Employees) that City Council previously discussed in the Study Sessions. In addition to the other recommended actions, the request includes an Out-of-State Travel List for the named destinations and staff members attending. She offered to answer any questions.

Mayor/Chairman Weber declared the public hearing open and invited testimony SUPPORTING or OPPOSING the Budget and Capital Improvement Program. With no public testimony offered, she declared the public hearing closed.

Councilmembers/Members jointly extended great appreciation to Ms. Moore, the Finance Department, and City staff for the good work in calculating and putting together a fiscally responsible plan that reflects and incorporates the City Council’s 2019 Goals, and is soundly based on the elements set forth in both the City's General and Strategic Plans. Further, it was recommended that a summary of the adopted Budget be featured in a future edition of the City’s Bright Side newsletter to notify and inform residents of this important aspect of the City’s governance.

Councilman/Member Jonathan moved to: 1) Waive further reading and adopt: a) Resolution No. 2019 - 46, adopting the Budget and Capital Improvement Program (CIP) for the Fiscal Year of July 1, 2019, through June 30, 2020; b) Resolution No. 2019 - 47, establishing the Appropriations Limit for the Fiscal Year 2019-2020; c) Resolution No. HA - 92, adopting a Palm Desert Housing Authority Budget for the Fiscal Year of July 1, 2019, through June 30, 2020; d) Resolution No. 2019 - 48, the Staffing Allocation and Salaries Resolution, setting the FY 2019-2020 Salary Schedules, Salary Ranges, and Allocated Classifications; 2) by Minute Motion, approve Out-of-State Travel, as listed in the attached memorandum of the same name. Motion was seconded by Mayor Pro Tem/Vice Chairman Nestande.

Councilmember/Member Kelly commented that at the recent League of California Cities Executive Forum and Advanced Education Workshop, she attended the all-day session on city finances and felt it should be noted that Palm Desert’s policies and practices exceed everything that was recommended. She said the method of presentation, White Papers, the detail and care that was taken in this process were to be greatly lauded, and her colleagues all concurred heartily.

Mayor/Chairman Weber called for the vote on the motion, and it carried 5-0 (AYES: Harnik, Jonathan, Kelly, Nestande, and Weber; NOES: None).
XX. ADJOURNMENT

With City Council concurrence, Mayor Weber adjourned the meeting at 7:08 p.m.

SUSAN MARIE WEBER, MAYOR

ATTEST:

RACHELLE D. KLASSEN, CITY CLERK
CITY OF PALM DESERT, CALIFORNIA