



**Wednesday, February 21, 2018**  
**Minutes of the Regular Meeting of the City Council**

**CALL TO ORDER**

A Regular Meeting of the Palm Springs City Council was called to order by Mayor Moon on Wednesday, February 21, 2018, at 6:05 p.m., in the Council Chamber, City Hall, located at 3200 E. Tahquitz Canyon Way, Palm Springs, California.

**PLEDGE OF ALLEGIANCE**

Mayor Moon led the Pledge of Allegiance.

**ROLL CALL**

**Present:** Councilmembers Christy Holstege, Geoff Kors, Lisa Middleton; Mayor Pro Tem J.R. Roberts; and Mayor Robert Moon.

**Absent:** None.

**City Staff**

**Present:** David H. Ready, City Manager; Edward Z. Kotkin, City Attorney; Marcus Fuller, Assistant City Manager; and Anthony J. Mejia, City Clerk, were present at Roll Call. Other staff members presented reports or responded to questions as indicated in the minutes.

**PRESENTATIONS**

**DOWNTOWN FURNITURE PILOT PROGRAM**

Mayor Pro Tem Roberts revealed the new demonstration furniture for the downtown; advised that the full project will install new benches, trash containers, newspaper racks, and bike racks on Palm Canyon and Indian Canyon Drives, between Vista Chino Avenue and Ramon Road; urged the community to provide feedback on the sample furniture, noting that the matter will return to the City Council for discussion.

**FISCAL YEAR 2016-17 FINANCIAL AUDIT**

Finance Director Kiehl introduced Brian Grubber, auditor from Lance, Soll and Lunghard, LLP, who summarized the results of the annual audit, noting that the audit resulted in an unqualified opinion; stated that City staff and officials were cooperative and provided access to all requested documents.

**ACCEPTANCE OF THE AGENDA**

MOTION BY MAYOR PRO TEM ROBERTS, SECOND BY COUNCILMEMBER KORS, CARRIED 5-0, to accept the agenda, with the removal of Item Nos. 1D, 1M, 1O and 1T for separate discussion.

**REPORT OF CLOSED SESSION**

The Regular Closed Session of the City Council of February 21, 2018, was called to order by Mayor Moon at 4:00 p.m., with all members present.

The meeting convened into Closed Session to discuss the following items as listed on the Regular Closed Session Meeting Agenda:

**CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION, Pursuant to Government Code Section 54956.9(d)(1):**

*Lee H. Brandenburg and Diane M. Brandenburg, Individually and as Trustees of the Brandenburg Revocable Trust and Dennis A. Cunningham and Andrea C. Cunningham individually, and in their capacities as Trustees of the Cunningham Family Trust Dated 12/14/2000 v. City of Palm Springs et al.*  
Case No. PSC1606147, Riverside Superior Court, Palm Springs Division

**CONFERENCE WITH LEGAL COUNSEL – EXPOSURE TO LITIGATION, Pursuant to Government Code Section 54956.9(d)(2):**

Number of Cases: 5

**CONFERENCE WITH LEGAL COUNSEL – INITIATION OF LITIGATION, Pursuant to Government Code Section 54956.9(d)(4):**

Number of Cases: 5

**PUBLIC EMPLOYEE PERFORMANCE EVALUATION, Pursuant to Government Code Section 54957(b)(1):**

Title: City Attorney

**CONFERENCE WITH REAL PROPERTY NEGOTIATOR, Pursuant to Government Code Section 54956.8:**

Property Address/Description: 980 E. Tahquitz Canyon Way, APN 508-056-010  
Agency: City of Palm Springs  
City Negotiator: David H. Ready, City Manager or Designee  
Negotiating Parties: Palm Springs Unified School District; Sandra Lyon, Superintendent  
Under Negotiation: Price and Terms of Payment (Lease)

Property Address/Description: 1901 E. Baristo Road, APN 502-200-001, -002  
Agency: City of Palm Springs  
City Negotiator: David H. Ready, City Manager or Designee  
Negotiating Parties: Andrew Starke, Palm Springs Power Baseball Club  
Under Negotiation: Price and Terms of Payment (Lease)

Property Address/Description: 4449 N. Indian Canyon Dr., APN 669-330-047  
Agency: City of Palm Springs  
City Negotiator: David H. Ready, City Manager or Designee  
Negotiating Parties: Desert Community College District  
Under Negotiation: Price and Terms of Payment (Acquisition)

Property Address/Description: 342-344 North Palm Canyon Drive  
Agency: Successor Agency of the Redevelopment Agency  
City Negotiator: David Ready, City Manager or Designee  
Negotiating Parties: Emmanuel Dossetti  
Under Negotiation: Price and Terms of Payment (Sale)

Property Address/Description: APN 680-170-051  
Agency: City of Palm Springs  
City Negotiator: David H. Ready, City Manager or Designee  
Negotiating Parties: Brian Ferrero, ACBCI  
Under Negotiation: Right-of-Way fee Acquisition / Slope Easement /  
Temporary Construction Easement

Property Address/Description: APN 680-170-014  
Agency: City of Palm Springs  
City Negotiator: David H. Ready, City Manager or Designee  
Negotiating Parties: Brian Ferrero, ACBCI  
Under Negotiation: Right-of-Way fee Acquisition / Slope Easement /  
Channel Structure Easement / Temporary Construction  
Easement

Property Address/Description: APN 680-170-053  
Agency: City of Palm Springs  
City Negotiator: David H. Ready, City Manager or Designee  
Negotiating Parties: Brian Ferrero, ACBCI  
Under Negotiation: Right-of-Way fee Acquisition / Slope Easement /  
Channel Structure Easement / Temporary Construction  
Easement

CONFERENCE WITH LABOR NEGOTIATORS, Pursuant to Government Code Section 54957.6:

Agency Designated  
Representatives: City Manager David Ready and Attorney Peter Brown

Employee Organizations: Management Association of Palm Springs  
Palm Springs Fire Safety  
Palm Springs Fire Management  
Palm Springs Police Management Association  
Palm Springs Police Officers Association  
Service Employees International Union Local 721

City Attorney Kotkin reported that the City Council received briefings and provided direction to staff regarding the agendaized Closed Session Items, but did not take any reportable action.

**PUBLIC TESTIMONY**

The following individuals spoke on Item No. 5B, indicating their support for vacation rentals:

Aftab Dada, President of Palm Springs Hospitality Association  
Esperanza Cantu, Rental Connection  
Peter MacFarlane  
Bruce Hoban, We Love Palm Springs Committee  
Kelly McLean, We Love Palm Springs Committee  
Mark Bragg  
Jeremy Ogul, HomeAway  
Jim Franklin, Palm Springs Regional Association of Realtors  
Joy Meredith Brown, Main Street Palm Springs  
Marco Alvaz

The following individuals spoke on Item No. 5B, indicating opposition to vacation rentals and requested that the City Council submit the ballot measure on the voters on June 5, 2018:

Ester Stadtler, on behalf of Cristal Proque  
Marla Malaspina  
Steve Rose  
Robert Grimm  
Brian Yaklich  
Hugh Vance  
Richard Samuels  
Chip Burr  
Joan Martin

The following individuals spoke on Item No. 3A, indicating their support and urging the City Council to adopt the proposed ordinance related to public integrity:

Jim Van Dyke

Steve Rose

David Freedman

Russ Uthe, Chairman of the Personnel Board and Co-Chair of the Ethics Committee

Ronald Matlin, speaking on Item No. 5C, expressed concerns related to allowing the BUZZ trolley to operate through residential neighborhoods; suggested that the routes should be modified to avoid the Historic Tennis Club neighborhood.

Patricia Breslin, Historic Tennis Club Board Member, speaking on Item No. 5C, voiced opposition to the BUZZ trolley cutting through the Historic Tennis Club neighborhood.

Aftab Dada, President of Palm Springs Hospitality Association, opined that most tourists do not use the BUZZ trolley and expressed support for eliminating the BUZZ.

Joy Brown Meredith, Main Street Palm Springs, indicated support for continuing the BUZZ trolley.

## **CITY COUNCIL, SUBCOMMITTEE, AND CITY MANAGER'S COMMENTS AND REPORTS**

Councilmember Kors reported on the Cannabis Standing Subcommittee meeting, noting that applicants spoke positively on their experience dealing with City staff.

In response to City Council inquiry, City Manager Ready stated the airport is preparing to allow pick-up by Transportation Network Companies (TNC) and that the City Attorney is moving forward with finalizing permits for the TNCs.

Councilmember Holstege reported on the Coachella Valley Association of Government Homelessness Task Force and requested the Coachella Valley Housing First Open House flyer be posted on the City's website; announced the Riverside County Board of Supervisors adopted a bipartisan resolution in support of Deferred Action for Childhood Arrivals (DACA) recipients and requested a similar resolution be agendized.

Mayor Pro Tem Roberts reported on the Indian Canyon Two-Way Conversion Subcommittee meeting, noting that groundbreaking may happen soon; announced that Historic Site Preservation Board (HSPB) unanimously approved the Cornelia White House restoration project.

### **1. CONSENT CALENDAR**

MOTION BY MAYOR PRO TEM ROBERTS, SECOND BY COUNCILMEMBER KORS, CARRIED 5-0, to accept the Consent Calendar, with the removal of Item Nos. 1D, 1M, 1O, and 1T for separate discussion.

**A. MILLS ACT HISTORIC PROPERTY PRESERVATION AGREEMENT FOR A CLASS 1 HISTORIC SITE LOCATED AT 1415 NORTH CAMINO CENTRO, HSPB 107**

MOTION BY MAYOR PRO TEM ROBERTS, SECOND BY COUNCILMEMBER KORS, CARRIED 5-0, to:

1. Approve a Mills Act Historic Property Preservation Agreement with William F. Stewart, for 1415 North Camino Centro, a Class 1 Historic Site, HSPB 107, A7106.
2. Authorize the City Manager to execute the Agreement.
3. Direct the City Clerk to record the Agreement.

**B. MILLS ACT HISTORIC PROPERTY PRESERVATION AGREEMENT FOR A CLASS 1 HISTORIC SITE LOCATED AT 1776 SOUTH ARABY DRIVE, HSPB 103/HD-6**

MOTION BY MAYOR PRO TEM ROBERTS, SECOND BY COUNCILMEMBER KORS, CARRIED 5-0, to:

1. Approve a Mills Act Historic Property Agreement with Richard Gero and Felissa Gero and Park South Homeowners Association, for 1776 South Araby Drive, a Class 1 Historic Site, HSPB 103/HD-6, A7107.
2. Authorize the City Manager to execute the Agreement.
3. Direct the City Clerk to record the Agreement.

**C. MILLS ACT HISTORIC PROPERTY PRESERVATION AGREEMENT FOR A CLASS 1 HISTORIC SITE LOCATED AT 1611 SOUTH CALLE PALO FIERRO UNITS 1, 2, AND 6A, HSPB 102**

MOTION BY MAYOR PRO TEM ROBERTS, SECOND BY COUNCILMEMBER KORS, CARRIED 5-0, to:

1. Approve a Mills Act Historic Property Agreement with Diane Dewbrey and Desert Star Homeowners Association, for 1611 South Calle Palo Fierro Units 1, 2, and 6A, a Class 1 Historic Site, HSPB 102, A7108.
2. Authorize the City Manager to execute the Agreement.
3. Direct the City Clerk to record the Agreement.

**D. REPORT ON PROGRESS OF CV HOUSING FIRST PROGRAM FROM COACHELLA VALLEY ASSOCIATION OF GOVERNMENTS**

This item was excluded from the Consent Calendar. Please refer to Page 11 of these minutes for a summary of that action.

**E. APPROVAL OF TRACT MAP 37210 AND A SUBDIVISION IMPROVEMENT AGREEMENT WITH THE RIV, LP**

MOTION BY MAYOR PRO TEM ROBERTS, SECOND BY COUNCILMEMBER KORS, CARRIED 5-0, to adopt Resolution No. 24369 entitled "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM SPRINGS, CALIFORNIA, APPROVING TRACT MAP 37210 AND AN ASSOCIATED SUBDIVISION IMPROVEMENT AGREEMENT WITH THE RIV, LP, A CALIFORNIA LIMITED PARTNERSHIP, FOR PROPERTY LOCATED AT 2000 NORTH INDIAN CANYON DRIVE, IN SECTION 2, TOWNSHIP 4 SOUTH, RANGE 4 EAST." A7109.

**F. ACCEPTANCE OF THE PALM SPRINGS SWIM CENTER REPLASTER AND POOL REPAIR PROJECT, CP 16-06**

MOTION BY MAYOR PRO TEM ROBERTS, SECOND BY COUNCILMEMBER KORS, CARRIED 5-0, to:

1. Accept the public works improvement identified as the Palm Springs Swim Center Replaster and Pool Repair Project, CP 16-06, as completed in accordance with the plans and specifications. A7029.
2. Authorize the City Engineer to execute and file for recordation with the Riverside County Recorder a Notice of Completion for the Palm Springs Swim Center Replaster and Pool Repair Project, CP 16-06.

**G. AWARD A CONSTRUCTION CONTRACT TO TBU INC., IN THE AMOUNT OF \$220,559 FOR THE SONORA ROAD STORM DRAIN IMPROVEMENTS, CP 16-12**

MOTION BY MAYOR PRO TEM ROBERTS, SECOND BY COUNCILMEMBER KORS, CARRIED 5-0, to:

1. Award a construction contract to TBU Inc., a California corporation, in the amount of \$220,559 for the Sonora Road Storm Drain Improvements, CP 16- 12, A7110.
2. Authorize the City Manager to execute all necessary documents.

**H PROFESSIONAL SERVICES AGREEMENT WITH ADVANTEC CONSULTING ENGINEERS, INC., FOR THE HIGHWAY SAFETY IMPROVEMENT PROGRAM (HSIP) CYCLE 8 TRAFFIC SIGNAL MODIFICATIONS, FEDERAL-AID PROJECT NO. HSIPLN-5282 (047) AND INSTALLATION OF A FLASHING BEACON, FEDERAL-AID PROJECT NO. HSIPL-5282 (048), CP 16-18**

MOTION BY MAYOR PRO TEM ROBERTS, SECOND BY COUNCILMEMBER KORS, CARRIED 5-0, to:

1. Approve a Professional Services Agreement with Advantec Consulting Engineers, Inc., in the amount of \$433,144 for environmental and engineering design services for the Highway Safety Improvement Program (HSIP) Cycle 8 Traffic Signal Modifications, Federal-Aid Project No. HSIPLN-5282 (047) and Installation of a Flashing Beacon, Federal-Aid Project No. HSIPL-5282 (048), CP 16-18, A7111.
2. Authorize the City Manager to execute all necessary documents.

**I. TERMINATION OF SUBDIVISION IMPROVEMENT AGREEMENT AND AUTHORIZATION TO RELEASE SUBDIVISION IMPROVEMENT SECURITY FOR THE "STROKE ACTIVITY CENTER" DEVELOPMENT, PARCEL MAP 30581**

MOTION BY MAYOR PRO TEM ROBERTS, SECOND BY COUNCILMEMBER KORS, CARRIED 5-0, to adopt Resolution No. 24370 entitled "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM SPRINGS, CALIFORNIA, TERMINATING SUBDIVISION IMPROVEMENT AGREEMENT NO. A5216 WITH PALM SPRINGS STROKE ACTIVITY CENTER FOUNDATION, A CALIFORNIA NON-PROFIT CORPORATION, AND AUTHORIZING RELEASE OF SECURITIES THEREFORE, ASSOCIATED WITH PARCEL MAP 30581 FOR PROPERTY LOCATED AT THE NORTHEAST CORNER OF ALEJO ROAD AND COMMERCIAL ROAD, IN SECTION 12, TOWNSHIP 4 SOUTH, RANGE 4 EAST." A5216.

**J. APPROVAL OF PAYROLL WARRANTS, CLAIMS AND DEMANDS**

MOTION BY MAYOR PRO TEM ROBERTS, SECOND BY COUNCILMEMBER KORS, CARRIED 5-0, to:

1. Adopt Resolution No. 24371 entitled "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM SPRINGS, CALIFORNIA, APPROVING PAYMENT OF PAYROLL WARRANTS FOR THE PERIOD ENDED 12-30-2017 BY WARRANTS NUMBERED 420178 THROUGH 420189 TOTALING \$22,109.53, LIABILITY CHECKS NUMBERED 1096602 THROUGH 1096621 TOTALING \$80,295.41, FIVE WIRE TRANSFERS FOR \$80,179.25, AND THREE ELECTRONIC ACH DEBITS OF \$1,492,681.29 IN THE AGGREGATE AMOUNT OF \$1,675,265.48, DRAWN ON BANK OF AMERICA."

*(City Council action continued on next page)*

2. Adopt Resolution No. 24372 entitled "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM SPRINGS, CALIFORNIA, APPROVING PAYMENT OF CLAIMS AND DEMANDS BY WARRANTS NUMBERED 1096622 THROUGH 1096671 IN THE AGGREGATE AMOUNT OF \$744,767.83, DRAWN ON BANK OF AMERICA."
  3. Adopt Resolution No. 24373 entitled "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM SPRINGS, CALIFORNIA, APPROVING PAYMENT OF CLAIMS AND DEMANDS BY WARRANTS NUMBERED 1096672 THROUGH 1096785 IN THE AGGREGATE AMOUNT OF \$1,159,704.35, DRAWN ON BANK OF AMERICA."
  4. Adopt Resolution No. 24374 entitled "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM SPRINGS, CALIFORNIA, APPROVING PAYMENT OF PAYROLL WARRANTS FOR THE PERIOD ENDED 01-13- 2018 BY WARRANTS NUMBERED 420190 THROUGH 420205 TOTALING \$25,186.58, LIABILITY CHECKS NUMBERED 1096786 THROUGH 1096805 TOTALING \$78,021.44, FIVE WIRE TRANSFERS FOR \$61,453.16, AND THREE ELECTRONIC ACH DEBITS OF \$1,379,196.74 IN THE AGGREGATE AMOUNT OF \$1,543,857.92, DRAWN ON BANK OF AMERICA."
  5. Adopt Resolution No. 24375 entitled "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM SPRINGS, CALIFORNIA, APPROVING PAYMENT OF CLAIMS AND DEMANDS BY WARRANTS NUMBERED 1096806 THROUGH 1096927 IN THE AGGREGATE AMOUNT OF \$1,341,308.78, DRAWN ON BANK OF AMERICA."
  6. Adopt Resolution No. 24376 entitled "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM SPRINGS, CALIFORNIA, APPROVING PAYMENT OF CLAIMS AND DEMANDS BY WARRANTS NUMBERED 1096928 THROUGH 1097087 IN THE AGGREGATE AMOUNT OF \$2,834,224.45, DRAWN ON BANK OF AMERICA."
- K. RATIFICATION OF THE ANNUAL ADJUSTMENT OF THE ACCESS LINE RATE APPROVED BY THE VOTERS BY MEASURE "G" PURSUANT TO PALM SPRINGS MUNICIPAL CODE § 3.39.050**

MOTION BY MAYOR PRO TEM ROBERTS, SECOND BY COUNCILMEMBER KORS, CARRIED 5-0, to adopt Resolution No. 24377 entitled "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM SPRINGS, CALIFORNIA, RATIFYING THE ANNUAL ADJUSTMENT OF THE ACCESS LINE RATE PURSUANT TO PALM SPRINGS MUNICIPAL CODE § 3.39.050 APPROVED BY THE VOTERS BY MEASURE "G."

**L. APPOINTMENT TO THE PLANNING COMMISSION FOR THE UNEXPIRED TERM ENDING JUNE 30, 2019**

MOTION BY MAYOR PRO TEM ROBERTS, SECOND BY COUNCILMEMBER KORS, CARRIED 5-0, to appoint Dennis Woods to the Planning Commission for the unexpired term ending June 30, 2019.

**M. TREASURER’S INVESTMENT REPORT AS OF DECEMBER 31, 2017**

This item was excluded from the Consent Calendar. Please refer to Page 12 of these minutes for a summary of that action.

**N. STAFF AUTHORIZED AGREEMENTS AND PURCHASE ORDERS FOR THE MONTH OF JANUARY 2018**

MOTION BY MAYOR PRO TEM ROBERTS, SECOND BY COUNCILMEMBER KORS, CARRIED 5-0, to receive and file the report of Staff Authorized Agreements and Purchase Orders for the period of January 1 through January 31, 2018.

**O. APPROVAL OF AMENDMENT NO. 1 TO THE CONTRACT SERVICES AGREEMENT WITH ST. FRANCIS ELECTRIC, LLC, FOR ON-CALL TRAFFIC SIGNAL MAINTENANCE SERVICES**

This item was excluded from the Consent Calendar. Please refer to Page 12 of these minutes for a summary of that action.

**P. AUTHORIZATION TO REDUCE SUBDIVISION IMPROVEMENT SECURITIES FOR THE “MIRALON” DEVELOPMENT, TRACT NO. 31848-1**

MOTION BY MAYOR PRO TEM ROBERTS, SECOND BY COUNCILMEMBER KORS, CARRIED 5-0, to adopt Resolution No. 24378 entitled “A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM SPRINGS, CALIFORNIA, AUTHORIZING A REDUCTION OF SECURITIES GUARANTEEING COMPLETION OF CERTAIN WORKS OF IMPROVEMENT ASSOCIATED WITH TRACT MAP 31848-1 REQUIRED BY THE SUBDIVISION IMPROVEMENT AGREEMENT WITH AVALON 1150, LLC, A DELAWARE LIMITED LIABILITY COMPANY, FOR PROPERTY LOCATED ALONG THE NORTH SIDE OF SAN RAFAEL DRIVE, EAST OF NORTH INDIAN CANYON DRIVE, SOUTH OF WHITEWATER RIVER AND WEST OF SUNRISE WAY, IN SECTION 35, TOWNSHIP 3 SOUTH, RANGE 4 EAST.” A5393.

**Q. PRESENTATION OF FISCAL YEAR 2016-17 AUDIT REPORTS**

MOTION BY MAYOR PRO TEM ROBERTS, SECOND BY COUNCILMEMBER KORS, CARRIED 5-0, to receive and file the Fiscal Year 2016-17 Audit Reports prepared by the City's independent auditors.

**R. ACCEPTANCE OF PUBLIC IMPROVEMENTS AND AUTHORIZATION TO RELEASE SUBDIVISION IMPROVEMENT SECURITIES FOR THE "SOL PS" DEVELOPMENT, TRACT MAP 36525:**

MOTION BY MAYOR PRO TEM ROBERTS, SECOND BY COUNCILMEMBER KORS, CARRIED 5-0, to adopt Resolution No. 24379 entitled "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM SPRINGS, CALIFORNIA, AUTHORIZING ACCEPTANCE OF THE SUBDIVISION IMPROVEMENTS ASSOCIATED WITH TRACT MAP 36525 AND AUTHORIZING RELEASE OF SECURITIES REQUIRED BY THE SUBDIVISION IMPROVEMENT AGREEMENT WITH SOL PS, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY FOR PROPERTY LOCATED AT THE NORTHEAST CORNER OF AVENIDA CABALLEROS AND AMADO ROAD, IN SECTION 14, TOWNSHIP 4 SOUTH, RANGE 4 EAST." A6435.

**S. AMEND HR-PAYROLL SYSTEM AGREEMENT WITH HIGH LINE CORPORATION**

MOTION BY MAYOR PRO TEM ROBERTS, SECOND BY COUNCILMEMBER KORS, CARRIED 5-0, to:

1. Approve Amendment No. 1 to Agreement No. A3909 with High Line Corporation to provide the City Human Resources and Payroll Services at a one-time cost not to exceed \$100,000, with recurring costs of up to \$25,576 annually.
2. Authorize the City Manager to execute all necessary documents.

**T. APPROVAL OF MINUTES**

This item was excluded from the Consent Calendar. Please refer to Page 12 of these minutes for a summary of that action.

**EXCLUDED FROM THE CONSENT CALENDAR**

**D. REPORT ON PROGRESS OF CV HOUSING FIRST PROGRAM FROM COACHELLA VALLEY ASSOCIATION OF GOVERNMENTS**

Councilmember Middleton requested that future progress reports include a standardized dashboard on the progress and suggested that their hotline phone number be published on the website.

MOTION BY COUNCILMEMBER HOLSTEGE, SECOND BY MAYOR PRO TEM ROBERTS, CARRIED 5-0, to receive and file the update on the progress of the CV Housing First program from Coachella Valley Association of Governments.

**M. TREASURER'S INVESTMENT REPORT AS OF DECEMBER 31, 2017**

Councilmember Middleton requested that staff verify that the City holds no investments in gun manufacturing companies directly or indirectly.

MOTION BY COUNCILMEMBER MIDDLETON, SECOND BY COUNCILMEMBER KORS, CARRIED 5-0, to receive and file the Treasurer's Investment Report as of December 31, 2017.

**O. APPROVAL OF AMENDMENT NO. 1 TO THE CONTRACT SERVICES AGREEMENT WITH ST. FRANCIS ELECTRIC, LLC, FOR ON-CALL TRAFFIC SIGNAL MAINTENANCE SERVICES**

In response to City Council inquiry, Assistant City Manager Fuller explained that an unusually high number of vehicular accidents involved damaging traffic signals, resulting in the need to increase the contract amount.

MOTION BY COUNCILMEMBER MIDDLETON, SECOND BY COUNCILMEMBER HOLSTEGE, CARRIED 5-0, to:

1. Approve Amendment No. 1 to Contract Services Agreement No. A6858 with St. Francis Electric, LLC, a California limited liability company, increasing the maximum annual contract amount by \$225,000 for a maximum annual contract amount of \$605,000 for Traffic Signal Maintenance Services.
2. Authorize the City Manager to execute all necessary documents.

**T. APPROVAL OF MINUTES**

Following clarification, MOTION BY COUNCILMEMBER MIDDLETON, SECOND BY MAYOR PRO TEM ROBERTS, CARRIED 4-0 (COUNCILMEMBER HOLSTEGE ABSTAINING), to approve the City Council Meeting Minutes of January 24, 2018.

**2. PUBLIC HEARINGS**

None.

**3. LEGISLATIVE****A. PROPOSED INTRODUCTION OF AN ORDINANCE ADOPTING CHAPTER 2.60 OF THE PALM SPRINGS MUNICIPAL CODE RELATING TO PUBLIC INTEGRITY**

City Attorney Kotkin presented the staff report and responded to City Council inquiries.

Councilmember Kors noted that the proposed City Council Standing Subcommittee on Public Integrity issues would not make decisions related to alleged violations, but would be responsible for monitoring the effectiveness of the ordinance.

Mayor Pro Tem Roberts stated that he largely supports the proposed ordinance, citing concern related to the provision which requires recusal when an official serves on a voluntary board of directors; pointed out that if a particular Councilmember felt conflicted on a particular issue, they would always have the option to abstain on the matter; suggested that applicants should be allowed to apply for “at-risk” permits during the 10-day waiting period after a Planning Commission decision, subject to approval by the City Manager.

City Manager Ready received clarification that notification of Planning Commission decisions via email and posting on the website would comply with the provisions of the ordinance.

The City Council requested that staff develop informational materials and training for Boards and Commissions related to the ordinance.

MOTION BY COUNCILMEMBER KORS, SECOND BY COUNCILMEMBER MIDDLETON, CARRIED 5-0, to introduce Ordinance No. 1953 entitled “AN ORDINANCE OF THE CITY OF PALM SPRINGS, CALIFORNIA, ADOPTING CHAPTER 2.60 OF THE PALM SPRINGS MUNICIPAL CODE, RELATING TO PUBLIC INTEGRITY,” with Section 2.60.040(D) pulled for separate action, with the following modifications:

- a. Section 2.06.010(E) should be modified to indicate that the burden of disclosure is placed on the applicant rather than the City.
- b. Section 2.60.040, Duties of Official, to read as “a retained attorney...” to “a currently retained attorney...”
- c. Add verbiage providing for an applicant to proceed with obtaining permits at their own risk in advance of the 10-day waiting period following a Planning Commission decision, subject to approval by the City Manager.

MOTION BY COUNCILMEMBER MIDDLETON, SECOND BY COUNCILMEMBER KORS, CARRIED 4-1 (MAYOR PRO TEM ROBERTS VOTING NO), to insert Section 2.60.040(D) into Ordinance No. 1953 entitled “AN ORDINANCE OF THE CITY OF PALM SPRINGS, CALIFORNIA, ADOPTING CHAPTER 2.60 OF THE PALM SPRINGS MUNICIPAL CODE, RELATING TO PUBLIC INTEGRITY.”

Mayor Moon appointed Councilmembers Kors and Middleton to serve on a City Council Standing Subcommittee for Public Integrity issues.

#### **MEETING RECESSED AND RECONVENED**

The City Council recessed at 8:32 p.m. and reconvened at 8:42 p.m., with all members present.

#### **4. UNFINISHED BUSINESS**

None.

**5. NEW BUSINESS****A. REQUEST BY TAHQUITZ CANYON INVESTORS, LLC TO ESTABLISH A SIGN PROGRAM FOR A MULTI-TENANT COMMERCIAL PROPERTY THAT IS PLANNED TO BE REMODELED AND PARTIALLY REDEVELOPED AS “THE SCENE IN PALM SPRINGS” LOCATED AT 601 TO 777 EAST TAHQUITZ CANYON WAY (SIGN PROGRAM CASE NO. 17-012)**

Director of Planning Services Fagg presented the staff report.

Councilmember Middleton expressed concern that the sign program was not reviewed by the Planning Commission. MOTION BY COUNCILMEMBER MIDDLETON to table the matter and refer it to the Planning Commission for review. The motion died due to lack of a second.

Mayor Pro Tem Roberts voiced concern that recent retail developments’ interior lights are too bright and spilling ambient light outside of the building. Director of Planning Services Fagg suggested consideration of light intensity could be added to the Sign Program in a future amendment.

Samuel Rasmussen, applicant, reviewed the sign program for the proposed project; requested that the City Council allow for the monument sign to remain 18-foot wide, allow for 6500 kelvin illumination, and approve the pole signs with goose neck LED lighting. In response to Council inquiries, Mr. Rasmusson stated all channel letters mounted to the building will be halo lite.

MOTION BY MAYOR PRO TEM ROBERTS, SECOND BY COUNCILMEMBER HOLSTEGE, CARRIED 5-0, to:

1. Approve the applicants request to allow for the monument sign to remain 18-foot wide, allow for 6500 kelvin illumination, and the installation of pole signs with gooseneck LED lighting.
2. Adopt Resolution No. 24380 entitled “A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM SPRINGS, CALIFORNIA, APPROVING AND ESTABLISHING A SIGN PROGRAM FOR THE MULTI-TENANT COMPLEX LOCATED ON THE SOUTH SIDE OF EAST TAHQUITZ CANYON WAY BETWEEN CALLE EL SEGUNDO AND CALLE ALVARADO,” with the addition of a Condition of Approval to review the foot candle illumination and the interior illumination after three months of operation.

**B. RECEIVE AND FILE AN IMPACT ANALYSIS REPORT AND PROVIDE DIRECTION RELATING TO A CITIZENS' INITIATIVE FOR THE PROHIBITION OF VACATION RENTAL OF SINGLE FAMILY RESIDENCES IN THE CITY – UPDATE ON VACATION RENTAL ORDINANCE ENFORCEMENT**

Councilmember Holstege recused herself due to a personal household income interest with respect to a vacation rental.

Vacation Rental Compliance Officers Severin and Stark narrated a PowerPoint presentation related to compliance efforts and enforcement effectiveness; noted that cities which have banned vacation rentals find that illegal vacation rentals continue to be listed on websites. In response to Council inquiries, Vacation Rental Compliance Officer Severin noted that Police involvement in vacation rental matters has reduced by 90%.

Economic Development Director Virata narrated a PowerPoint presentation summarizing the economic development findings including visitor spending, industries impacted by vacation rental and tourism, and impact to local revenues. In response to Council inquiries, Director Virata stated the economic study assumed homeshares would not be banned.

The City Council requested that staff provide additional information related to money spent by permanent residents, potential impacts on property values and cost of housing, and the overall effects on transient occupancy taxes.

In response to City Council inquiries, City Attorney Kotkin stated the ordinance contains an internal inconsistency related to whether homeshares will continue if the ordinance is approved by the voters, noting that the matter would likely result in litigation; noted that the Agua Caliente Band of Cahuilla Indians is a sovereign nation and could potentially allow for vacation rentals to continue on its leased land.

The City Council agreed to modify the ballot question to read as follows, "Shall the City of Palm Springs prohibit vacation rentals in single family residences?"

**MOTION BY COUNCILMEMBER MIDDLETON, SECOND BY MAYOR PRO TEM ROBERTS, CARRIED 4-0 (COUNCILMEMBER HOLSTEGE RECUSED), to not adopt the proposed ordinance entitled "AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PALM SPRINGS, CALIFORNIA, AMENDING THE PALM SPRINGS MUNICIPAL CODE TO PROHIBIT THE VACATION RENTAL OF SINGLE FAMILY RESIDENCES IN THE CITY."**

*(City Council action continued on the next page)*

MOTION BY COUNCILMEMBER KORS, SECOND BY MAYOR PRO TEM ROBERTS, CARRIED 4-0 (COUNCILMEMBER HOLSTEGE RECUSED), to:

1. Adopt Resolution No. 24381 on entitled "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM SPRINGS, CALIFORNIA, CALLING AND GIVING NOTICE OF THE HOLDING OF A SPECIAL MUNICIPAL ELECTION TO BE HELD ON JUNE 5, 2018, FOR THE SUBMISSION TO THE VOTERS A QUESTION RELATING TO THE PROHIBITION OF VACATION RENTAL OF SINGLE FAMILY RESIDENCES IN THE CITY."
2. Adopt Resolution No. 24382 entitled "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM SPRINGS, CALIFORNIA, REQUESTING THE BOARD OF SUPERVISORS OF THE COUNTY OF RIVERSIDE TO CONSOLIDATE A SPECIAL MUNICIPAL ELECTION TO BE HELD ON JUNE 5, 2018, WITH THE STATEWIDE PRIMARY ELECTION TO BE HELD ON THE SAME DATE PURSUANT TO SECTION 10403 OF THE ELECTIONS CODE."
3. Adopt Resolution No. 24383 entitled "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM SPRINGS, CALIFORNIA, AUTHORIZING WRITTEN ARGUMENTS FOR OR AGAINST THE PROPOSED ORDINANCE TO PROHIBIT THE VACATION RENTAL OF SINGLE FAMILY RESIDENCES IN THE CITY; SETTING PRIORITIES FOR FILING WRITTEN ARGUMENTS REGARDING THE MEASURE AND, DIRECTING THE CITY ATTORNEY TO PREPARE AN IMPARTIAL ANALYSIS."
4. Designate all Councilmembers (with the exception of Councilmember Holstege) to author a Direct Argument for the ballot measure and any Rebuttal Argument, if needed.
5. Adopt Resolution No. 24384 entitled "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM SPRINGS, CALIFORNIA, PROVIDING FOR THE FILING OF REBUTTAL ARGUMENTS FOR CITY MEASURES SUBMITTED AT MUNICIPAL ELECTIONS."
6. Adopt Resolution No. 24385 entitled "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM SPRINGS, CALIFORNIA, AMENDING THE BUDGET FOR FISCAL YEAR 2017-18."

**C. DISCUSSION OF THE BUZZ TROLLEY PROGRAM AND APPROVAL OF THE REMAINING TERM OF THE THIRD OF FOUR ONE-YEAR EXTENSION OPTIONS TO THE TROLLEY SERVICES OPERATOR AGREEMENT WITH MV TRANSPORTATION INC., RENEWING THE PROGRAM FOR NINE MONTHS EFFECTIVE MARCH 19, 2018, THROUGH DECEMBER 18, 2018**

City Manager Ready introduced Josh Morgerman, Symlaze, who provided an overview of BUZZ ridership, popularity with visitors and residents, benefits of the BUZZ, costs and revenue generation, user surveys, and Symlaze marketing activities.

During the course of discussion, the City Council discussed the propriety of using Measure J funds for the operation of the BUZZ; whether the rising popularity of Transportation Network Companies (TNC) have caused ridership to decrease; whether issuing vouchers for senior and disabled persons to attend doctors' appointments and grocery shopping would be more beneficial than the BUZZ.

In response to City Council inquiry, Judy Smith, MV Transportation, advised that her company would be committed to operating the BUZZ through June 30, 2018; explained that the contract contains provisions related to the cost of the buses in the event that the contract is terminated early.

Councilmember Holstege opined that the BUZZ adds to the branding of the downtown area and that the City Council should move forward with a contract extension for nine months and to direct Syublaze to implement the new revenue generating efforts.

**MOTION BY COUNCILMEMBER MIDDLETON, SECOND BY COUNCILMEMBER KORS, CARRIED 4-1 (COUNCILMEMBER HOLSTEGE VOTING NO), to:**

1. Receive update on the BUZZ Trolley Program as of the end of the third program year ending on December 18, 2017.
2. Authorize staff to implement any recommended measures to streamline operations, increase ridership, reduce operating costs and generate revenue.
3. Approve an extension to the Trolley Services Operator Agreement with MV Transportation, Inc., to terminate on June 30, 2018.
4. Authorize the City Manager or his designee to execute all necessary documents.

**D. FISCAL YEAR 2017-18 MID-YEAR BUDGET UPDATE:**

Finance Director Kiehl provided the mid-year budget update including cash reserve summary, revenues 6-month comparison, transient occupancy tax growth, sales tax, and overall expenses.

By consensus, the City Council received and filed the fiscal year 2017-18 mid-year Budget update.

**PUBLIC COMMENT**

Richard Samuels, voice concern related to the materials used for the pilot downtown furniture and the size of the trash cans.

**CITY COUNCIL AND CITY MANAGER REQUESTS AND UPCOMING AGENDA DEVELOPMENT**

Councilmember Middleton requested that staff bring forward an amendment to the Signage Ordinance to refer projects to the Planning Commission instead of the City Council

Councilmember Kors requested that the City Council Ad Hoc Subcommittee related to recycling of construction debris meet and bring the proposed ordinance forward to the City Council.

Councilmember Holstege requested that the Cannabis Subcommittee consider amendments to the ordinance to address racial inequity issues; requested that Presentation Items be listed on the agenda in the future.

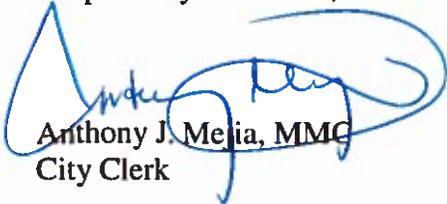
In response to City Council inquiry, Assistant City Manager Fuller advised that he anticipates bringing the conversion of Indian Canyon from a one-way to a two-way street forward at a City Council meeting in April or May 2018.

Based on the recommendation of City Attorney Kotkin, MOTION BY MAYOR PRO TEM ROBERTS, SECOND BY COUNCILMEMBER MIDDLETON, CARRIED 4-1 (COUNCILMEMBER HOLSTEGE RECUSED), to reconsider the resolution setting the election and adding the following verbiage “the City reserves all legal rights and remedies arising from or related to the proposed ordinance to be submitted to the voters attached hereto as Exhibit A.”

**ADJOURNMENT**

At 11:25 p.m., the City Council adjourned to the next regular meeting Wednesday, March 7, 2018, at 6:00 p.m. Council Chamber, City Hall, preceded by Closed Session, Small Conference Room, City Hall, 3200 East Tahquitz Canyon Way, Palm Springs.

Respectfully submitted,



Anthony J. Mejia, MMC  
City Clerk