



Thursday, February 13, 2020
Minutes of the Regular Meeting of the City Council
of the City of Palm Springs

CALL TO ORDER:

A Regular Meeting of the Palm Springs City Council was called to order by Mayor Kors on Thursday, February 13, 2020, at 6:10 p.m., in the Council Chamber, City Hall, located at 3200 E. Tahquitz Canyon Way, Palm Springs, California.

PLEDGE OF ALLEGIANCE:

Boy Scouts Troop 262 led the Pledge of Allegiance.

ROLL CALL:

Present: Councilmembers Grace Elena Garner, Lisa Middleton, Dennis Woods; Mayor Pro Tem Christy Holstege; and Mayor Geoff Kors

Absent: None.

City Staff

Present: David H. Ready, City Manager; Jeffrey Ballinger, 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:

Mayor Kors displayed a video and provided an update on the launch of Desert Community Energy and invited the community to attend an upcoming series of workshops.

Allen Monroe, representing The Living Desert Zoo and Gardens, displayed a video and provided an update on the Living Desert Capital Campaign.

ACCEPTANCE OF THE AGENDA:

MOTION BY MAYOR PRO TEM HOLSTEGE, SECOND BY COUNCILMEMBER MIDDLETON, CARRIED 5-0, to remove Consent Calendar Item No. 1H for separate discussion and the deletion of Item No. 1O from the agenda.

REPORT OF CLOSED SESSION:

The Regular Closed Session of the City Council of February 13, 2020, was called to order by Mayor Kors at 4:30 p.m., with all members present.

City Attorney Ballinger requested that the City Council add one Closed Session Item and one New Business Item to the agenda, noting that there is a need to immediately discuss, and possibly provide direction to staff, and that the need for action came to the attention of the City subsequent to the posting of the agenda.

MOTION BY MAYOR PRO TEM HOLSTEGE, SECOND BY COUNCILMEMBER MIDDLETON, CARRIED 5-0, to add the following Items to the agenda:

Closed Session Agenda, Conference with Real Property Negotiator

1. Property Address/Description: 980 E. Tahquitz Canyon Way, Palm Springs CA
 Agency: City of Palm Springs
 City Negotiator: David H. Ready, City Manager or Designee
 Negotiating Parties: Chief Planning and Development Officer,
 Agua Caliente Band of Cahuilla Indians
 Under Negotiation: Price and Terms

New Business Item 5D

2. Consideration of “*Urgency Item - Proposed Federal Administrative Rulemaking regarding the Community Reinvestment Act -- Docket ID OCC-2018-0008.*”

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):

4328 Lockwood Avenue v. City of Palm Springs,

Case No. RIC 1703102, Superior Court of the State of California, County of Riverside

David Edwin Bell v. City of Palm Springs,

Case No RIC 1901178, Superior Court of the State of California, County of Riverside

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

Eleven (11) matters that, under the existing circumstances, the City Attorney believes creates significant exposure to litigation.

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

Under existing facts and circumstances, there are five (5) matters the City Council has decided or may decide to initiate litigation.

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

City Manager
City Attorney

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

Property Address/Description: 225 El Cielo Road, Palm Springs CA
Agency: City of Palm Springs
City Negotiator: David H. Ready, City Manager or Designee
Negotiating Parties: Tom Kirk, Coachella Valley Association of Governments
Under Negotiation: Price and Terms of Payment (Lease)

Property Address/Description: 3400 Tahquitz Canyon Way, Palm Springs (portions
of airport)
Agency: City of Palm Springs
City Negotiator: David H. Ready, City Manager or Designee
Negotiating Parties: Chief Planning and Development Officer,
Agua Caliente Band of Cahuilla Indians
Under Negotiation: Price and Terms of Payment (Lease)

Property Address/Description: APN 502-210-023 (2-acre portion located at the
northwest corner of East Baristo Rd. and El Cielo Rd.)
Agency: City of Palm Springs
City Negotiator: David H. Ready, City Manager or Designee
Negotiating Parties:
Under Negotiation: Price and Terms of Payment (Lease)

Property Address/Description: 505-182-010 and 505-182-004 (Adjacent parcels
located at the southwest corner of North Palm
Canyon Drive and Stevens Road)
Agency: City of Palm Springs and Successor Agency of the
Former Redevelopment Agency of the City of
Palm Springs
City Negotiator: David H. Ready, City Manager or Designee
Negotiating Parties:
Under Negotiation: Price and Terms of Payment (Sale)

Property Address/Description: 3.6 Acres at SE corner of Indian Canyon Drive and
San Rafael Road, APN 501-031-028
Agency: City of Palm Springs
City Negotiator: David H. Ready, City Manager or Designee
Negotiating Parties: Community Housing Opportunities Corporation (CHOC)
Under Negotiation: Price and Terms of Payment (Sale)

Property Address/Description: 233 West Tramview Road (APN 501-401-010)
 Agency: Palm Springs Housing Successor Agency
 City Negotiator: David H. Ready, City Manager or Designee
 Negotiating Parties:
 Under Negotiation: Price and Terms of Payment (Sale)

Property Address/Description: APN 501-401-039 (El Dorado Boulevard)
 Agency: Palm Springs Housing Successor Agency
 City Negotiator: David H. Ready, City Manager or Designee
 Negotiating Parties:
 Under Negotiation: Price and Terms of Payment (Sale)

Property Address/Description: 980 E. Tahquitz Canyon Way, Palm Springs CA
Agency: City of Palm Springs
City Negotiator: David H. Ready, City Manager or Designee
Negotiating Parties: Chief Planning and Development Officer,
Agua Caliente Band of Cahuilla Indians
Under Negotiation: Price and Terms

City Attorney Ballinger 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:

Sandra Banner, spoke in support The Living Desert Zoo and Gardens; expressed gratitude to the City for its quick response in addressing her concerns related to deaf persons being able to receive notifications at the Airport.

CITY COUNCIL, SUBCOMMITTEE, AND CITY MANAGER'S COMMENTS AND REPORTS:

Assistant City Manager Marcus Fuller explained the status of two new traffic signals on Palm Canyon and Via Escuela and on Vista Chino and Via Miraleste and discussed Caltrans' requirement for the removal and/or trimming of existing trees near the signals.

Police Chief Reyes reported on the recent discovery of illegal cannabis grows in residential and commercial areas; encouraged residents to report any suspicious activities to the Police Department.

Mayor Pro Tem Holstege noted that consideration of allowing a bicycle share program will be agendaized for an upcoming City Council meeting and requested that staff agendaize consideration of an ordinance related to backyard animal breeding; provided a report on recent meetings related to Sunrise Park Plaza, Rim Road, Well in the Desert, and Coronavirus quarantines; invited the community to attend the City Council Liaison's Business Retention meeting and Coachella Valley Association of Governments (CVAG) Homelessness Committee meeting.

Councilmember Middleton reported on her participation in the Riverside County Transportation Commission's (RCTC) annual retreat; provided updates on the State's Zero Fatality Taskforce and her presentation on CalPERS at the League of California Cities (LCC) City Manager's Annual Conference.

Councilmember Woods reported that the Coachella Valley Conservation Commission continues to identify potential land for conservation; noted that the CVAG Energy Committee expressed interest in establishing a regional energy network; commended Councilmember Middleton for receiving an award from Services & Advocacy for LGBT Elders (SAGE) and former Councilmember Foat and Police Chief Reyes for their recognitions by the City's Human Rights Commission; expressed gratitude and commented the success of the Palm Springs USO volunteer recognition event and Black History Month events.

Councilmember Garner encouraged the community to apply for the City's Boards and Commissions.

Mayor Kors provided an update on the status of the \$10 million State grant to address homelessness; reported on his participation in recent activities and events, including the Tour de Palm Springs, Black History Month, and Escena Neighborhood Organization meeting; spoke on recent meetings related to a potential Coachella food truck court.

1. CONSENT CALENDAR:

MOTION BY COUNCILMEMBER MIDDLETON, SECOND BY MAYOR PRO TEM HOLSTEGE, CARRIED 5-0, to approve the consent calendar, with the removal of Item No. 1H for separate discussion and the deletion of Item No. 1O from the agenda.

A. APPROVAL OF MINUTES

MOTION BY COUNCILMEMBER MIDDLETON, SECOND BY MAYOR PRO TEM HOLSTEGE, CARRIED 5-0, to approve the City Council Meeting Minutes of January 29, 2020.

B. APPOINTMENT TO THE PUBLIC ARTS COMMISSION

MOTION BY COUNCILMEMBER MIDDLETON, SECOND BY MAYOR PRO TEM HOLSTEGE, CARRIED 5-0, to appoint Shawnda Thomas Faveau to the Public Arts Commission for a term ending June 30, 2022.

C. APPROVAL OF PAYROLL WARRANTS, CLAIMS, AND DEMANDS

MOTION BY COUNCILMEMBER MIDDLETON, SECOND BY MAYOR PRO TEM HOLSTEGE, CARRIED 5-0, to adopt Resolution No. 24718 entitled, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM SPRINGS, CALIFORNIA, APPROVING PAYMENT OF PAYROLL WARRANTS FOR THE PERIOD ENDING 12-28-2019, 01-11-2020 AND 01-25-2020 BY WARRANTS NUMBERED 420941, 420955 THROUGH 420979 TOTALING \$49,910.31 CLAIMS, DEMANDS AND LIABILITY CHECKS NUMBERED 1111080 THROUGH 1111519 TOTALING \$6,050,899.84, FOUR WIRE TRANSFERS FOR \$121,037.58, AND TWELVE ELECTRONIC ACH DEBITS OF \$3,303,748.77 IN THE AGGREGATE AMOUNT OF \$9,525,596.50, DRAWN ON BANK OF AMERICA."

D. SECOND READING AND ADOPTION OF AN ORDINANCE OF THE CITY OF PALM SPRINGS FOR A ZONE TEXT AMENDMENT TO ALLOW RESIDENTIAL USES IN PROFESSIONAL ZONES WHERE SPECIFICALLY PERMITTED BY THE GENERAL PLAN LAND USE ELEMENT

MOTION BY COUNCILMEMBER MIDDLETON, SECOND BY MAYOR PRO TEM HOLSTEGE, CARRIED 5-0, to adopt Ordinance No. 2016 entitled, "AN ORDINANCE OF THE CITY OF PALM SPRINGS, CALIFORNIA, AMENDING SECTIONS 92.08.01 THROUGH 92.08.03 OF CHAPTER 92.08 OF THE PALM SPRINGS ZONING CODE TO PERMIT CERTAIN RESIDENTIAL USES WITHIN THE PROFESSIONAL ("P") ZONES OF THE CITY."

E. SECOND READING AND ADOPTION OF AN ORDINANCE OF THE CITY OF PALM SPRINGS FOR A CHANGE OF ZONE AT THREE LOCATIONS: (1) CITY-OWNED PROPERTY ZONED "CU" AT 190 WEST SUNNY DUNES ROAD, (2) CITY-OWNED PROPERTY ZONED "CU" LOCATED SOUTHWEST OF THE INTERSECTION OF NORTH INDIAN CANYON DRIVE AND STEVENS ROAD, AND (3) PRIVATELY-OWNED PROPERTY ZONED "CU" AT 342 NORTH PALM CANYON DRIVE (HSPB #93/HD-5)

Mayor Pro Tem Holstege recused herself due to a financial conflict of interest related to her husband's business.

MOTION BY COUNCILMEMBER MIDDLETON, SECOND BY MAYOR PRO TEM HOLSTEGE, CARRIED 4-0, (MAYOR PRO TEM HOLSTEGE RECUSED) to adopt Ordinance No. 2017 entitled, "AN ORDINANCE OF THE CITY OF PALM SPRINGS, CALIFORNIA, APPROVING A ZONING CHANGE OF THREE PARCELS WITHIN THE CITY FROM "CU" (CIVIC USE) TO COMMERCIAL / RESIDENTIAL ZONING AND DIRECTING THAT THE CITY'S ZONING MAP BE AMENDED ACCORDINGLY."

F. REQUEST FOR APPROVAL OF MILLS ACT HISTORIC PROPERTY PRESERVATION AGREEMENT FOR A CLASS 1 HISTORIC SITE LOCATED AT 1836 SOUTH BARONA ROAD

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

1. Approve a Mills Act Historic Property Agreement between the City of Palm Springs, Patricia L. Kuhn and Sandcliff Homeowners Association, for 1836 South Barona Road, a Class 1 Historic Site (HSPB #93/HD-5).
2. Authorize the City Manager to execute the Agreement.
3. Direct the City Clerk to record the Agreement.

- G. 4 BROS PALM SPRINGS, LP (OBA: ONE PLANT) REQUESTING APPROVAL OF A MINOR ARCHITECTURAL APPLICATION FOR ARCHITECTURAL REVIEW TO INCLUDE SIGNAGE, BUILDING REPAINT, LANDSCAPING, AND ADDITION OF A NEW PARKING LOT FOR A CANNABIS DISPENSARY/LOUNGE LOCATED AT 2739 NORTH PALM CANYON DRIVE, ZONE C-1 (CASE 3.2610 MAA, & 7.1583AMM)**

MOTION BY COUNCILMEMBER MIDDLETON, SECOND BY MAYOR PRO TEM HOLSTEGE, CARRIED 5-0, to adopt Resolution No. 24719 entitled, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM SPRINGS, CALIFORNIA, GRANTING APPROVAL OF A MINOR ARCHITECTURAL APPLICATION FOR A BUILDING REPAINT, NEW PARKING LOT LAYOUT, LANDSCAPE PLAN, AND SIGNAGE FOR A CANNABIS DISPENSARY/LOUNGE LOCATED AT 2739 NORTH PALM CANYON DRIVE."

- H. REQUEST BY GABRIEL LUJAN ON BEHALF OF OG ARABIAN NIGHTS FOR A MINOR ARCHITECTURAL APPLICATION TO RENOVATE AN EXISTING 2,466-SQUARE FOOT TWO-STORY COMMERCIAL BUILDING FOR A CANNABIS LOUNGE AND DISPENSARY FACILITY LOCATED AT 232 NORTH PALM CANYON DRIVE, ZONE CBD, SECTION 15 (CASE 3.4150)**

This item was excluded from the Consent Calendar. Please refer to Page 9 of these minutes for a summary of that action.

- I. REQUEST BY MIKE STORINO ON BEHALF OF IKANIK - CANNUS, INC. FOR A MINOR ARCHITECTURAL APPLICATION TO RENOVATE AN EXISTING 3,191-SQUARE FOOT INDUSTRIAL BUILDING FOR A CANNABIS LOUNGE AND DISPENSARY FACILITY LOCATED AT 508 INDUSTRIAL WAY, ZONE CM, SECTION 23 (CASE 3.1112-MAA)**

MOTION BY COUNCILMEMBER MIDDLETON, SECOND BY MAYOR PRO TEM HOLSTEGE, CARRIED 5-0, to adopt Resolution No. 24721 entitled, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM SPRINGS, CALIFORNIA, APPROVING A MINOR ARCHITECTURAL APPLICATION (MAA) BY MIKE STORINO ON BEHALF OF IKANIK-CANNUS, INC. FOR THE RENOVATION OF AN EXISTING 3,191- SQUARE FOOT INDUSTRIAL BUILDING FOR A CANNABIS LOUNGE AND DISPENSARY FACILITY LOCATED AT 508 INDUSTRIAL WAY, ZONE CM, SECTION 23 (CASE 3.1112-MAA)."

- J. DECISIONS OF THE ADMINISTRATIVE APPEALS BOARD FOR HEARINGS HELD ON NOVEMBER 13, 2019**

MOTION BY COUNCILMEMBER MIDDLETON, SECOND BY MAYOR PRO TEM HOLSTEGE, CARRIED 5-0, to receive and file the Administrative Appeals Board decisions from the November 13, 2019 hearings.

K. CONSIDERATION AND APPROVAL OF AMENDMENT NO. 3 TO DESTINATION PALM SPRINGS AGREEMENT- PS RESORTS

MOTION BY COUNCILMEMBER MIDDLETON, SECOND BY MAYOR PRO TEM HOLSTEGE, CARRIED 5-0, to approve Amendment No. 3 to Destination Palm Springs Agreement with PS Resorts.

L. RENEW AGREEMENT WITH COUNTY OF RIVERSIDE ON BEHALF OF PROBATION DEPARTMENT AND POST-RELEASE ACCOUNTABILITY AND COMPLIANCE TEAM FOR PUBLIC SAFETY REALIGNMENT

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

1. Renew agreement with Riverside County, on behalf of its Probation Department and Post-release Accountability and Compliance Team, through June 30, 2020.
2. Authorize the City Manager to execute all necessary documents.

M. AUTHORIZE A PURCHASE ORDER WITH DAVID EVANS AND ASSOCIATES, INC., IN AN AMOUNT NOT TO EXCEED \$31,900 FOR LANDSCAPE DESIGN SERVICES FOR AIRPORT TURF CONVERSION PROJECTS

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

1. Authorize a Purchase Order in an amount not to exceed \$31,900 with the City's "on-call" professional consulting services firm, David Evans and Associates, Inc., an Oregon corporation, pursuant to Agreement No. 6785, for conceptual design services for turf conversion projects at the Airport.
2. Authorize the City Manager to execute all necessary documents.

N. AWARD A CONSTRUCTION CONTRACT TO BARKSHIRE LASER LEVELING, INC., A CALIFORNIA CORPORATION, IN THE AMOUNT OF \$52,900 FOR LASER LEVELING OF BALLFIELDS, CITY PROJECT NO. 19-35

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

1. Award a construction contract to Barkshire Laser Leveling, Inc., a California corporation, in the amount of \$52,900 for Laser Leveling of Ballfields, City Project No. 19-35.
2. Authorize the City Manager to execute all necessary documents.

O. APPROVAL OF A CONTRACT SERVICE AGREEMENT IN THE TOTAL AMOUNT OF \$4,270,796 WITH ABM AVIATION, INC., A GEORGIA CORPORATION FOR PARKING MANAGEMENT SERVICES AT THE PALM SPRINGS INTERNATIONAL AIRPORT

This matter was removed from the agenda at the request of staff.

P. ACCEPT THE PALM SPRINGS MOUNTED POLICE SEARCH AND RESCUE'S DONATION OF A 2019 JEEP WRANGLER, AND DONATE VEHICLE 208895, TO THE PALM SPRINGS MOUNTED POLICE SEARCH AND RESCUE

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

1. Accept the donation of a 2019 Jeep Wrangler Unlimited (VIN number 1C4HJXDG2KW544175), from the Palm Springs Mounted Police Search and Rescue Unit.
2. Waive the Public Auction requirement in Section 7.07.020(3) of the Palm Springs Municipal Code for Disposition of Surplus Property and authorize the donation of Unit 208895, a 1995 Jeep Wrangler, to Palm Springs Mounted Police Search and Rescue.
3. Approve a Donation Agreement with the Palm Springs Mounted Police Search and Rescue Unit.
4. Authorize the City Manager to execute all necessary documents.

EXCLUDED CONSENT CALENDAR:

H. REQUEST BY GABRIEL LUJAN ON BEHALF OF OG ARABIAN NIGHTS FOR A MINOR ARCHITECTURAL APPLICATION TO RENOVATE AN EXISTING 2,466-SQUARE FOOT TWO-STORY COMMERCIAL BUILDING FOR A CANNABIS LOUNGE AND DISPENSARY FACILITY LOCATED AT 232 NORTH PALM CANYON DRIVE, ZONE CBD, SECTION 15 (CASE 3.4150)

Director of Planning Services Fagg presented the staff report.

Mayor Kors and Councilmember Woods thanked the applicant for working with staff to improve the frontage windows.

MOTION BY MAYOR PRO TEM HOLSTEGE, SECOND BY COUNCILMEMBER WOODS, CARRIED 5-0, to adopt Resolution No. 24720 entitled, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM SPRINGS, CALIFORNIA, APPROVING A MINOR ARCHITECTURAL APPLICATION (MAA) BY GABRIEL LUJAN ON BEHALF OF OG ARABIAN NIGHTS FOR THE RENOVATION OF AN EXISTING 2,466-SQUARE FOOT TWO-STORY COMMERCIAL BUILDING FOR A CANNABIS LOUNGE AND DISPENSARY FACILITY LOCATED AT 232 NORTH PALM CANYON DRIVE (CASE 3.4150 - MAA)."

2. PUBLIC HEARINGS:**A. AN APPLICATION BY THE MERITO MANOR HOMEOWNERS ASSOCIATION, REQUESTING HISTORIC DISTRICT DESIGNATION OF "THE MERITO MANOR CONDOMINIUMS" LOCATED AT THE SOUTHEAST CORNER OF MERITO PLACE AND BELARDO ROAD, CASE HSPB #121**

Director of Planning Services Fagg narrated a PowerPoint presentation.

Mayor Kors opened and closed the Public Hearing, there being no one desiring to speak.

MOTION BY COUNCILMEMBER MIDDLETON, SECOND BY MAYOR PRO TEM HOLSTEGE, CARRIED 5-0, to adopt Resolution No. 24722 entitled, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM SPRINGS, CALIFORNIA, DESIGNATING "THE MERITO MANOR CONDOMINIUMS" LOCATED AT THE SOUTHEAST CORNER OF MERITO PLACE AND NORTH BELARDO ROAD AS A HISTORIC DISTRICT ("HD-8"), SUBJECT TO CONDITIONS."

B. AN APPLICATION BY DANIEL KROG & ADAM BONNETT, OWNERS, FOR CLASS 1 HISTORIC RESOURCE DESIGNATION OF "THE SHEA RESIDENCE" LOCATED AT 1690 RIDGEMORE DRIVE, APN #686-411- 024), CASE HSPB #130

Director of Planning Services Fagg narrated a PowerPoint presentation.

Mayor Kors opened the Public Hearing.

Daniel Krog, Applicant, discussed the historic merits of the residence as late period modernism and its recent renovation.

There being no others desiring to speak, Mayor Kors closed the Public Hearing.

MOTION BY COUNCILMEMBER MIDDLETON, SECOND BY COUNCILMEMBER GARNER, CARRIED 5-0, to adopt Resolution No. 24723 entitled, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM SPRINGS, CALIFORNIA, DESIGNATING "THE SHEA RESIDENCE" LOCATED AT 1690 RIDGEMORE DRIVE AS CLASS 1 HISTORIC RESOURCE HSPB #130, SUBJECT TO CONDITIONS. (APN 686-411-024)."

3. LEGISLATIVE: None.

4. UNFINISHED BUSINESS:**A. GENERAL FUND ENDING FISCAL YEAR 2018-2019 AND GENERAL FUND MID-YEAR FISCAL YEAR 2019-20 BUDGET UPDATE**

Director of Finance and Treasurer Pauley narrated a PowerPoint presentation and responded to City Council inquiries.

Mayor Kors recommended that the City Council review the amount of contributions to the CalPERS reserve at the annual budget review.

Councilmember Middleton summarized the history of the CalPERS pension liability and future projections; noted that the City Council will need to determine how best to invest its CalPERS reserve.

Councilmember Garner spoke on the importance of prioritizing the construction of a restroom for the James O. Jessie Desert Highland Unity Center park, noting impacts to residents using the park on weekends.

City Manager Ready noted that staff will be refining the second year of the Biennial Budget and proposed Capital Improvement Projects for the City Council's consideration at a future meeting.

By consensus, the City Council received and filed the General Fund Ending Fiscal Year 2018-2019 and General Fund Mid-Year Fiscal Year 2019-2020 Budget Update.

5. NEW BUSINESS:**A. APPROVAL OF AMENDMENT NO.2 TO THE ALLOCATED POSITIONS AND COMPENSATION PLAN ADDING ONE DEPUTY CITY MANAGER, ONE HOUSING SERVICES ADMINISTRATOR, ONE DIRECTOR OF FUND DEVELOPMENT, ONE NETWORK ADMINISTRATOR, TWO (.75) RECREATION PROGRAM ASSISTANTS, ONE LIFEGUARD (.75) AND ONE PERMIT CENTER TECHNICIAN, AND DELETING ONE ECONOMIC DEVELOPMENT PROGRAM ASSISTANT; AND REVISING THE PUBLICLY AVAILABLE PAY SCHEDULE FOR EXECUTIVE AND ELECTED POSITIONS**

City Manager Ready presented the staff report.

Councilmember Garner expressed support to expand the James O. Jessie Desert Highlands Unity Center hours to include Saturdays.

Councilmember Middleton spoke on the importance of continually improving the City's technology infrastructure, noting the need for reliable cellular telecommunication systems and internet.

Councilmember Woods discussed the financial ramifications of ransomware and the importance of maintaining cybersecurity; pointed out that the proposed restructuring will help address gaps created by the dissolution and loss of the redevelopment agency funding.

Mayor Kors commended the City Manager for his restraint in adding new positions since the great recession, noting the need for the proposed positions; pointed out that the social services positions may attract additional grant funding, thereby mitigating the cost of the positions.

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

1. Adopt Resolution No. 24724 entitled, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM SPRINGS, CALIFORNIA, APPROVING AMENDMENT #2 TO THE ALLOCATED POSITIONS AND COMPENSATION PLAN FOR FISCAL YEAR 2019-2021, ADOPTED BY RESOLUTION 24635," and adopt Revised Publicly Available Pay Schedule for the Executive and Elected Positions.
2. Authorize the City Manager to execute all documents necessary to effectuate this action.

B. COMMUNITY DEVELOPMENT BLOCK GRANT 2020 - 2025 FIVE-YEAR CONSOLIDATED PLAN GOALS

Community and Economic Development Director Virata introduced Daryl Stamps, of the Ramsey Group, who presented the staff report and responded to City Council inquiries.

In response to City Council inquiry, Director Virata summarized the current CDBG application and scoring process conducted by a citizen's advisory committee; opined that reducing the number of goals within the five-year consolidated plan will help focus staff's efforts in administering the program. Mr. Stamps pointed out that citizen's advisory committees are most often used by large agencies, suggesting that the City move towards a process in which the City surveys qualified organizations via direct solicitation (Model 3 as outlined in the staff report).

During the course of discussion, the City Council agreed that Model 3, Grantee survey of qualified organizations with direct solicitation, is the preferred method of selecting subrecipients and awarding CDBG funds on an annual basis.

MOTION BY MAYOR PRO TEM HOLSTEGE, SECOND BY COUNCILMEMBER MIDDLETON, CARRIED 5-0, to adopt the proposed Consolidated Plan Goals for the 2020-2025 CDBG program years.

C. DISCUSSION REGARDING THE CITY'S ANNUAL FUNDING PROCESS OF COMMUNITY ORGANIZATION GRANTS AND EVENT SPONSORSHIPS

City Manager Ready presented the staff report and responded to City Council inquiries.

Mayor Kors and Mayor Pro Tem Holstege recommended that tourism related events be funded through PS Resorts and that funding for service organizations be included in the regular budget process, noting that it may provide greater level of funding certainty for service organizations.

Councilmember Middleton opined that the grant and event sponsorship process needs to be refined to ensure that funding allocations align with the City's goals and priorities.

Councilmember Woods opined that the current evaluation process is too subjective and that objective criteria should be developed.

Councilmember Garner spoke on the need to fund organizations which have been funded in the past and rely on the grant program; pointed out that the City needs to outreach to organizations that have not been invited to apply for the grant program in the past.

Mayor Kors requested that staff coordinate a City Council Goal Setting meeting so that the City Council may set its goals and priorities; Mayor Kors and Councilmember Garner volunteered to serve as liaisons to staff in assisting with the coordination of the Goal Setting meeting.

D. URGENCY ITEM – PROPOSED FEDERAL ADMINISTRATIVE RULEMAKING REGARDING THE COMMUNITY REINVESTMENT ACT -- DOCKET ID OCC-2018-0008

City Attorney Ballinger presented the staff report.

MOTION BY COUNCILMEMBER WOODS, SECOND BY MAYOR PRO TEM HOLSTEGE, CARRIED 5-0, to authorize issuance of a letter of opposition to Federal Administrative Rulemaking regarding the Community Reinvestment Act Regulatory Framework -- Docket ID OCC-2018-0008.

PUBLIC COMMENT:

Amy Walker, voiced opposition to allowing non-service animals inside the public library.

Jase Grim, stated that Onxy Net will provide him with a grant to purchase cell phones and Chromebooks if he can identify a location to provide the homeless with training related to use of technology.

CITY COUNCIL AND CITY MANAGER REQUESTS AND UPCOMING AGENDA DEVELOPMENT:

Councilmember Woods requested that the Public Arts Commission consider the installation of artwork in the concrete pads located in medians along Gene Autry, south of Vista Chino and Tahquitz Canyon Way; requested that the General Plan update evaluate the use of bicycles as a viable transportation option, including the installation of showers and lockers; requested that the Sustainability Commission consider issuance of a letter of support for the CVAG Regional Power Network.

Mayor Pro Tem Holstege requested an update on the General Plan process; requested that staff ensure that Boards and Commissions are aware of recent assignments from the City Council.

Mayor Kors requested that discussion of Boards and Commissions and the California Voting Rights Act (CVRA) Community Working Group Recommendations be agendaized for the City Council meeting of February 27, 2020.

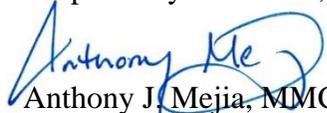
RECESS TO CLOSED SESSION

At 8:36 p.m., the City Council recessed back to Closed Session.

ADJOURNMENT:

The City Council adjourned at 8:36 p.m.

Respectfully submitted,


Anthony J. Mejia, MMC
City Clerk

APPROVED BY CITY COUNCIL: 03/19/2020