

2.  
1/21/2010

**MINUTES**  
**December 3, 2009**

Present: Russell Kitahara, Chair  
Bob Buster, Vice Chair  
Terry Henderson  
Stephen Tomanelli  
Robin Lowe  
Jeff Stone

Present Staff: George J. Spiliotis, Executive Officer  
Crystal Craig, Local Government Analyst II  
Elizabeth Valdez, LAFCO Secretary  
Pam Walls, Legal Counsel

Absent: Phil Williams

**1.1 CALL TO ORDER AND SALUTE TO THE FLAG.**

The meeting was called to order by Vice Chair Buster at 9:32 a.m.

Chair Kitahara arrived at 9:33 a.m.

**1.2 ROLL CALL.**

**1.3 SELECTION OF OFFICERS.**

Moved (Lowe) seconded (Henderson) to appoint Bob Buster as Chair of the Commission.  
6/0 (Williams absent)

Moved (Lowe) seconded (Henderson) to appoint Stephen Tomanelli as the Vice Chair of the Commission.  
6/0 (Williams absent)

**1.4 COMMITTEE ASSIGNMENTS.**

Mr. Spiliotis presented this item. He said that changes to both the Administrative Review Committee and Legislative Committee can be made at this meeting.

Moved (Buster) seconded (Stone) to appoint Chair Buster, Commissioner Kitahara and Commissioner Williams to the Administrative Review Committee.  
6/0 (Williams absent)

Moved (Lowe) seconded (Henderson) to appoint Chair Buster and Commissioner Tomanelli to the Legislative Review Committee.  
6/0 (Williams absent)

**2. APPROVAL OF MINUTES OF OCTOBER 22, 2009.**

Moved (Buster) seconded (Henderson) to approve the minutes as presented.  
5/0 (Stone abstained, Williams absent)

**3. CONSENT(NON-HEARING ITEMS)**

- a. LAFCO 2009-30-4-Annexation 45 to County Service Area 121.

Moved (Lowe) seconded (Henderson) to approve LAFCO 2009-30-4-Annexation 45 to County Service Area 121.

**4. PUBLIC HEARINGS:**

**CONTINUED:**

- a. LAFCO 2007-31-4-Reorganization to Include Annexation 86 to the City of Indio (Citrus Ranch) and Concurrent Detachment from the Riverside County Waste Resources Management District. **(Continued from September 24, 2009; Staff recommends continuance to February 25, 2010).**

Moved (Buster) seconded (Henderson) to continue LAFCO 2007-31-4-Reorganization to Include Annexation 86 to the City of Indio (Citrus Ranch) and Concurrent Detachment from the Riverside County Waste Resources Management District to February 25, 2010.

- b. LAFCO 2008-09-4-Sphere of Influence Amendments (additions) to the City of Cathedral City and the Cathedral City Community Services District (subsidiary). **(Continued from October 22, 2009).**

Mr. Spiliotis presented this proposal. He said that staff recommends approval with the exception of the 250 acres in the southeast corner. He said that Thousand Palms residents opposed the area being included into the sphere of influence boundary.

Commissioner Buster asked about the infrastructure in the area.

Mr. Spiliotis indicated there was minimal infrastructure in the area and deferred to City staff for details.

Mr. Spiliotis said that as far as the sphere of influence is concerned it is a logical future growth area for the City.

Chair Kitahara opened the public hearing.

Speakers in favor:

Leisa Lukes, City of Cathedral City, 68700 Avenida Lalo Guerrero, Cathedral City, CA 92234. Ms. Lukes discussed the infrastructure within the proposed

area. She spoke of future improvements. She also spoke about the City's general plan and land use designations. She said that they did speak before the Thousand Palms Community Council and representatives of Thousand Palms. She said that letters and surveys were sent to the 34 property owners in the area and only three letters were received in opposition.

Andy Hall, City of Cathedral City, 68700 Avenida Lalo Guerrero, Cathedral City, CA 92234. Mr. Hall spoke about the proposed modification of the boundaries for the sphere of influence. He said that services in the area would not be changed. He also said there would be no changes to previous approvals by the County.

Donald Bradley, City Manager, City of Cathedral City, 68700 Avenida Lalo Guerrero, Cathedral City, CA 92234. Mr. Bradley spoke about spheres of influence factors and government code. He spoke about previous annexations within the City of Cathedral City. He also said that the City has been moving forward with new infrastructure and improvements. He also asked that the 250 acres that staff is recommending be removed from the proposed boundaries be included in the sphere of influence.

Commissioner Henderson asked for clarification on the map presented by Mr. Bradley where the SOI boundaries are that he was proposing today. She also asked about what portion is in the Multi Species Habitat Conservation Plan.

Speakers in opposition:

Patricia Saleh, 35220 Bandana Circle, Thousand Palms, CA 92276. Ms. Saleh spoke in opposition of the proposal. She said asked that Thousand Palms not be included in the SOI boundaries so that they can have more time for a possible future incorporation.

Ray Blaney, 75-865 Chuckawalla Road, Thousand Palms, CA 92276. Mr. Blaney spoke in opposition to the proposed SOI amendment. He spoke about businesses in Thousand Palms and the tax base.

Thomas Hughes, 73-330 San Carlos Drive, Thousand Palms, CA 92276. Mr. Hughes spoke in opposition to the proposed SOI amendment. He also spoke about the future incorporation of Thousand Palms.

Israel Esmeralda Sr., P.O. Box 297, Thousand Palms, CA 92276. Mr. Esmeralda submitted written opposition by landowners to the Commission. He also spoke about the future possibility of incorporation of Thousand Palms.

Roy Nokes, 30-600 Calle Helene, Thousand Palms, CA 92276. Mr. Nokes spoke in opposition of the proposed SOI amendment. He also spoke about development in the surrounding areas.

Commissioner Kitahara left at 10:39 a.m.

Jeff Gordon, 350 Newport Center Dr., #200, Newport Beach, CA 92660. Mr. Gordon spoke about his property of 160 acres and the development in the area. He also said he felt it would be better if his property were part of a future incorporation of Thousand Palms. He said he supported the staff recommendation removing his property from the proposed SOI boundary.

Chair Buster asked Mr. Gordon about the potential development of the industrial area and any new commercial uses of his property. Mr. Gordon said as the economy changes there is the potential for commercial uses.

Commissioner Tomanelli clarified with Mr. Gordon if he is in favor of Thousand Palms becoming a city.

John Stevens, 73673 Broadmoor Dr., Thousand Palms, CA 92276. Mr. Stevens thanked staff for there efforts on this proposal.

Rebuttal:

Donald Bradley, City Manager, City of Cathedral City, 68700 Avenida Lalo Guerrero, Cathedral City, CA 92234. Mr. Bradley stated that this proposal is for a SOI amendment and not an annexation. He said that services will be provided and that they are planning for the future with this proposal. He asked that the 250 acres be included in the boundaries. The said that the City will continue to work with the Thousand Palms Community.

Commissioner Henderson asked if the City was in contact with the landowners that area opposed to the SOI amendment.

Leisa Lukes responded that the City received only three letters in opposition of the 34 survey letters that were sent out.

Mr. Bradley concluded that the plan for the inclusion of Thousand Palms area is for future growth of the City. He said that no feasibility studies have occurred for the Thousand Palms Community.

Moved (Stone) seconded (Buster) to close the public hearing.  
5/0 (Williams, Kitahara absent)

Commissioner Stone said that the SOI amendment is premature and is taking away the ability for Thousand Palms Community to incorporate. He also said that there is a possibility of creating an island and that it would cost the County a lot of money to provide for the residential services in that area. He also said he would not support the request at this time.

Commissioner Henderson said that a significant part of the land will stay in the MSHCP. She also said that she is in support of the SOI amendment but with the exclusion of the 250 acres.

Commission Lowe asked for clarification of how much developable land in within the Thousand Palms Community Council.

Mr. Spiliotis said that within Thousand Palms there is much less than 20 square miles.

She said that it is premature to plan for an annexation in the area. She also said that the incorporation of Thousand Palms doesn't seem feasible at this time.

Chair Buster said that the County supports incorporation of new cities. He said that even in the recession new cities are surviving.

Commissioner Lowe asked if the area along I-10 is in redevelopment.

Mr. Bradley said it was not.

Commissioner Henderson spoke about LAFCO's role in making the decision for incorporations.

Moved (Lowe) seconded (Stone) to reopen the public hearing and continue LAFCO 2008-09-4-Sphere of Influence Amendments (additions) to the City of Cathedral City and the Cathedral City Community Services District (subsidiary) to March 25, 2010.

4/1 (Henderson no) (Williams and Kitahara absent)

The Commission recessed for break at 11:12 a.m. and reconvened at 11:20 a.m.

The Commission decided to hear item 4.h. at this time.

h. LAFCO 2009-31-5-Dissolution of County Service Area 41.

Ms. Craig presented this item. She said that the CSA was no longer needed since the purpose of the CSA have been accomplished. She said the effective date of the dissolution should be July 1, 2010. Ms. Craig said that any remaining funds and assets will be that of the County and there will be no refund of any assessments, taxes or charges to any landowner, consistent with State Law.

Chair Buster opened the public hearing.

Garry Grant, 27068 Jarvis St., Perris, CA 92570. Mr. Grant gave to the Commission the original resolution forming the CSA. He spoke about road improvements and the taxes and assessments of the CSA. He said he supported the dissolution.

Chair Buster closed the public hearing.

Moved (Lowe) seconded (Stone) to approve LAFCO 2009-31-5-Dissolution of County Service Area 41 with an effective date of July 1, 2010.

The Commission decided to return to continued items and take item 4.c. at this time.

c. LAFCO 2009-01-3-Reorganization to Include Annexation 78 (Country Lake/San Jacinto Avenue) to the City of San Jacinto and Detachment from the City of San Jacinto and the Riverside County Waste Resources Management District. **(Continued from October 22, 2009; Staff recommends a continuance to February 25, 2010).**

Moved (Stone) seconded (Henderson) to continue LAFCO 2009-01-3-Reorganization to Include Annexation 78 (Country Lake/San Jacinto Avenue) to the City of San Jacinto and Detachment from the City of San Jacinto and the Riverside County Waste Resources Management District to February 25, 2010.

5/0 (Williams and Kitahara absent)

The Commission heard items 4.d. and 4.e. at this time.

- d. LAFCO 2009-08-5-Reorganization to Include Annexation 37 to the City of Desert Hot Springs, Concurrent Detachment from the Riverside County Waste Resources Management District and Detachments from County Service Areas 13 and 15.
- e. LAFCO 2009-09-5-Reorganization to Include Annexation 36 to the City of Desert Hot Springs and Concurrent Detachment from the Riverside County Waste Resources Management District.

Mr. Spiliotis presented these items. He said that if one proposal was approved and not the other then the boundary would create an island or pockets. He said that staff is recommending that a parcel east of Palm should be excluded from the annexation and the City does object to this exclusion. He spoke about the various conditions of approval for the projects that are being recommended by staff. He also stated that there was a request for a continuance from Chris Taber, an affected landowner.

Chair Buster opened the public hearing.

Speakers in favor:

Yvonne Parks, Mayor, City of Desert Hot Springs. Ms. Parks stated that the annexations are vital to the growth and development of the City of Desert Hot Springs. She said that she is opposed to the exclusion of the parcel on the corner of Dillon and Palm. She said that the MSHCP issues have been resolved. She also said that the annexation will increase revenue and provide jobs. Ms. Parks said that with the increased revenues the City will be able to provide the required municipal services.

Rick Daniels, City Manager, City of Desert Hot Springs, 65-045 N. Cliff Circle, Desert Hot Springs, CA 92240. Mr. Daniels said that there is a gateway project to the City on the 160 parcel being planned and will increase revenue for the City. He said that delaying the effective date until an election on the tax extension is not necessary. Mr. Daniels said that the City is prepared to enter into a MOU with the County.

Pat Williams, Police Chief, City of Desert Hot Springs. Mr. Williams spoke about the crime rate in the City and the ability to provide police services if the annexation is approved.

Commissioner Stone left at 12:05 p.m.

Commissioner Lowe asked about the condition on the safety tax and what kind of impact it would have on police service.

Mr. Williams said that voters already supported the increase in the utility tax and felt it an increase in the safety tax would not be an issue.

Katie Barrows, Coachella Valley Conservation Commission, 73710 Fred Waring Dr., Suite 200, Palm Desert, CA 92260. Ms. Barrows spoke about the annexation and how it affects the MSHCP. She said that everyone is in agreement with the condition of approval as recommended by LAFCO staff.

Jim Ferguson, Attorney for Jacques Family Trust, 73101 Highway 111, Suite 1, Palm Desert, CA 92260. Mr. Ferguson asked that the Commission include the southeast corner of Palm and Dillon for development.

Chuck McDaniel, 9344 El Mirador Blvd., Desert Hot Springs, CA 92240. Mr. McDaniel said he supported the annexation.

Larry M. Powell, 2111 Via Rincon, Yorba Linda, CA 92887. Mr. Powell spoke in support of the annexation and asked the Commission to include the 160 acres into the annexation.

Neutral speaker:

Chris Taber, Owner of North Palm Springs Commercial Plaza, 1501 7<sup>th</sup> Street, Riverside, CA 92507. Mr. Taber said with reassurance from the City, in regards to development in the near future, that he no longer feels the annexation is premature he withdrew his request for a continuance.

Chair Buster closed the public hearing.

Commissioner Henderson asked for clarification on the effective date and said that she fully supports the condition of the safety tax.

Moved (Henderson) seconded (Tomanelli) to approve LAFCO 2009-08-5-Reorganization to Include Annexation 37 to the City of Desert Hot Springs, Concurrent Detachment from the Riverside County Waste Resources Management District and Detachments from County Service Areas 13 and 15 and LAFCO 2009-09-5-Reorganization to Include Annexation 36 to the City of Desert Hot Springs and Concurrent Detachment from the Riverside County Waste Resources Management District with amended conditions as recommended by staff and with the inclusion of the 160 acres on the east side of Palm Drive for LAFCO 2009-08-5.

4/0 (Williams, Kitahara, Stone absent)

The Commission decided to take items 9. and 10. at this time.

9. **WAIVER OF WAITING PERIOD TO INITIATE A SIMILAR PROPOSAL--SANTA MARGARITA AREA ANNEXATION AND SPHERE OF INFLUENCE AMENDMENT TO THE CITY OF TEMECULA.**
10. **WAIVER OF FEES FOR SUBMITTAL OF SANTA MARGARITA AREA ANNEXATION AND SPHERE OF INFLUENCE AMENDMENT TO THE CITY OF TEMECULA.**

Moved (Henderson) seconded (Buster) to approve the waiver of the one year waiting period to initiate a similar proposal--Santa Margarita Area Annexation and Sphere of Influence Amendment to the City of Temecula and to waive 50% of the processing fees for the submittal of the Santa Margarita Area Annexation and Sphere of Influence Amendment to the City of Temecula proposal.

4/0 (Williams, Kitahara and Stone absent)

The Commissioner recessed at 12:22 p.m. and reconvened at 12:44 p.m.

The Commission took items 4.f. and 4.g. at this time.

- f. LAFCO 2009-16-4-Municipal Service Review-City of Palm Desert.  
(Continued from October 22, 2009).

Chair Buster opened the public hearing.

Missy Grisa, City of Palm Desert, 73-510 Fred Waring Dr., Palm Desert, CA 92260. Ms. Grisa said the City was in support of the staff recommendation for the MSR.

Chair Buster closed the public hearing.

Moved (Henderson) seconded (Lowe) to approve LAFCO 2009-16-4-Municipal Service Review - City of Palm Desert.  
4/0 (Williams, Kitahara, and Stone absent)

- g. LAFCO 2009-17-4-Sphere of Influence Review and Potential Amendments-City of Palm Desert. (Continued from October 22, 2009).

Chair Buster opened the public hearing.

Israel Esmeralda Sr., Thousand Palms Preservation Action Group-Community, P.O. Box 297, Thousand Palms, CA 92276. Mr. Esmeralda spoke in opposition of the SOI amendment and the impact it would have on the Thousand Palms Community and the possibility of incorporation.

Roy Nokes, 30-900 Calle Helene, Thousand Palms, CA 92276. Mr. Nokes spoke in opposition to the SOI amendment. He said that the Thousand Palms community is providing services in the area and is still developing.

Ray Blaney, 75-865 Chuckawalla Rd., Thousand Palms, CA 92276. Mr. Blaney spoke in opposition to the SOI amendment. He spoke about a future incorporation for Thousand Palms.

Moved (Lowe) second (unintelligible) to hold the public hearing open and continue LAFCO 2009-17-4-Sphere of Influence Review and Potential Amendments - City of Palm Desert to the March 25, 2010 meeting.  
4/0 (Williams, Kitahara, Stone absent)

## 5. PUBLIC COMMENTS.

There were no public comments.

## 6. RECEIVE AND FILE:

- a. Information Items: Proposals Received (Government Code Section 56857, 56751):

There were no new proposals

- b. LAFCO Monthly Expenditure Review.

Moved (Henderson) seconded (Lowe) to receive and file 6.a. Information Items and 6.b. Monthly Expenditure Review.

4/0 (Williams, Kitahara and Stone absent)

**7. BUDGET STATUS REPORT FOR FY 2009-10.**

Mr. Spiliotis reported that as of the end of October LAFCO was on target for dismal revenue projections, and that as of the end of November there has been no new revenue. He said that this will need to be reviewed by the Administrative Review Committee after the first of the year.

**8. REQUEST FOR PARTIAL REFUND OF APPLICATION FEES FOR LAFCO 2009-29-3-ANNEXATION TO VALLEY-WIDE RECREATION AND PARK DISTRICT.**

Mr. Spiliotis stated that the applicant for this proposal is requesting a partial refund since the proposal that was submitted was already within VWRPD. He said that approximately 25% of the work had been completed on the proposal.

Moved (Buster) seconded (Tomanelli) to approve a refund of 75% of the application fees for LAFCO 2009-29-3-Annexation to Valley-Wide Recreation and Park District.

4/0 (Williams, Kitahara and Stone absent)

**11. UPDATE ON CALAFCO ISSUES (ORAL REPORT).**

Mr. Spiliotis said that at the CALAFCO conference there were many comments against the possibility of regionalism including comments from CALAFCO Board members who had previously voted in support. He also said that both Southern California Board candidates were defeated, leaving only one out of fifteen members elected to Executive Board from Southern California. He spoke about the possibility of Southern California LAFCOs withdrawing from CALAFCO and that there is a meeting planned for December 11, 2009 to discuss the possibility of Southern CALAFCO Association being created.

Mr. Spiliotis said that it is still his intent to continue to host the CALAFCO conference next year.

Mr. Spiliotis said that the Southern California contribution makes up about 30% of the CALAFCO budget.

Commissioner Lowe suggested that direction be given to Mr. Spiliotis.

Commissioner Henderson suggested that the conference be hosted for Southern California LAFCOs.

Mr. Spiliotis said that he is meeting with Mr. Chiat, CALAFCO Executive Director, and will discuss with him the possibility of Riverside not hosting the conference. He said he will provide further updates at the next meeting.

**12. MISCELLANEOUS STAFF REPORTS.**

There were no miscellaneous staff reports.

**13. COMMISSIONER COMMENTS/FUTURE AGENDA ITEMS.**

Commissioner Buster suggested that the meetings start at an earlier time and that meetings could be held in the desert if needed.

Mr. Spiliotis suggested that the March meeting be held in the desert.

The Commission decided to hold the March meeting in the desert and to start at 8:30 a.m.

**14. ADJOURNMENT.**

The Commission adjourned at 1:14 p.m.

Respectfully submitted,

George J. Spiliotis  
Executive Officer