



AGENDA

REGULAR MEETING OF THE BANNING CITY COUNCIL CITY OF BANNING, CALIFORNIA

**July 14, 2020
5:00 P.M.**

**Council Chamber
99 E. Ramsey Street
and via Video/Teleconference**

The following information comprises the agenda for the regular meeting of the Banning City Council, a joint meeting of the City Council and the Banning Utility Authority, and the Banning City Council sitting in its capacity of the Successor Agency Board.

Due to the COVID-19 pandemic emergency, and to protect the health and safety of all participants, *this meeting is being held in person and via video/teleconference.* Pursuant to Governor Newsom's Executive Orders, members of the Banning City Council, staff and public may observe and participate in this meeting electronically or telephonically as outlined below:

To observe and participate in the on-line video portion of the meeting through your personal computer or device enter the following or click on the link:

<https://us02web.zoom.us/j/84408588091?pwd=T2VIL2lVV3pxTncxVkk5czZPbnErQT09>

Meeting ID: 844 0858 8091

Password: 061075

One tap mobile: +16699009128,,84408588091#

Dial in: +1 669 900 9128 US

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To observe the live meeting through your personal computer, but not participate with video or oral comments, you may use your computer or smart phone to enter the following or

click on the link: <https://banninglive.viebit.com>

or on the Banning Government Channel on Cable Television

Per City Council Resolution 2016-44, matters taken up by the Council before 10:00 p.m. may be concluded, but no new matters shall be taken up after 10:00 p.m. except upon a unanimous vote of the council members present and voting, but such extension shall only be valid for one hour and each hour thereafter shall require a renewed action for the meeting to continue.

I. CALL TO ORDER

1. Invocation: *Ralph Bobik, Church of Jesus Christ of Latter-Day Saints*
2. Pledge of Allegiance: *Mayor Pro Tem Colleen Wallace*
3. Roll Call: *Councilmembers Happe, Pingree, Wallace, Welch, and Mayor Andrade*

II. AGENDA APPROVAL

III. PRESENTATIONS

1. Lifesaving Award/Recognition
(Police Chief Matthew Hamner)
2. Special Recognitions
(Mayor Daniela Andrade)
3. Proclamation – July 2020 – Parks and Recreation Month..... **1**
(Parks & Recreation Director Ralph Wright)

IV. REPORT ON CLOSED SESSION

City Attorney

V. PUBLIC COMMENTS, CORRESPONDENCE, AND APPOINTMENTS

PUBLIC COMMENTS – *On Items Not on the Agenda*

A three (3) minute limitation shall apply to each member of the public who wishes to address the Mayor and Council on a matter not on the agenda. No member of the public shall be permitted to “share” his/her five minutes with any other member of the public. Usually, any items received under this heading are referred to staff for future study, research, completion and/or future Council Action (see last page). PLEASE STATE YOUR NAME FOR THE RECORD.

CORRESPONDENCE

Items received under this category may be received and filed or referred to staff for future research or a future agenda.

APPOINTMENTS

1. Designation of Voting Delegate and Alternates for the League of California Cities Annual Conference and Expo – October 7-9, 2020 **3**

Recommendation: Designate one voting delegate and two alternates for the League of California Cities Annual Business Meeting held during General Assembly on October 9, 2020.

VI. CONSENT ITEMS

(The following items have been recommended for approval and will be acted upon simultaneously, unless a member of the City Council/Banning Utility Authority/Successor Agency wishes to remove an item for separate consideration.)

Open Consent Items for Public Comments

Motion: Approve Consent items 1 – 14: Items ____, ____, ____ to be pulled for discussion.

(Resolutions require a recorded majority vote of the total membership of the City Council/Banning Utility Authority/Successor Agency)

1. Minutes – June 23, 2020, Regular Meeting **7**
2. Minutes – June 23, 2020, Special Meeting (Budget) **61**
3. Minutes – June 23, 2020, Special Meeting (Closed Session) **109**
4. Receive and File Cash, Investments, and Reserve Report for May 2020..... **111**
5. Approve and Ratify Accounts Payable and Payroll Warrants Issued in May 2020 **113**
6. Resolution 2020-90, Approving the Agreement with Cybertime Network Communications for Citywide Looped Microwave Backbone System and Data Circuit to the Water Plant, and Provision of 10.0 Mbps Internet Feed to City Hall for Fiscal Year 2020-2021 for \$31,188.00..... **115**
7. Resolution 2020-91, Approving the Purchase Order with CDW-G for the Purchase of Computers, Software, and Computer Accessories Not to Exceed \$90,000 **117**
8. Resolution 2020-96, Adopting an Amended Conflict of Interest Code Containing Revised Designated Positions and Disclosure Categories, and Repealing Resolution No. 2019-09..... **119**
9. Ordinance 1565, an Ordinance of the City of Banning 1) Amending Chapters 5.33 of Title 5 of the Banning Municipal Code to Allow Cannabis Distributors to Operate in the City and to Amend the Process for Processing Cannabis Retailer Applications, 2) Amending Chapters 17.12, 17.53, and 17.54 of Title 17 of the Banning Municipal Code (Zoning Text Amendment (ZTA) 20-97501) to Include Provisions Regarding the Expiration of Cannabis Retailer Conditional Use Permits, to Allow Indoor Commercial Cultivation Facilities in the Business Park Zone, to Allow Cannabis Distribution Facilities to Operate in the Industrial Zone, and Making Additional Amendments to Regulations Pertaining to Commercial Cannabis Businesses, and 3) Making a Determination Pursuant to CEQA **(2nd Reading)** **121**

10.	Resolution 2020-98, a Resolution of the City Council of the City of Banning, Reaffirming and Making Express Findings and Determinations that Modifications to the 2019 California Residential and Fire Codes, as Adopted by the City of Banning)	123
11.	Resolution 2020-70, Approving Nuisance Abatement Charges be Added to the Tax Rolls of Riverside County, California	125
12.	Resolution 2020-94 Approving Final Tract Map Nos. 35966 and 35967 for the Purpose of Subdividing Property within the Atwell Development (Butterfield Specific Plan) for Financing and Conveyance Purposes; Authorizing Staff to Sign the Final Tract Map; and Releasing the Maps for Recordation.....	127
13.	Resolution 2020-97, Authorizing the City Manager to Execute a Transportation Uniform Mitigation Fee (TUMF) Reimbursement Agreement with the Western Riverside Council of Governments (WRCOG) for up to \$1,000,000 in TUMF Funds for the Sun Lakes Boulevard Extension Project.....	133
14.	Accept Easements from Banning Industrial, L.P. for Water Utility Purposes on Assessor's Parcel Numbers 532-130-001 and 532-130-002 for the Maintenance of the City Owned Water System	135

VII. PUBLIC HEARING:

1.	Resolution 2020-92, Confirming the Levy and Collection of Assessments within the City of Banning's Landscape Maintenance District No. 1 for Fiscal Year 2020/2021	137
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(Staff Report: Art Vela, Public Works Director)

Recommendation: 1) Adopt Resolution 2020-79, Confirming the Levy and Collection of Assessments within the City of Banning's Landscape Maintenance District (LMD) No. 1 for Fiscal Year 2020/2021 pursuant to the provisions of Part 2 of Division 15 of the California Streets and Highways Code. 2) Authorize and direct the City Clerk to file the diagram and assessment with the Riverside County Assessor/County Clerk-Recorder's Office.

VIII. ANNOUNCEMENTS AND REPORTS:

CITY COUNCIL COMMITTEE REPORTS

REPORT BY CITY ATTORNEY

REPORT BY CITY MANAGER

REPORTS OF OFFICERS

1. Resolution 2020-78, Approving the Renewal of the Landscape Maintenance Contract for City Parks with Z&T Ventures, Inc. dba Service Scape of Alta Loma, California for Fiscal Year 2020/2021 in the not too exceed amount of \$49,095.20..... **141**

(Staff Report: Ralph Wright, Parks and Recreation Director)

Recommendation: Adopt Resolution 2020-78: 1) Approving renewal of an Agreement with Z&T Ventures, Inc., dba Service Scape of Alta Loma, California in the amount “not to exceed” \$49,095.20 for the remainder of the available contract term through February 28, 2021. 2) Authorizing the Administrative Services Director to make necessary budget adjustments, appropriations and transfers related to the Agreement. 3) Authorizing the City Manager to execute the Amendment No. 3 to the Agreement with Z & T Ventures, Inc. dba Service Scape of Alta Loma, California for the remainder of available contract term, through February 2021.

2. Banning Electric Utility (BEU) - Economic Development Policy and Adoption of Resolution 2020-68 Approving that Policy **145**

(Staff Report: Tom Miller, Electric Utility Director)

Recommendation: Adopt Resolution 2020-68, approving “Electric Utility Involvement in Economic Development” Policy (“Policy”). 2) Direct the City Manager, the Electric Utility Director, and key staff to engage in economic development programs and activities in accordance with the Policy. 3) Direct the City Clerk to include the Policy in the City’s and Banning Electric Utility’s records and administrative policies.

3. Resolution 2020-93, Approving the Agreement for Purchase and Sale and Escrow Instructions Between the City of Banning, as Buyer, and Shi Pingdong, as Seller, for Real Property located at 447 E. Ramsey Street (APN: 541-150-004) **147**

(Staff Report: Tom Miller, Electric Utility Director)

Recommendation: Adopt Resolution 2020-93, authorizing the City of Banning to purchase real property located at 447 E. Ramsey Banning CA, 92220 (APN No. 541-150-004), using Banning’s Electric Utility Enterprise Funds, for the purpose of achieving economic development goals, as set forth in the City’s “Electric Utility Involvement in Economic Development” policy.

4. Waiver of Permit Fees for Banning Animal Shelter **151**

(Staff Report: Doug Schulze, City Manager)

Recommendation: Authorize waiver of all permit fees related to improvements and repairs of the City of Banning Animal Shelter and directing the City Manager to prepare a resolution for City Council consideration at the August 25, 2020 meeting

IX. DISCUSSION ITEM

1. Resolution 2020-95 Providing for the Submission of a Ballot Argument by Councilmembers in Favor of the Cannabis Distribution Tax Measure Pursuant to Elections Code Section 9282..... **153**
(Staff Report: Kevin Ennis, City Attorney)

Recommendation: 1) Take one of the following actions: (A) Designate the City Council (all five members) to draft, sign and submit the ballot argument in favor of the Cannabis Distribution Tax Measure; or (B) Designate two Councilmembers to draft, sign and submit the ballot argument in favor of the Measure, authorize those Councilmembers to find and have up to three community members also sign the ballot argument and any rebuttal, but give priority to other Councilmembers to sign the argument over other community members if they so desire; and 2) Adopt Resolution No. 2020-95, A Resolution of the City Council of the City of Banning Providing for the Submission of a Ballot Argument by Council Members in Favor of the Cannabis Distribution Tax Measure pursuant to Elections Code Section 9282 (including the selection of one of two alternative Sections 3 to that Resolution).

X. ITEMS FOR FUTURE AGENDAS

New Items:

Pending Items:

1. Fee Suspension Update
2. Website Redesign
3. CNG Facility Update
4. New Energy Workshop
5. Permanent Homeless Solution

XI. ADJOURNMENT

Next Meeting – Tuesday, August 25, 2020 at 5:00 P.M.

Please Note: There will be no City Council Meeting on July 28th or August 11th per Resolution 2017-14, whereby the City Council will not meet for the last meeting in July and the first meeting in August.

NOTICE: Any member of the public may address this meeting of the Mayor and City Council on any item appearing on the agenda by approaching the microphone in the Council Chambers and asking to be recognized, either before the item about which the member desires to speak is called, or at any time during consideration of the item. A five-minute limitation shall apply to each member of the public, unless such time is extended by the Mayor. No member of the public shall be permitted to “share” his/her five minutes with any other member of the public.

Any member of the public may address this meeting of the Mayor and Council on any item which does not appear on the agenda but is of interest to the general public and is an item upon which the Mayor and Council may act. A three-minute limitation shall apply to each member of the public, unless such time is extended by the Mayor. No member of the public shall be permitted to “share” his/her five minutes with any other member of the public. The Mayor and Council will in most instances refer items of discussion which do not appear on the agenda to staff for appropriate action or direct that the item be placed on a future agenda of the Mayor and Council. However, no other action shall be taken, nor discussion held by the Mayor and Council on any item which does not appear on the agenda, unless the action is otherwise authorized in accordance with the provisions of subdivision (b) of Section 54954.2 of the Government Code.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk’s Office (951)-922-3102. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting. [28 CFR 35.02-35.104 ADA Title II]

Pursuant to amended Government Code Section 54957.5(b) staff reports and other public records related to open session agenda items are available on the City’s website at www.banningca.gov or via email or regular mail by calling (951) 922-3102 or emailing sdelafuente@banningca.gov in the Office of the City Clerk during regular business hours, Monday through Friday, 8 a.m. to 5 p.m. and requesting a copy.



**CITY OF BANNING
OFFICE OF THE
MAYOR**



proclamation

***WHEREAS** parks and recreation programs are an integral part of communities throughout this country, including the City of Banning; and*

***WHEREAS** our parks and recreation are vitally important to establishing and maintaining the quality of life in our communities, ensuring the health of all citizens, and contributing to the economic and environmental well-being of a community and region; and*

***WHEREAS** parks and recreation programs build healthy, active communities that aid in the prevention of chronic disease, provide therapeutic recreation services for those who are mentally or physically disabled, and also improve the mental and emotional health of all citizens; and*

***WHEREAS** parks and recreation programs increase a community's economic prosperity through increased property values, expansion of the local tax base, increased tourism, the attraction and retention of businesses, and crime reduction; and*

***WHEREAS** parks and recreation areas are fundamental to the environmental well-being of our community; and the City of Banning offers a variety of parks and recreation opportunities designed for all ages and interests, including popular recreation, athletic programs and Senior Services; and*

***WHEREAS** the U.S. House of Representatives has designated July as Parks and Recreation Month; and*

***WHEREAS** the City of Banning recognizes the benefits derived from parks and recreation resources*

NOW THEREFORE, the City of Banning City Council do hereby proclaim and designate the Month of July ,2020, as Parks and Recreation Month

Dated this 14th day of July 2020.

ATTEST:

Sonja De La Fuente, Deputy City Clerk

Daniela Andrade, Mayor

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Council Action Advised by August 31, 2020
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June 30, 2020

TO: Mayors, City Managers and City Clerks

RE: DESIGNATION OF VOTING DELEGATES AND ALTERNATES
League of California Cities Annual Conference & Expo – October 7 – 9, 2020

The League's 2020 Annual Conference & Expo is scheduled for October 7 – 9. An important part of the Annual Conference is the Annual Business Meeting (during General Assembly) on Friday, October 9. At this meeting, the League membership considers and takes action on resolutions that establish League policy.

In order to vote at the Annual Business Meeting, your city council must designate a voting delegate. Your city may also appoint up to two alternate voting delegates, one of whom may vote in the event that the designated voting delegate is unable to serve in that capacity.

Please complete the attached Voting Delegate form and return it to the League's office no later than Wednesday, September 30. This will allow us time to establish voting delegate/alternate records prior to the conference.

Please note the following procedures are intended to ensure the integrity of the voting process at the Annual Business Meeting. These procedures assume that the conference will be held in-person at the Long Beach Convention Center as planned. Should COVID-19 conditions and restrictions prohibit the League from holding an in-person conference, new procedures will be provided.

- **Action by Council Required.** Consistent with League bylaws, a city's voting delegate and up to two alternates must be designated by the city council. When completing the attached Voting Delegate form, please attach either a copy of the council resolution that reflects the council action taken, or have your city clerk or mayor sign the form affirming that the names provided are those selected by the city council. Please note that designating the voting delegate and alternates **must** be done by city council action and cannot be accomplished by individual action of the mayor or city manager alone.
- **Conference Registration Required.** The voting delegate and alternates must be registered to attend the conference. They need not register for the entire conference; they may register for Friday only. Conference registration will open by the end of July at www.cacities.org. In order to cast a vote, at least one voter must be present at the Business Meeting and in possession of the voting delegate card. Voting delegates and alternates need to pick up their conference badges before signing in and picking up the voting delegate card at the Voting Delegate Desk. This will enable them to receive the

special sticker on their name badges that will admit them into the voting area during the Business Meeting.

- **Transferring Voting Card to Non-Designated Individuals Not Allowed.** The voting delegate card may be transferred freely between the voting delegate and alternates, but *only* between the voting delegate and alternates. If the voting delegate and alternates find themselves unable to attend the Business Meeting, they may *not* transfer the voting card to another city official.
- **Seating Protocol during General Assembly.** At the Business Meeting, individuals with the voting card will sit in a separate area. Admission to this area will be limited to those individuals with a special sticker on their name badge identifying them as a voting delegate or alternate. If the voting delegate and alternates wish to sit together, they must sign in at the Voting Delegate Desk and obtain the special sticker on their badges.

The Voting Delegate Desk, located in the conference registration area of the Long Beach Convention Center, will be open at the following times: Wednesday, October 7, 8:00 a.m. – 6:00 p.m.; Thursday, October 8, 7:00 a.m. – 4:00 p.m.; and Friday, October 9, 7:30 a.m.–11:30 a.m.. The Voting Delegate Desk will also be open at the Business Meeting on Friday, but will be closed during roll calls and voting.

The voting procedures that will be used at the conference are attached to this memo. Please share these procedures and this memo with your council and especially with the individuals that your council designates as your city's voting delegate and alternates.

Once again, thank you for completing the voting delegate and alternate form and returning it to the League's office by Wednesday, September 30. If you have questions, please call Darla Yacub at (916) 658-8254.

Attachments:

- Annual Conference Voting Procedures
- Voting Delegate/Alternate Form

CITY: Banning**2020 ANNUAL CONFERENCE
VOTING DELEGATE/ALTERNATE FORM**

Please complete this form and return it to the League office by Wednesday, September 30, 2020. Forms not sent by this deadline may be submitted to the Voting Delegate Desk located in the Annual Conference Registration Area. Your city council may designate one voting delegate and up to two alternates.

In order to vote at the Annual Business Meeting (General Assembly), voting delegates and alternates must be designated by your city council. Please attach the council resolution as proof of designation. As an alternative, the Mayor or City Clerk may sign this form, affirming that the designation reflects the action taken by the council.

Please note: Voting delegates and alternates will be seated in a separate area at the Annual Business Meeting. Admission to this designated area will be limited to individuals (voting delegates and alternates) who are identified with a special sticker on their conference badge. This sticker can be obtained only at the Voting Delegate Desk.

1. VOTING DELEGATE

Name: _____

Title: _____

2. VOTING DELEGATE - ALTERNATE

Name: _____

Title: _____

3. VOTING DELEGATE - ALTERNATE

Name: _____

Title: _____

PLEASE ATTACH COUNCIL RESOLUTION DESIGNATING VOTING DELEGATE AND ALTERNATES.**OR**

ATTEST: I affirm that the information provided reflects action by the city council to designate the voting delegate and alternate(s).

Name: _____

Email: _____

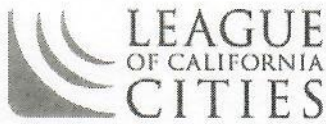
Mayor or City Clerk _____
(circle one) (signature)

Date _____ Phone _____

Please complete and return by Wednesday, September 30, 2020

League of California Cities
ATTN: Darla Yacub
1400 K Street, 4th Floor
Sacramento, CA 95814

FAX: (916) 658-8240
E-mail: dyacub@cacities.org
(916) 658-8254



Annual Conference Voting Procedures

1. **One City One Vote.** Each member city has a right to cast one vote on matters pertaining to League policy.
2. **Designating a City Voting Representative.** Prior to the Annual Conference, each city council may designate a voting delegate and up to two alternates; these individuals are identified on the Voting Delegate Form provided to the League Credentials Committee.
3. **Registering with the Credentials Committee.** The voting delegate, or alternates, may pick up the city's voting card at the Voting Delegate Desk in the conference registration area. Voting delegates and alternates must sign in at the Voting Delegate Desk. Here they will receive a special sticker on their name badge and thus be admitted to the voting area at the Business Meeting.
4. **Signing Initiated Resolution Petitions.** Only those individuals who are voting delegates (or alternates), and who have picked up their city's voting card by providing a signature to the Credentials Committee at the Voting Delegate Desk, may sign petitions to initiate a resolution.
5. **Voting.** To cast the city's vote, a city official must have in his or her possession the city's voting card and be registered with the Credentials Committee. The voting card may be transferred freely between the voting delegate and alternates, but may not be transferred to another city official who is neither a voting delegate or alternate.
6. **Voting Area at Business Meeting.** At the Business Meeting, individuals with a voting card will sit in a designated area. Admission will be limited to those individuals with a special sticker on their name badge identifying them as a voting delegate or alternate.
7. **Resolving Disputes.** In case of dispute, the Credentials Committee will determine the validity of signatures on petitioned resolutions and the right of a city official to vote at the Business Meeting.



In accordance with City Council Resolution 1995-21, the minutes of meetings of the City Council and the Boards, Commissions, and Committees of the City shall be prepared as Action Minutes.

The following information comprises the minutes for the regular meeting of the City Council, a joint meeting of the Banning City Council and Banning Utility Authority and a joint meeting of the Banning City Council and the Banning City Council sitting in its capacity as the Successor Agency Board.

MINUTES
CITY COUNCIL

06/23/2020
REGULAR MEETING

COUNCIL MEMBERS PRESENT: Mayor Andrade
Mayor Pro Tem Wallace
Councilmember Happe (via videoconference)
Councilmember Pingree
Councilmember Welch

COUNCIL MEMBERS ABSENT: None

OTHERS PRESENT Douglas Schulze, City Manager
Kevin G. Ennis, City Attorney
Marie Calderon, City Clerk
Sonja De La Fuente, Deputy City Clerk
Jennifer Christensen, Administrative Services Director
Matthew Hamner, Police Chief
Tom Miller, Electric Utility Director
Adam Rush, Community Development Director
Art Vela, Public Works Director/City Engineer
Ralph Wright, Parks & Recreation Director
Laurie Sampson, Executive Assistant
Jacob Stewart, Financial Services Specialist

I. CALL TO ORDER

A regular meeting of the Banning City Council was called to order by Mayor Andrade on June 23, 2020, at 6:13 P.M.

Banning Police Chief Matthew Hamner offered the invocation.

Councilmember Welch led the public in the Pledge of Allegiance.

II. AGENDA APPROVAL

A motion was made by Mayor Pro Tem Wallace, seconded by Councilmember Pingree, to approve the agenda. Roll call vote was taken as follows:

AYES:	Andrade, Happe, Pingree, Wallace & Welch
NOES:	None
ABSTAIN:	None
ABSENT:	None

III. PRESENTATION(S)

Mayor's Special Recognitions

The Mayor and City Council recognized Coach Smith and participants of Camp All In as well as Jacob Stewart, Financial Services Specialist (Business License Division), City of Banning, for making Banning a better place to work, live, and play.

IV. REPORT ON CLOSED SESSION

City Attorney Ennis reported that City Council held a special meeting beginning at 3:30 P.M. today. The items discussed were as follows:

- 1. CONFERENCE WITH REAL PROPERTY NEGOTIATORS** pursuant to Government Code Section 54956.8
Property and Owners/Negotiating Parties: Real Property located in the vicinity of Ramsey and Hathaway – 1483 E. Ramsey Street, APN 541- 170-019 – Raymond Ngoc Huynh and Lucy Nguyen Huynh, as Trustees of the Raymond and Lucy Huynh Revocable Trust
City Negotiators: Douglas Schulze, City Manager and Art Vela, Public Works Director
Under Negotiation: Price and terms for acquisition of street right of way and temporary construction easements
A status report was provided with no reportable action.
- 2. CONFERENCE WITH REAL PROPERTY NEGOTIATORS** pursuant to Government Code Section 54956.8
Property and Owner/Negotiating Party: Real Property located in the vicinity of Ramsey and Hathaway – 1573 E. Ramsey Street, APN 541-170-021 – Jen H. Huang
City Negotiators: Douglas Schulze, City Manager and Art Vela, Public Works Director

Under Negotiation: Price and terms for acquisition of street right of way and temporary construction easements

A status report was provided with no reportable action.

3. CONFERENCE WITH REAL PROPERTY NEGOTIATORS pursuant to Government Code Section 54956.8

Properties and Owners/Negotiating Party: Real Property located in the vicinity of Ramsey Street and Martin Street, APN 541-150-025 – City of Banning

City Negotiator: Douglas Schulze, City Manager

Under Negotiation: Price and terms

An update was provided regarding the potential for City-owned property.

V. PUBLIC COMMENTS, CORRESPONDENCE, AND APPOINTMENTS

PUBLIC COMMENT(S)

John Hagen expressed that he doesn't understand how the budget is balanced if money is being taken from reserves. He encouraged the Council to look at deeper cuts.

Paul Perkins noted that a lot of the City's contracts have a 10% contingency and recommended dropping the contingency. He also mentioned that the City Treasurer had stated that the City wouldn't receive property tax from new development unless it is turned over immediately. He recommended the youth group that was just recognized use the Armory. He also suggested the Chamber of Commerce look at the Ramsey Street Village.

Lilly Aguilera provided the City Council with a photo (Attachment 1) of 2735 W. Lincoln and expressed her desire for the City to do something with this property, as it has been in this state for four years.

City Manager Doug Schulze advised that 2735 W. Lincoln is an active Code Enforcement case. He explained it is a long drawn out legal process to abate a public nuisance, but the City is moving forward.

CORRESPONDENCE

None

APPOINTMENT(S)

None

VI. CONSENT ITEMS

Consent Items 14, 15, 16 and 21 were pulled for separate consideration.

1. Minutes – June 9, 2020, Regular Meeting
2. Minutes – June 9, 2020, Special Meeting (Workshop)
3. Minutes – June 9, 2020, Special Meeting (Closed Session)
4. Receive and File Police Statistics for May 2020
5. Receive and File Fire Statistics for May 2020
6. Receive and File List of Contracts Approved Under the City Manager's Signature Authority for the Month of May 2020
7. Receive and File Public Works Capital Improvement Project Tracking List
8. Receive and File the Butterfield Specific Plan ("Atwell") Annual Review
9. Receive and File the General Plan Annual Progress Report for Calendar Year 2019
10. Receive and File Proposition 1 Round 1 Integrated Regional Water Management (IRWM) Implementation Grant Update
11. Resolution 2020-77, Authorizing the Application for and Receipt of Local Government Planning Support Grant Program Funds
12. Ordinance 1564, an Ordinance of the City of Banning Amending Chapter 3.17 (Cannabis Commercial Cultivation, Manufacturing, and Laboratory Testing Tax) of Title 3 (Revenue and Finance) of the Banning Municipal Code to Decrease the Cannabis Cultivation Tax Rate, and Making a Determination Under CEQA Guidelines Section 15060(C)(3) **(2nd Reading)**
13. Resolutions 2020-84 and 2020-85 approving the following agreements, respectively: a) Agreement for Purchase and Sale and Escrow Instructions Between City of Banning and Frank J. Burgess and Lorna D. Burgess, Trustees of the Burgess Family Trust DOT December 15, 1989 in connection with Ramsey-Hathaway Street Improvement Project (Portions of APN 532-120-020) and b) Agreement for Purchase and Sale and Escrow Instructions Between City of Banning and Frank J. Burgess in Connection with Ramsey-Hathaway Street Improvement Project (Portions of APN 532-140-005)
17. Resolution 2020-80, Approving the Replacement of Vehicles for Fiscal Year 2021 Pursuant to the Five (5) Year Master Equity Lease Agreement with Enterprise Fleet Management
18. Resolution 2020-71, Calling for the Holding of a General Municipal Election to be Held on Tuesday, November 3, 2020 for the Election of Members of the City Council by Districts 1, 2 and 3, City Clerk and City Treasurer
19. Resolution 2020-72, Adopting Regulations for Candidates for Elective Office Pertaining to the Electorate and the Costs Thereof for the General Municipal Election to be Held in the City on Tuesday, November 3, 2020

20. Resolution 2020-89, Calling for the Placement of a Cannabis Distribution Facility Tax on the Ballot of the November 3, 2020 Municipal Election; Approving the Ballot Language for the Measure; Directing the City Attorney to Prepare an Impartial Analysis of the Measure; and Providing Direction Regarding the Submission of Ballot Arguments For or Against the Measure

Public Comments

Paul Perkins addressed Consent Item 17 and expressed concern with the City's ability to continue to be able to afford the contract with Enterprise.

A motion was made by Councilmember Welch, seconded by Councilmember Pingree to approve Consent Items 1-13 and 17-20. Roll call vote was taken as follows:

AYES:	Andrade, Happe, Pingree, Wallace & Welch
NOES:	None
ABSTAIN:	None
ABSENT:	None

Action: Approved Consent Items 1-13 and 17-20.

14. Resolution 2020-78, Approving the Renewal for the Landscape Maintenance Contract for City Parks with Z&T Ventures, Inc. dba Service Scape of Alta Loma, California, for Fiscal Year 2020/2021 in the Amount of \$73,642.80

Councilmember Pingree expressed concern with the quality of work provided by the contractor based on the scope of work and recommended going back out to bid.

Parks and Recreation Director Ralph Wright explained the scope of the contractor's responsibilities and advised that the allowance for \$10,000 is not in the current scope of work.

Councilmember Pingree recommended updating the Scope of Work and bringing the item back for approval at the next meeting.

Public Comments

None

A motion was made by Councilmember Pingree, seconded by Mayor Pro Tem Wallace to continue Consent Item 14 to the next City Council Meeting. Roll call vote was taken as follows:

AYES: Andrade, Happe, Pingree, Wallace & Welch
NOES: None
ABSTAIN: None
ABSENT: None

Action: Consent Item 14 was continued to the next Regular City Council Meeting.

15. Notice of Completion for Project 2019-046 “Dysart Park Fencing Project”

Mayor Pro Tem Wallace explained that she pulled this item for discussion by mistake.

Public Comments

None

A motion was made by Mayor Pro Tem Wallace, seconded by Councilmember Pingree to approve Consent Item 15. Roll call vote was taken as follows:

AYES: Andrade, Happe, Pingree, Wallace & Welch
NOES: None
ABSTAIN: None
ABSENT: None

Action: Approved Consent Item 15.

16. Reject All Bids for the “Senior Center ADA Improvements” Project

Mayor Pro Tem Wallace asked for clarification as to why the City was rejecting all bids.

Public Works Director Art Vela provided the explanation that the City will be going back out to bid using CDBG funds.

Public Comments

Paul Perkins recommended the City not open the Senior Center until it is ADA compliant.

A motion was made by Councilmember Pingree, seconded by Councilmember Welch to approve Consent Item 16. Roll call vote was taken as follows:

AYES:	Andrade, Happe, Pingree, Wallace & Welch
NOES:	None
ABSTAIN:	None
ABSENT:	None

Action: Approved Consent Item 16.

21. Resolution 2020-65, Declaring Racism a Public Health Issue

Councilmember Happe requested Resolution 2020-65 to be read in its entirety by the Deputy City Clerk.

Councilmember Welch recommended more direction from Council to staff following the approval of the Resolution.

City Manager Doug Schulze advised there would be staff time associated with the Resolution.

Deputy City Clerk Sonja De La Fuente read Resolution 2020-65 in its entirety.

Public Comments

None

A motion was made by Mayor Pro Tem Wallace, seconded by Councilmember Happe to approve Consent Item 21. Roll call vote was taken as follows:

AYES:	Andrade, Happe, Pingree, Wallace & Welch
NOES:	None
ABSTAIN:	None
ABSENT:	None

Action: Approved Consent Item 21.

VII. PUBLIC HEARING(S)

1. Resolution 2020-86, Approving the Independent Evaluation of the Banning Electric Utility's Wildfire Mitigation Plan

Electrical Engineering Supervisor Brandon Robinson presented the staff report for this item. He addressed comments in a letter from Dudek and provided a copy of the letter (Attachment 2) to the City Council and public.

Public Comments

None

A motion was made by Councilmember Pingree, seconded by Mayor Pro Tem Wallace to adopt Resolution 2020-86 and authorize staff to address comments in the letter from Dudek. Roll call vote was taken as follows:

AYES:	Andrade, Happe, Pingree, Wallace & Welch
NOES:	None
ABSTAIN:	None
ABSENT:	None

Action: Adopted Resolution 2020-86 and authorized staff to address comments in the letter from Dudek.

2. Resolution 2020-79, Approving Conditional Use Permit 20-8001 to Allow the Retail Sale of Cannabis and Cannabis Related Products in an Existing Commercial Building Located at 1034 W. Ramsey Street, Unit A (APN 540-180-052) in the Highway Servicing Commercial Zoning District and Make a Determination of Exemption Under CEQA Guidelines Section 15301

Community Development Director Adam Rush presented the staff report and PowerPoint presentation (Attachment 3) for this item.

Mayor Andrade asked for timelines for opening and advised that she would like to change Item Number Four in Exhibit B to six months and that the Building Permit should be applied for within 30 days from approval of the Conditional Use Permit instead of 45.

Public Comments

Laura Leindecker addressed the Council as Project Manager regarding deadlines being met. She expressed that she feels that 30 days is too short. She would like to know if this is happening with the other two dispensaries. She explained that

allowed locations were limited in the City. She does believe that six months seems doable but feels 45 days is adequate. She advised that the dispensary will open.

John Hagen expressed his disbelief that there isn't a race between the three lottery winners, which leads him to believe the City has some non-business friendly hurdles they must overcome.

Paul Perkins pointed out that it took them a year to get a location. He also noted issues the City had sorting out certain requirements. He recommended taking the applicant's word.

A letter was received from Charter Management Systems, Inc. in opposition to the project (Attachment 4).

A motion was made by Mayor Andrade to approve as amended. Motion died for lack of a second.

A motion was made by Councilmember Pingree, seconded by Councilmember Welch to adopt Resolution 2020-79, but that Mayor Andrade's recommendations apply to future cannabis dispensary applicants. Roll call vote was taken as follows:

AYES:	Andrade, Happe, Pingree, Wallace & Welch
NOES:	None
ABSTAIN:	None
ABSENT:	None

Action: Adopted Resolution 2020-79, but future cannabis dispensary applicants must apply for a Building Permit within 30 days from approval of a Conditional Use Permit and open within six months.

3. Ordinance 1565, (1) Amending Chapter 5.33 and 5.35 of Title 5 of Banning Municipal Code to Allow Cannabis Distributors to Operate in the City and to Amend the Process for Processing Cannabis Retailer Applications, (2) Amending Chapters 17.12, 17.53, and 17.54 of Title 17 of the Banning Municipal Code (Zoning Text Amendment (ZTA) 20-97501 to Allow Cannabis Retailers to Operate in the General Commercial Zone, to Eliminate the Separation in the Requirement Between Cannabis Retailers and Residentially Zoned Property, to Include Provisions Regarding the Expiration of Cannabis Retailer Conditional Use Permits (CUP), to Allow Indoor Commercial Cultivation Facilities in the Business Park Zone, to Allow Cannabis Distribution Facilities to Operate in the Industrial Zone, and Making Additional Amendments to the Regulations Pertaining to Commercial Cannabis Businesses, and (3) Making a Determination Pursuant to CEQA. The Proposed Amendments Will Affect All Properties

Located in the General Commercial (GC), Highway Serving Commercial (HSC), Business Park (BP), and Industrial (I) Zoning District, in the City of Banning, California. **(The Planning Commission Recommended the Council Retain the Minimum 200-foot setback between Cannabis retailers and residentially zoned properties)**

Community Development Director Adam Rush presented the staff report and PowerPoint presentation (Attachment 5) for this item. He provided an updated copy of Ordinance 1565 (Attachment 6).

Councilmember Pingree asked if churches were included. Community Development Director Adam Rush advised that churches are not included in setbacks per State law.

There was discussion held among Council and Staff regarding the amendments in the Ordinance as provided tonight, which will reduce the time to apply for a Building Permit from 45 days to 30 days and clarify that applicants will be required open within 6 months (180 days) from building permit issuance. The Community Development Director will be authorized to determine and issue any extensions as appropriate.

Public Hearing

John Hagen expressed concern with the 200-foot setback and opening to the General Commercial Zone. He explained that existing businesses will suffer because residents will not want to continue to shop and will go to Beaumont instead. Therefore, he encouraged keeping it in the Highway Serving Commercial Zone only.

Paul Perkins asked if City Council dropped the 200-foot setback from cultivation.

City Attorney Kevin Ennis explained that is included in tonight's ordinance.

Councilmember Happe advised that he didn't see a significant impact based on the map.

Discussion was held among Council and Staff.

A motion was made by Mayor Andrade, seconded by Councilmember Pingree to modify Sections 5 and Section 19 of Ordinance 1565 to provide that in Section 5 an application for a Conditional Use Permit (CUP) must be submitted within 60 days of the issuance of a Regulatory Permit and that in Section 19 upon issuance of the CUP an application for a Building Permit must be submitted within 30 days of approval of a Retailer CUP, a condition that requires that any physical construction commence within 60 days after issuance of a Building Permit and a

condition requiring the retailer to commence business operations within 180 days from the issuance of a Building Permit. In addition, in the same section, the language regarding allowing for extensions would grant authority to the Community Development Director to grant extensions. Roll call vote was taken as follows:

AYES: Andrade, Pingree, Wallace & Welch
NOES: None
ABSTAIN: Happe
ABSENT: None

Action: Approved amending Ordinance 1565 as recommended.

Councilmember Pingree recommended keeping a 200-foot setback from residential zone and not allowing in the General Commercial Zone.

Councilmember Happe noted that he did not see a significant impact on the Residential Zone and suggested not allowing in the General Commercial Zone is taking away opportunities from 85 property owners.

There was discussion held among Council and Staff.

A motion was made by Councilmember Pingree, seconded by Mayor Pro Tem Wallace to eliminate Section 20, keeping the 200-foot setback for cannabis retailers from the Residential Zone and eliminating Section 3 and amending the table in Section 11, not allowing cannabis retail to be expanded into the General Commercial Zone. Roll call vote was taken as follows:

AYES: Pingree, Wallace & Welch
NOES: Andrade and Happe
ABSTAIN: None
ABSENT: None

Action: Approved amending Ordinance 1565 as recommended.

The Mayor asked the Deputy City Clerk to read the title of Ordinance 1565.

Deputy City Clerk Sonja De La Fuente read the title of Ordinance 1565 as follows:

“Ordinance 1565, (1) Amending Chapters 5.33 and 5.35 of Title 5 of Banning Municipal Code to Allow Cannabis Distributors to Operate in the City and to Amend the Process for Processing Cannabis Retailer Applications, (2) Amending Chapters 17.12, 17.53, and 17.54 of Title 17 of the Banning Municipal Code (Zoning Text Amendment (ZTA) 20-97501 to Include Provisions Regarding the Expiration of Cannabis Retailer Conditional Use Permits (CUP), to Allow Indoor Commercial Cultivation Facilities in the Business Park Zone, to Allow Cannabis

Distribution Facilities to Operate in the Industrial Zone, and Making Additional Amendments to the Regulations Pertaining to Commercial Cannabis Businesses, and (3) Making a Determination Pursuant to CEQA. The proposed amendments will affect all properties located in the Highway Serving Commercial (HSC), Business Park (BP), and Industrial (I) Zoning District, in the City of Banning, California.”

A motion was made by Mayor Pro Tem Wallace, seconded by Councilmember Pingree to waive further reading of Ordinance 1565 as amended. Roll call vote was taken as follows:

AYES:	Andrade, Happe, Pingree, Wallace & Welch
NOES:	None
ABSTAIN:	None
ABSENT:	None

Action: Waived further reading of Ordinance 1565 as amended.

A motion was made by Mayor Pro Tem Wallace, seconded by Councilmember Pingree that Ordinance 1565 pass its first reading as amended. Roll call vote was taken as follows:

AYES:	Andrade, Happe, Pingree, Wallace & Welch
NOES:	None
ABSTAIN:	None
ABSENT:	None

Action: Ordinance 1565 passed its first reading as amended.

4. Resolutions of Necessity for the Acquisition by Eminent Domain of Certain Real Property Interests Identified as Riverside County Tax Assessor Parcel Numbers 541-170-019 and 541-170-021, Owned Respectively by Raymond Ngoc Huynh and Lucy Nguyen Huynh, Trustees of the Raymond and Lucy Huynh Revocable Trust dated August 8, 2007, and Jen H. Huang, for Public Purposes in Connection with the Ramsey-Hathaway Street Improvement Project

City Attorney Kevin Ennis introduced his colleague Gina Danner who presented the staff report for this item.

Public Hearing

None

A motion was made by Mayor Pro Tem Wallace, seconded by Councilmember Welch to 1) adopt Resolution 2020-87, repealing and superseding Resolution 2019-160 and 2) adopt Resolution 2020-88, repealing and superseding Resolution 2019-161. Roll call vote was taken as follows:

AYES:	Andrade, Happe, Pingree, Wallace & Welch
NOES:	None
ABSTAIN:	None
ABSENT:	None

Action: Adopted Resolutions 2020-87 and 2020-88.

VIII. ANNOUNCEMENTS AND REPORTS

CITY COUNCIL COMMITTEE REPORTS

Councilmember Pingree reported that on July 11th Banning High School will hold a drive-up Graduation at 8:30 A.M. He also noted that this is the first time ever that a student is graduating from Banning High School with an Associate's Degree.

Councilmember Wallace reported that Community Action Partnership will be working with the City to help people with paying their bills. On August 15th she will be hosting another Townhall Meeting from 5:30 P.M. until 8:00 P.M. with five local pastors along with the Chief of Police and the City Manager.

Councilmember Welch had nothing to report.

Councilmember Happe reported that there will be a second round of small business grants coming and he recommended checking the County of Riverside website on June 25th for an update. He encouraged all small businesses in Banning to apply. Applications will be accepted beginning June 29th at 9:00 A.M.

Mayor Andrade reported that she attended a Finance and Taxation Committee meeting via Zoom. There was a guest speaker regarding housing. Homelessness was discussed and numbers are increasing. Banning Market night began again this month and she encouraged promoting the City more.

REPORT BY CITY ATTORNEY

City Attorney Kevin Ennis addressed the comment regarding a 10% contingency included on contracts. He explained that Public Works contracts sometimes require change orders and that 10 % contingency would provide for the funding in that case. With a Professional Services Agreement, if additional services are

required then the Contract Administrator could approve additional services up to 10%. That is why there is sometimes a contingency set aside in a contract.

REPORT BY CITY MANAGER

City Manager Doug Schulze reported on the following:

- Congressman Ruiz has drafted a letter regarding the closing of the Banning Municipal Airport and that the FAA didn't have any significant changes. The FAA noted that they felt administrative offices (regional office) could process the closure administratively. Congressman Ruiz chose to continue with legislation. The City will continue with the legislative course through the City's Lobbyist and staff with Dr. Ruiz's office by including the legislation as an Amendment to HR2 (transportation bill), which is to be introduced next week. He advised it may get approved through the House but may have difficulties going through the Senate right now.
- In regard to the Exclusive Negotiating Agreement for 150 E. Ramsey Street, Mr. Sudweeks has submitted all required deliverables prior to the deadline of June 30, 2020. He advised that Mr. Sudweeks has indicated that he is having difficulties meeting with medical providers that he would lease the facility to because they have all been impacted by COVID-19.
- The City's grant application for the Ramsey Street Village operations was successful and approved for the full amount requested of \$125,000. The City expects to receive \$165,000 in CDBG funds for the purchase of the shelters. It is scheduled for approval by the County Board of Supervisors on July 7th.
- Regarding the public comment related to 2735 W. Lincoln, he advised it is an active code case.
- Regarding the public comment regarding the Enterprise Lease Agreement, he advised the contract does not increase by that amount annually, that is annual amount. The vehicle is for the Fire Marshal, which is a separate contract with the County of Riverside from general fire protection services and that contract requires the City provide a vehicle to the Fire Marshal.

REPORTS OF OFFICERS

None

IX. DISCUSSION ITEM

None

X. ITEMS FOR FUTURE AGENDAS

None

XI. ADJOURNMENT

By consensus, the meeting was adjourned at 9:56 P.M.

Next Meeting: Tuesday, July 14, 2020, 5:00 P.M.

Minutes Prepared by:

A handwritten signature in blue ink, appearing to read 'Sonja', written over a horizontal line.

Sonja De La Fuente, Deputy City Clerk

The entire discussion of this meeting may be viewed here:
<https://banninglive.viebit.com/player.php?hash=E4uwWUGpQzGK>. *Any related documents maybe viewed here:*
<http://www.banningca.gov/ArchiveCenter/ViewFile/Item/2324> or by purchasing a CD or DVD in the amount of \$7.00 at Banning City Hall located at 99 E. Ramsey Street.

ATTACHMENT 1



Fw: Sewage smell at 2735 W. Lincoln Street, Banning

From: Lilly Aguilera (lillyofprescottvalley@yahoo.com)

To: jarballojr@ruhealth.org

Date: Wednesday, June 17, 2020, 01:16 PM PDT

----- Forwarded Message -----

From: Lilly Aguilera <lillyofprescottvalley@yahoo.com>

To: chawebmaster@rivcocha.org <chawebmaster@rivcocha.org>

Sent: Wednesday, June 17, 2020, 12:55:30 PM PDT

Subject: Sewage smell at 2735 W. Lincoln Street, Banning

Dear sir,

There is a situation that has been overlooked for 4 years at

2735 W. Lincoln Street , Banning 92220

Two abandoned buildings at this sight are emitting a toxic

Sewage smell !

My neighbors and I are deeply concerned

About this abandoned property and none of the ' Agencies '

have done anything to remedy the situation !

We have been patiently waiting for 4 years !

Enough is enough !

Who would be in charge of a problem like this ?

Today, I have sent a message to Environmental Health

and Banning Utilities ! It's time for a solution !

After some research I found the owners name :

~~I believe he is in Real Estate :~~

Tuan Khong

4097 W. Ramsey Street

Banning, Ca. 92220

Tele 951 845-3750

951 849-5313

951 295-2558

Sincerely,

Lillian Aguilera

37493 Brutus Way, Beaumont
Tele: 951-902-9531

ATTACHMENT 2

June 23, 2020

12255.03

Mr. Brandon Robinson
Northern California Power Agency
99 East Ramsey Street
Banning, CA 92220

Subject: *Evaluation of Banning Electric Utility's Wildfire Mitigation Plan*

Dear Mr. Robinson:

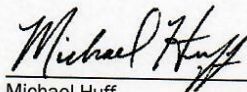
Dudek conducted an evaluation of the Banning Electric Utility's (BEU) Wildfire Mitigation Plan (WMP), as required under California Public Utilities Code (CPUC) Section 8387(b). CPUC Section 8387(b), as modified by Senate Bill (SB) 901, and the Administrative Law Judge's Ruling issued on January 17, 2019 in CPUC Docket No. R.18-10-007 (ALJ Ruling), applies to publicly-owned electric utilities and requires preparation of a Wildfire Mitigation Plan before January 1, 2020. After January 1, 2020, publicly-owned utilities shall prepare a wildfire mitigation plan annually and shall submit the plan to the California Wildfire Safety Advisory Board on or before July 1 of that calendar year. CPUC Section 8387(c) requires that an independent evaluator review and assess the comprehensiveness of a publicly-owned utility's WMP and issue a summary report.

Dudek, as an independent plan evaluator, conducted an initial review of BEU's Draft WMP (version 1.1). The following summarizes the recommended clarifications/modifications identified during the initial review of the Draft WMP (version 1.1), by required element. The following WMP modifications are recommended to be incorporated into the Revised WMP to meet Code requirements:

- 8387(b)(2)(A): Provide clarification and detail regarding climate change.
- 8387(b)(2)(E): Identify previous plan metrics, as available.
- 8387(b)(2)(K): Provide map legend details to differentiate the Fire Hazard Severity Zones, Tier 2 and Tier 3 CPUC Maps. Re-asses the service territory to have areas previously identified as Risk Areas remain included and identified within the appropriate Tier classification.

Should you have any questions or require additional information, please do not hesitate to contact me at (619) 992-9161.

Sincerely,



Michael Huff
Principal/Senior Fire Protection Planner

For: Asst Chief (ret.) Jason Neuman, Sr. Fire Protection Planner

Att.: A. Required WMP Elements under PUC Section 8387(b)

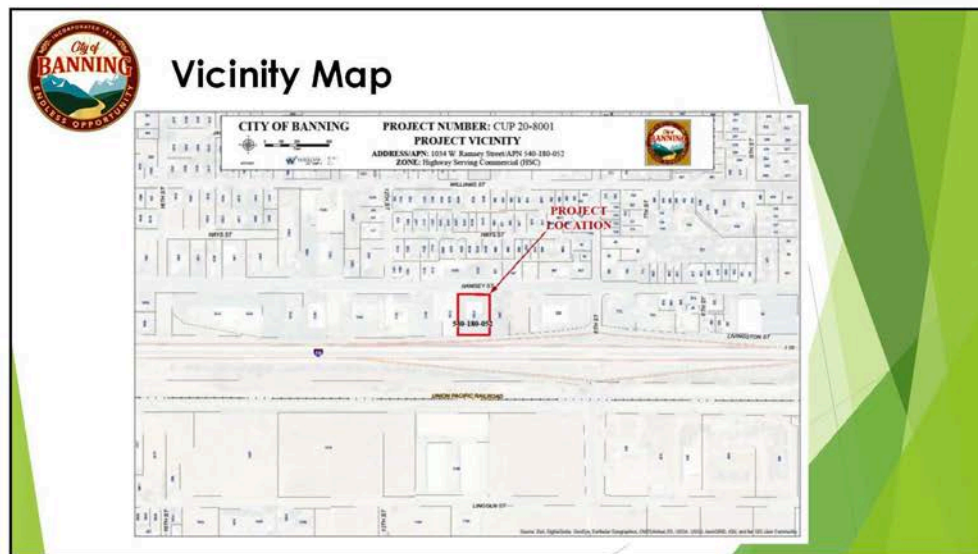
Required WMP Elements under PUC Section 8387(b)

PUC 8387(b)(2) Section	Description
A	An accounting of the responsibilities of the persons responsible for executing the plan.
B	The objectives of the wildfire mitigation plan.
C	Description of the preventative strategies and programs to be adopted by the publicly owned electric utility or electrical cooperative to minimize the risk of its electrical lines and equipment causing catastrophic wildfires, including consideration of dynamic climate change risks.
D	A description of the metrics the local publicly owned electric utility or electrical cooperative plans to use to evaluate the wildfire mitigation plan's performance and the assumptions made that underlie the use of those metrics.
E	A discussion of how the application of previously identified metrics to previous wildfire mitigation plan performances has informed the wildfire mitigation plan.
F	Protocols for disabling reclosers and de-energizing portions of the electrical distribution system that consider the associated impacts on public safety, as well as protocols related to mitigating the public safety impacts of those protocols, including impacts on critical first responders and on health and communication infrastructure
G	Appropriate and feasible procedures for notifying a customer who may be impacted by the de-energizing of electric lines. The procedures shall consider the need to notify, as a priority, critical first responders, health care facilities, and operators of telecommunications infrastructure.
H	Plans for vegetation management.
I	Plans for inspections of the local publicly owned electric utility's or electrical cooperative's electrical infrastructure.
J	A list that identifies, describes, and prioritizes all wildfire risks, and drivers for those risks, throughout the local publicly owned electric utility's or electrical cooperative's service territory. The list shall include, but not be limited to, both of the following:
J(i)	Risks and risk drivers associated with design, construction, operations, and maintenance of the local publicly owned electric utility or electrical cooperative's equipment and facilities.
J(ii)	Particular risks and risk drivers associated with topographic and climatological risk factors throughout the different parts of the local publicly owned utility's or electrical cooperative's service territory.
K	Identification of any geographic area in the local publicly owned electric utility's or electrical cooperative's service territory that is a higher wildfire threat than is currently identified in a commission fire threat map, and identification of where the commission should expand the high fire threat district based on new information or changes to the environment.
L	A methodology for identifying and presenting enterprise-wide safety risk and wildfire-related risk.
M	A statement of how the local publicly owned electric utility will restore service after a wildfire.
N	A description of the processes and procedures the local publicly owned electric utility or electrical cooperative shall use to do all of the following:
N(i)	Monitor and audit the wildfire mitigation plan.
N(ii)	Identify any deficiencies in the wildfire mitigation plan or its implementation, and correct those deficiencies.
N(iii)	Monitor and audit the effectiveness of electrical line and equipment inspections, including inspections performed by contractors, that are carried out under the plan, and other applicable statutes, or commission rules.

ATTACHMENT 3



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Background:

- ▶ The applicant proposes the operation of a Cannabis Retail facility in the Highway Servicing Commercial Zoning District located at 1034 West Ramsey St.
- ▶ The applicant proposes to sell recreational and medicinal cannabis and cannabis related products.
- ▶ A business plan was submitted that demonstrates the applicant will be compliant with current code regulations regarding cannabis retailers which includes; site plan, floor plan, lighting plan, security plan, air filtration plan and other proprietary information for the operation of the facility.

6

3




Recommended COAs

City Staff is recommending the following Condition of Approval (COA) be added to the Project, prior to the City Council's Action:

In addition, the Cannabis Retailer shall submit an application for a building permit for any construction or tenant improvements for the cannabis retail use of the property with 45 days of the approval of this CUP. The Cannabis Retailer shall commence physical construction in conformity to the approved building permit within 60 days of the issuance of the building permit. If the Cannabis Retailer fails to satisfy the requirements of the two preceding sentences (the 45-day and 60-day deadlines), this CUP shall become null and void, unless the applicant file an application for an extension prior to the expiration of the applicable deadline and thereafter obtains an extension from the Community Development Director on the basis that the extension is warranted by special circumstances and that the applicant will be irreparably injured by the denial of the extension.

**THE APPLICANT HAS BEEN INFORMED - AND AGREES - TO
THE ADDITIONAL CONDITION OF APPROVAL**

7



Environmental Determination

- ▶ The project qualifies as a Class 1 Categorical Exemption pursuant to section 15301 (Existing Facilities) of the California Environmental Quality Act (CEQA) Guidelines as the project is operating out of an existing facility and only minor tenant improvements are proposed.
- ▶ A Notice of Exemption has been prepared for adoption with the project.

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Planning Commission Recommendation

Staff recommends the City Council to adopt Resolution 2020-79, making a determination that the Project is exempt under Section 15301 (Existing Facilities) of the California Environmental Quality Act (CEQA) and approve Conditional Use Permit 20-8001 to allow a Cannabis Retailer in an existing commercial building located at 1034 West Ramsey Street, Unit A (APN: 540-180-052) in the Highway Serving Commercial (HSC) zoning district.

9



Thank You & Questions

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ATTACHMENT 4

CHARTER MANAGEMENT SYSTEMS, INC.
783 W. RAMSEY #E ~ PO BOX 697 ~ BANNING, CALIFORNIA 92220
Phone 951-849-2488

May 31, 2020

Community Development Department
City of Banning
PO BOX 998
Banning, Ca 92220



RE: Conditional Use Permit 20-8001
1034 W Ramsey Street
Banning, Ca

Dear Committee,

Charter Management owns property located at 783 W Ramsey on the NE corner of 8th Street and Ramsey. APN#540-170-064

I know the designated cannabis area borders 8th Street to the west. Our property is on the east side of 8th Street.

We strongly oppose the approval of this location for the retail sale of cannabis.

Currently, we experience a tremendous problem with the homeless/vagrancy situation as they sleep and defecate and leave trash and drug paraphernalia on our office stairs and landscaping. We have not only had several tenants move out of the property but also have the added expense of monthly security and the cost of security lighting ALL NIGHT.

We feel this location is too close to our area and will add to the already trying and costly problems we currently face. It is so difficult to try to get long-term commercial tenants even though we try to keep our property in good safe condition.

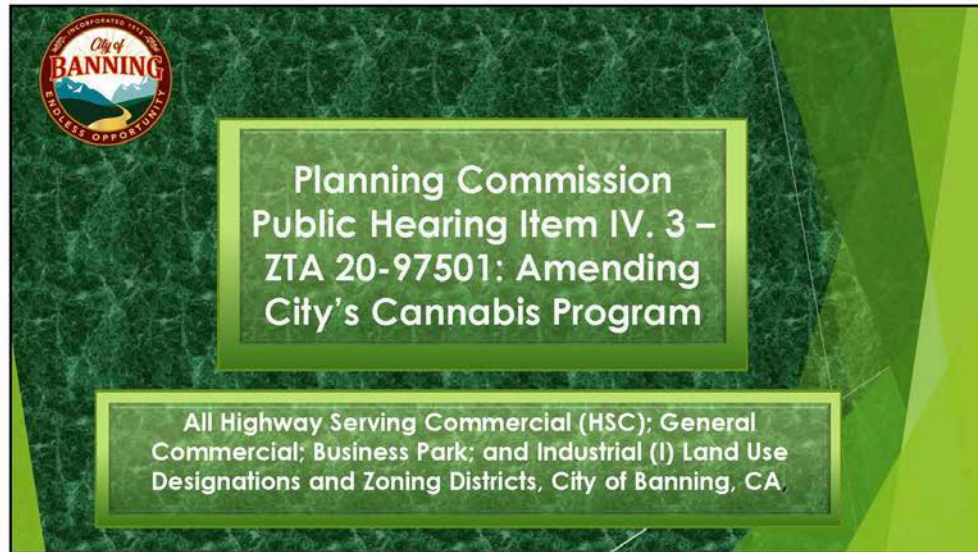
However, this cannabis dispensary type of business is too close to our commercial area as it will cause undue attention and risk. The last illegal dispensary was open merely months before there was a murder in the area.

Thank you very much for your attention in this matter.

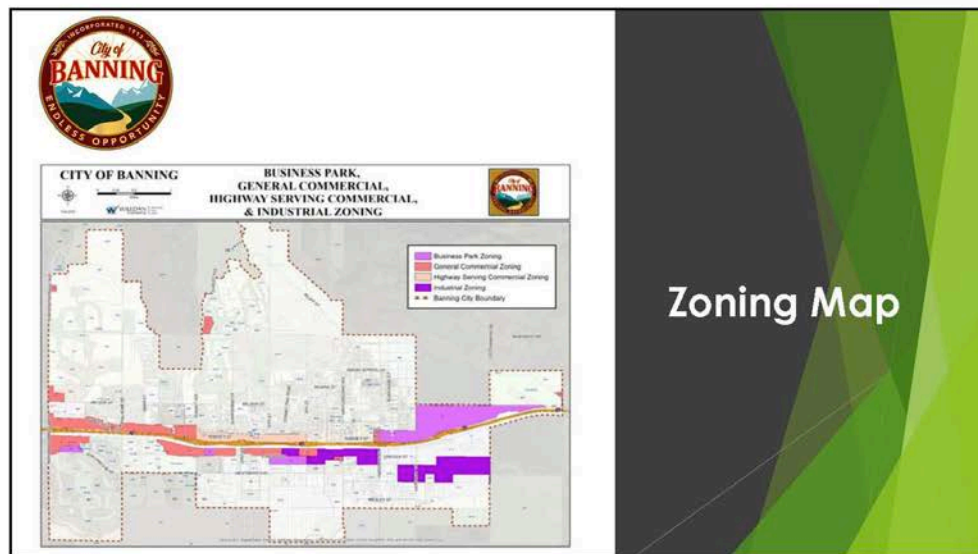
Sincerely,

Michael L. Galleher
President
Charter Management Systems, Inc.

ATTACHMENT 5

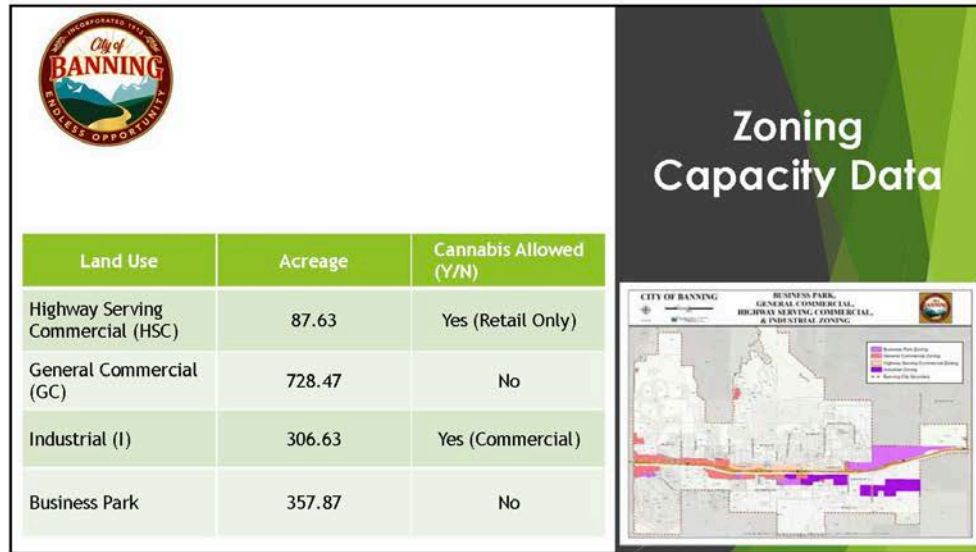


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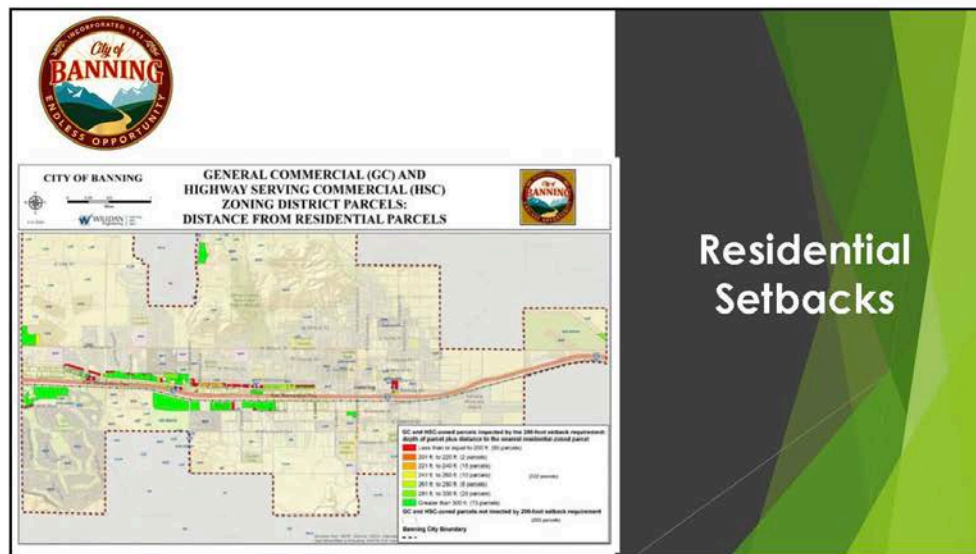


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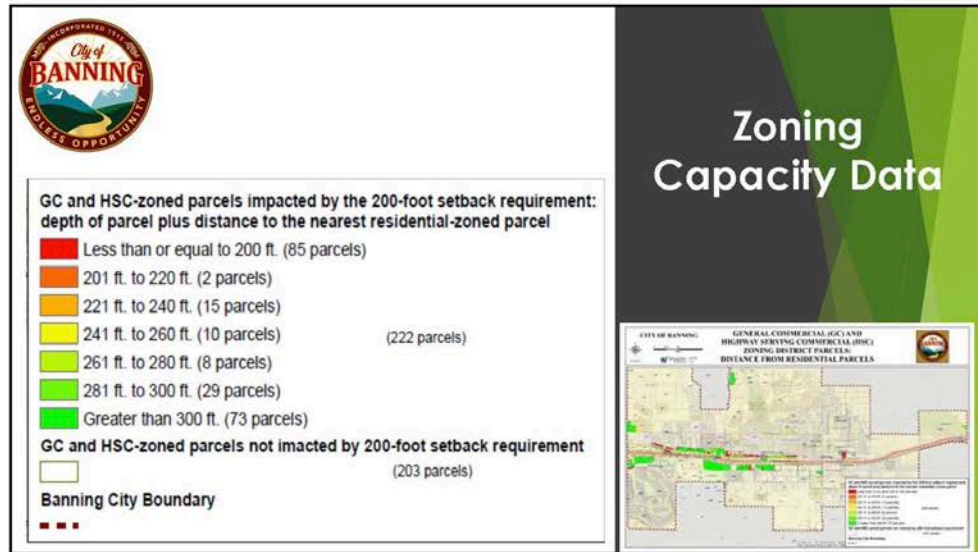


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► July 10, 2018 - City Council Adopted Ordinance 1523 & 1527, establishing the Commercial and Retail Cannabis CUP processes, setting tax measures on the ballot, and establishing provisions for a commercial cannabis program.

► City Taxes:

- \$15 per sq. ft. of canopy space, but up to \$25 per sq. ft.
- 10% of gross receipts for retail dispensaries

Background

7



Measures “N” & “O”

FREQUENTLY ASKED QUESTIONS

What ballot initiatives are Banning residents being asked to vote on?
Banning residents will have three propositions before them in the November 6, 2018, election. They are Measures P, N, and O, which are explained below.

What is Measure P?
Measure P seeks to reverse Banning electric rates for three years and allow the City to transfer a limited amount of money each year from the utility's surplus reserves to the General Fund to be used for public safety and other essential City services. The transfer would not exceed 7.5 percent of the utility's annual gross revenues for the first three years, then 5.5 percent thereafter. This measure would generate \$2.1 million to pay for police and fire services, community programs and maintenance. All of the money would stay in Banning.

What is Measure O?
Measure O proposes a tax on the operators of retail cannabis businesses, starting at 10 percent of gross receipts, with an option to increase the tax to 15 percent in the future. Measure O would allow the City Council to permit a limited number of retail cannabis stores to be opened for commercial use and impose safety requirements. It would bring up to \$1.5 million for the General Fund to use for City services.

What is Measure N?
Measure N would tax commercial businesses that cultivate, manufacture and test cannabis, if permitted, after regulations approved by the City Council would restrict growing in inside warehouses in the industrial zone, and code enforcement officers and address security and safety concerns. This tax would generate up to \$1.2 million per year that could be used to fund police, fire, paramedics, parks, youth and senior programs, and other services.


If Measures O and N pass, would the location of cannabis operations be restricted?
Yes. Commercial businesses would be limited to the City's industrial zone and retail stores to the commercial zone. The operations would be located away from residential neighborhoods, schools, day care centers, youth centers and parks.

How will these measures impact me financially?
These measures will not directly affect residents except by lowering electric rates under Measure P. If passed, they will provide the General Fund revenue to help maintain City services at the current level.

Why are these measures needed?
The City of Banning is facing a \$2 million budget shortfall this year. Without added revenue, the City will have to lay off employees and drastically cut vital services, which would negatively impact public safety, fire protection, the senior center, after school child care, the library, maintenance of streets and parks, and other services.

Why does the City have a budget deficit?
The City experienced unanticipated increases in expenses this year, including a \$500,000 jump in the Fire Services contract, pre-funded costs of \$500,000 for the California Public Employees' Retirement System, a \$500,000 increase in the Animal Control contract, and the expiration of an agreement with Riverside County to fund four police officers, worth \$450,000.


8



- ▶ January of 2019, the City accepted 24 applications for retail cannabis regulatory permits.
- ▶ May 23, 2019, the City hosted a lottery to select the order of CUP applications.
- ▶ Three applicants were chosen. Two CUPs have been issued concurrent with their Regulatory Permits.
- ▶ The last Cannabis CUP is scheduled for the June 23rd City Council Public Hearing.

Background

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#	Project Name	Project Number	Submitted Date	Applicant	Description*	STATUS	Lottery Number
Cannabis Regulatory Permit Applications							
1	BNS LLC	19-0501	7/17/2019	Nico Lo	1471 1484 W Ramsey St Retail Use/Adult	Approved for Lottery	13
2	Neonash Earth Inc	19-0502	7/17/2019	Alana Newell	2736 W Ramsey St Retail Delivery Storefront	Approved for Lottery	7
3	Ogawa Truck LLC	19-0503	7/17/2019	David Dabrowski	2736 W Ramsey St Retail Delivery Storefront	Approved for Lottery	8
4	Janica B. Flores	19-0504	7/20/2019	Janica Flores	2732 W Ramsey St Retail Delivery Storefront	Approved for Lottery	19
5	Whipple Rush LLC	19-0505	7/20/2019	John Whipple	2736 W Ramsey St Retail Delivery Storefront	Approved for Lottery	7
6	First Choice Retail Solutions	19-0506	7/20/2019	Nicholas Truse	3088 W Ramsey St Retail Delivery Storefront	Approved for Lottery	17
7	Black Ice Marijuana Inc	19-0507	7/20/2019	Michelle West	2736 W Ramsey St Retail Delivery Storefront	Approved for Lottery	1
8	MLJ Holdings LLC	19-0508	7/20/2019	Hong Pham	2736 W Ramsey St Retail Delivery Storefront	Approved for Lottery	4
9	Harvest Loma LLC	19-0509	7/20/2019	Delores Padgett	2736 W Ramsey St Retail Delivery Storefront	Approved for Lottery	3
10	Canna Connect Corp	19-0510	7/20/2019	Adolfo Calhoun	2736 W Ramsey St Retail Delivery Storefront	Approved for Lottery	19
11	Huangman Youth LLC	19-0511	7/20/2019	Luca Cheng	2736 W Ramsey St Retail Delivery Storefront	Approved for Lottery	18
12	Al. Bloom Spa	19-0512	7/20/2019	Jill Lee	2736 W Ramsey St Retail Delivery Storefront	Approved for Lottery	13
13	Jose S. Vinasco	19-0513	7/21/2019	Jose Vinasco	3088 W Ramsey St Retail Delivery Storefront	Approved for Lottery	20
14	Jonathan Castro Jr	19-0514	7/21/2019	Jonathan Castro	2732 W Ramsey St Retail Delivery Storefront	Approved for Lottery	9
15	DI Highline LLC	19-0515	7/21/2019	Drew Jones	2736 W Ramsey St Retail Delivery Storefront	Approved for Lottery	23
16	The Dendary LLC	19-0516	7/21/2019	Robina Sanchez	2732 W Ramsey St Retail Delivery Storefront	Approved for Lottery	22
17	Nadine Delano	19-0517	7/21/2019	Nadine Delano	2732 W Ramsey St Retail Delivery Storefront	Approved for Lottery	15
18	WEB Ventures LLC	19-0518	7/21/2019	Jeffrey Williams	3080 W Ramsey St Retail Delivery Storefront	Approved for Lottery	24
19	D & O Ventures Group Inc	19-0519	7/21/2019	Glenn Willworth	2614 2614 W Ramsey St Retail Delivery Storefront	Approved for Lottery	12
20	Biko LLC	19-0520	7/21/2019	Bernard Gordon	3080 W Ramsey St Retail Delivery Storefront	Approved for Lottery	6
21	Chase Healthcare Health Corp	19-0521	7/21/2019	Tony Nguyen	2736 W Ramsey St Retail Delivery Storefront	Approved for Lottery	11
22	Burbuck Retail	19-0522	7/21/2019	Steven Dabhat	3072 W Ramsey St Retail Delivery Storefront	Approved for Lottery	7
23	Whidmore Partners LLC	19-0523	7/21/2019	Nicole Foy	2736 W Ramsey St Retail Delivery Storefront	Approved for Lottery	21
24	Veronica Tapia Castillo	19-0524	7/21/2019	Veronica Castillo	2732 W Ramsey St Retail Delivery Storefront	Approved for Lottery	10

Cannabis Lottery

10



Background

- ▶ The City has accepted 2 Commercial Cannabis Cultivation facilities.
- ▶ The first was submitted in October of 2019 and the second in December of the same year.
- ▶ Both are located at the intersection of S. 8th Street and W. Lincoln St.
- ▶ Public Hearings are anticipated early Fall of 2020.

11



Commercial & Retail Cannabis Site Selection Analysis

Analysis

- ▶ Over one year has passed since the City's Cannabis program was adopted.
- ▶ The City's Cannabis program has not yielded the anticipated results.
- ▶ The constraints are two-fold:
 - ▶ Property Constraints /Location/Zoning
 - ▶ "Typical" Development Process



1 Zoning/Land Use
Retail Cannabis Dispensaries and Commercial Cannabis Cultivation can only operate in the Highway Serving Commercial (HSC) and Industrial Zoning Districts, respectively.


2 Complete Application
Applications must be completed, process which can include Grading, Drainage, Hydrology, Biology, Cultural, Air-Quality, Noise, Geologic, and Lighting.

3 Real Estate
Properties must be "sellable" on the market. Existing structures must be structurally sound and not require significant upgrades.

1+3
1+2
3+2
CUP

12


6




- ▶ **Expansion of Retail Dispensaries (General Commercial)** - Expansion of the Retail Dispensary licenses from the Highway Servicing Commercial Zone (HSC) (87-acres) to include the General Commercial Zone. This includes an additional 728-acres of zoning capacity for retail cannabis.
- ▶ **Remove the 200-foot setback from residential:**
The Ordinance Amendment will remove this setback which is not required by state law.
- ▶ **Cannabis Distributors & Distribution Facilities: Transport Only (Type 11 license)** - Distributors and Distribution facilities are responsible for transporting cannabis goods between licensees, but may not transport any cannabis goods, except for immature cannabis plants and/or seeds, to a licensed retailer or to the retailer portion of a licensed microbusiness.
- ▶ **Cannabis cultivation in the Business Park Zoning District:**
A request for Cultivation Only in the Business Park Zone, as an industrially consistent use.

Further Discussion


13




RECOMMENDED ACTION:



Make a determination pursuant to Section 15060(c)(3) of the California Environmental Quality Act (CEQA) that the Zoning Text Amendment is not subject to CEQA because the amendment is not a project as defined by the CEQA Guidelines Section 15378.



That City Council take the following actions:



That the City Council waive full reading of, and introduce Ordinance 1565, approving Zoning Text Amendment No. 20-97501, Amending Chapter 5.33 and 5.35, 17.12, 17.53, and 17.54 as described in the staff report. **NOTE: The Planning Commission does not recommend removing the 200-foot setback.**

Planning Commission Recommended Action

14

7

ATTACHMENT 6

ORDINANCE 1565

AN ORDINANCE 1565, (1) AMENDING CHAPTERS 5.33 AND 5.35 OF TITLE 5 OF THE BANNING MUNICIPAL CODE TO ALLOW CANNABIS DISTRIBUTORS TO OPERATE IN THE CITY AND TO AMEND THE PROCESS FOR PROCESSING CANNABIS RETAILER APPLICATIONS, (2) AMENDING CHAPTERS 17.12, 17.53, AND 17.54 OF TITLE 17 OF THE BANNING MUNICIPAL CODE (ZONING TEXT AMENDMENT (ZTA) 20-97501) TO ALLOW CANNABIS RETAILERS TO OPERATE IN THE GENERAL COMMERCIAL ZONE, TO ELIMINATE THE SEPARATION REQUIREMENT BETWEEN CANNABIS RETAILERS AND RESIDENTIALLY ZONED PROPERTY, TO INCLUDE PROVISIONS REGARDING THE EXPIRATION OF CANNABIS RETAILER CONDITIONAL USE PERMITS, TO ALLOW INDOOR COMMERCIAL CULTIVATION FACILITIES IN THE BUSINESS PARK ZONE, TO ALLOW CANNABIS DISTRIBUTION FACILITIES TO OPERATE IN THE INDUSTRIAL ZONE, AND MAKING ADDITIONAL AMENDMENTS TO REGULATIONS PERTAINING TO COMMERCIAL CANNABIS BUSINESSES, AND (3) MAKING A DETERMINATION PURSUANT TO CEQA. THE PROPOSED AMENDMENTS WILL AFFECT ALL PROPERTIES LOCATED IN THE GENERAL COMMERCIAL (GC), HIGHWAY SERVING COMMERCIAL (HSC), BUSINESS PARK (BP), AND INDUSTRIAL (I) ZONING DISTRICTS, IN THE CITY OF BANNING, CALIFORNIA

WHEREAS, on July 10, 2018, the City Council adopted Ordinance 1523 which added Chapter 17.53 (Cannabis Conditional Use Permits) to the Banning Municipal Code to establish a conditional use permit process for cannabis cultivation, manufacturing level 1, and testing laboratory facilities. The City Council also adopted Ordinance 1524 which added Chapter 5.35 (Cannabis Regulatory Permits) to the Banning Municipal Code to establish a procedure for issuance of cannabis regulatory permits to cannabis cultivation, manufacturing level 1, and testing laboratory facilities; and

WHEREAS, Ordinances 1523 and 1524, by their own terms, provided that the Cannabis Conditional Use Permit and Cannabis Regulatory Permit provisions would only go into effect if the voters of the City of Banning approved specific municipal taxes on cannabis cultivation, manufacturing level 1 and testing laboratory facilities by the approval of Measure N that had been placed on the November 2018 ballot by the Banning City Council; and

WHEREAS, Measure N was approved by 62% of the voters on the November 2018 ballot thereby imposing certain municipal taxes on cannabis cultivation,

manufacturing level 1 and testing laboratory facilities and allowing for the Cannabis Conditional Use Permit and Regulatory Permit provisions to become operative; and

WHEREAS, the City Council also placed a second and companion measure on the November 2018 ballot, known as Measure O, that would impose a tax on cannabis retailers if the City Council subsequently acted to allow those uses in the City; and

WHEREAS, Measure O, imposing a tax on cannabis retailers, was approved by 61% of the voters on the November 2018 ballot; and

WHEREAS, on November 13, 2018, following the adoption of Measure O, the City Council adopted Ordinance 1531 which added Chapter 17.54 (Cannabis Retailer Conditional Use Permits) to the Banning Municipal Code to allow for and establish a conditional use permit process for cannabis retailers. The City Council also adopted Ordinance 1532 which added Chapter 5.33 (Cannabis Retailer Regulatory Permits) to the Banning Municipal Code to allow for and establish a procedure for issuance of cannabis retailer regulatory permits; and

WHEREAS, Ordinance 1531 provides, in part, that cannabis retailers (1) may operate with a conditional use permit only in the Highway Servicing Commercial zone, (2) must be located at least 200-feet away from residentially zoned property, and (3) are limited in number in Banning to a ratio of one cannabis retailer for every 10,000 residents which, based on the current population of the City, allowed up to a maximum of three cannabis retailers to operate in the City; and

~~**WHEREAS**, these restrictions reduced the potential number of cannabis retailers that can operate in the City as well as reduced the number of eligible properties that can be improved with a cannabis retailer since all the commercial properties located along the north side of Ramsey Avenue are within 200 feet of residentially zoned property. In addition, cannabis retailers are prohibited from being located in the General Commercial zone which is a zone that allows for other retail uses; and~~

WHEREAS, the State of California does not have any separation requirement between cannabis retailers and residentially zoned property but does include a 600-foot separation requirement between a cannabis retailer and a school providing instruction in kindergarten or any grades 1 through 12, day care center, or youth center that is in existence at the time the license is issued, unless a licensing authority or a local jurisdiction imposes a separation requirement that requires a greater distance between cannabis retailers and these uses; and

WHEREAS, the City Council finds that the City cannot fully realize the financial benefits from the generation of taxes that these businesses can bring to the City if the City unduly restricts the zones in which cannabis retailers may operate in the City and if cannabis retailers are not able to find commercially available sites to quickly commence operations; and

WHEREAS, there were 24 businesses that participated in the lottery that was held on May 23, 2019 to determine which three businesses would be the first ones eligible to

obtain cannabis regulatory permits and proceed to the Conditional Use permit approval process for operation at specific sites; and

WHEREAS, at its May 12, 2020 City Council meeting, the City Council determined that the Banning voters should decide whether to allow more cannabis retailers to operate in the City, or to maintain the current cap; and

WHEREAS, the City is currently operating with a structural budget deficit in Fiscal Year 2019-2020, is facing significant revenue decline from the economic effects of the COVID-19 pandemic and is in danger of not having sufficient funding to keep essential City services fully staffed and fully operational. It is therefore in the City's financial interest and in the public interest that the City take action to allow more cannabis businesses to operate in the City as these businesses will pay local taxes and generate money for the City's general fund; and

WHEREAS, in addition to cannabis retailers, the City understands that cannabis distributors are also integral parts of the cannabis supply chain and cannabis industry. Distributors transport cannabis goods between cultivators, manufacturers, testing laboratories and retailers, arrange for the testing of cannabis goods, and conduct quality assurance review for cannabis goods to ensure compliance with all packaging and labeling requirements. A distributor is the gatekeeper to getting a compliant product from the manufacturers and cultivators to the retailers for sale. Allowing distributors to operate in the City will allow for a key component of the cannabis supply chain to occur in the City, eliminate the need for cannabis businesses operating in the City to have to contract with a distributor located outside the City, and thereby make the City more attractive for cannabis cultivators, manufacturers and testing laboratories to be located in the City. Allowing distributors to operate in the City will also provide greater assurance that related cannabis business transactions will be treated for tax purposes as occurring in the City; and

WHEREAS, City staff has received inquiries from cannabis cultivation facilities that are interested in operating in the Business Park zone. Light industrial and office/warehouse buildings are allowed uses in this district as are restaurants, retail uses ancillary to a primary use, and professional offices. Commercial development, such as large-scale retail (club stores, home improvement, etc.) and mixed-use project may also be permitted in the Business Park zone, subject to a conditional use permit; and

WHEREAS, on May 6, 2020, the Planning Commission of the City of Banning held a duly noticed public hearing regarding this Ordinance, at which time all persons interested in the contents of this Ordinance had the opportunity and did address the Planning Commission on these matters. Following the receipt of public testimony, the Planning Commission continued the public hearing to June 3, 2020; and

On June 3, 2020, the Planning Commission held a duly noticed continued public hearing regarding this Ordinance, at which time all persons interested in the contents of this Ordinance had the opportunity and did address the Planning Commission on these matters. Following the receipt of public testimony, the Planning Commission closed the

public hearing. At the conclusion of the Planning Commission hearing, and after due consideration of the testimony, the Planning Commission adopted Resolution No. 2020-09 recommending that the City Council adopt this Ordinance; and

WHEREAS, in accordance with Banning Municipal Code Chapter 17.68 ("Hearings and Appeals") and Government Code Sections 65090 and 65091, on _____, 2020, the City gave public notice, by advertisement in the Record Gazette, a newspaper of general circulation within the City of Banning, of a public hearing at which the proposed Zoning Text Amendment would be considered by the City Council; and

WHEREAS, on June 23, 2020, the City Council of the City of Banning held a public hearing on the proposed Ordinance, at which time all persons interested in this Ordinance had the opportunity and did address the City Council on these matters. Following the receipt of public testimony, the City Council closed the public hearing.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF BANNING, CALIFORNIA DOES HEREBY ORDAIN AS FOLLOWS:

Section 1. ENVIRONMENTAL FINDINGS

A. California Environmental Quality Act (CEQA)

(1) The City Council finds and determines that this Ordinance is not subject to the California Environmental Quality Act ("CEQA") pursuant to the State CEQA Guidelines Section 15060(c)(3), because it is not a project as defined by the CEQA Guidelines Section 15378. Adoption of the Ordinance does not have the potential for resulting in either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment. Further projects subject to the Ordinance will require a discretionary permit and CEQA review and will be analyzed at the appropriate time in accordance with CEQA.

(2) The City Council further finds and determines that this Ordinance is exempt from review under the CEQA and the State CEQA Guidelines Section 15061(b)(1) which exempts a project from CEQA if the project is exempt by statute. Business and Professions Code Section 26055(h) provides that Division 13 (commencing with Section 21000) of the Public Resources Code does not apply to the adoption of an ordinance, rule, or regulation by a local jurisdiction that requires discretionary review and approval of permits, licenses, or other authorizations to engage in commercial cannabis activity. Pursuant to that exemption, Chapters 17.53 and 17.54 of the Banning Municipal Code provide that conditional use permit applications for cannabis retailers, cannabis distribution facilities, and commercial cultivation facilities will be required to include any applicable environmental review pursuant to Division 13 (commencing with Section 21000) of the Public Resources Code. Additionally, conditional use permits for cannabis retailers and distribution facilities are subject to discretionary review by both the Planning Commission and the City Council.

(3) The City Council hereby adopts a categorical exemption for this Ordinance and directs staff to file a Notice of Exemption.

B. Multiple Species Habitat Conservation Plan (MSHCP)

The proposed amendments to the Zoning Ordinance do not relate to any one physical project and are not subject to the MSHCP. Further, projects that may be subject to this Ordinance will trigger individual project analysis and documentation related to the requirements of the MSHCP including mitigation through payment of the MSHCP Mitigation Fee.

Section 2. ADDITIONAL REQUIRED FINDINGS

The California Government Code and Section 17.116.050 (Findings) of the City of Banning Municipal Code require that Zoning Text Amendments meet certain findings prior to the approval by the City Council. The following findings are provided in support of the approval of the Zoning Text Amendment No. 20-97501.

Finding No. 1: Proposed Zone Text Amendment No. 20-97501 is consistent with the goals and policies of the General Plan.

Findings of Fact: Proposed Zone Text Amendment No. 20-97501 is consistent with the goals and policies of the General Plan. Cannabis retailers, commercial cultivation facilities, and cannabis distribution facilities will be paying voter-approved local taxes that will generate money for the City's general fund and are also anticipated to generate employment opportunities for City residents. The Proposed Zone Text Amendment No. 20-97501 amends the Zoning Code to allow cannabis retailers to operate in the General Commercial zone. In order to achieve and implement the City's vision of an economically vibrant business climate, the expansion of cannabis retailers is a logical evolution that will facilitate a greater number of retail cannabis dispensaries to operate in the City.

Cannabis distributors are an integral part of the cannabis industry as they transport cannabis goods between cultivators, manufacturers, testing laboratories and retailers, arrange for testing of cannabis goods, and perform quality assurance review of cannabis goods to ensure compliance with all packaging and labeling requirements. Allowing cannabis distribution facilities to operate in the City is anticipated to attract more cannabis cultivation and manufacturing facilities to operate in the City and ensure the success of the City's cannabis program.

The amendment will also allow for cannabis cultivation facilities to operate in the Business Park zone. This zone allows for light industrial and office/warehouse buildings. Light industrial manufacturing and office/warehouse buildings are also appropriate

in this designation. These existing use provisions, allowing manufacturing and storage, are similar in size, scope, and intensity to a commercial cannabis cultivation operation. Furthermore, cannabis cultivation is a similar use in size, scope and intensity and as such is consistent with the uses allowed in the Business Park zone.

It is in the public interest to regulate cannabis, and to allow for responsible and lawful retail cannabis sales in the City. With adequate regulation and oversight, commercial cannabis activity is consistent with the following General Plan goals and policies:

Economic Development Element:

Goal

A balanced, broadly-based economy that provides a full range of economic and employment opportunities, while maintaining high standards of development and environmental protection.

Policy 1

General Plan land use designations and allocations will facilitate a broad range of residential, commercial, industrial and institutional development opportunities.

Policy 2

The City shall take a proactive role in the retention of existing businesses and the recruitment of new businesses, particularly those that generate and broaden employment opportunities, increase discretionary incomes, and contribute to City General Fund revenues.

Finding No. 2: Proposed Zone Text Amendment No. 20-97501 is internally consistent with the Zoning Ordinance.

Findings of Fact: Proposed Zone Text Amendment No. 20-97501 is internally consistent with the Zoning Ordinance. This amendment will allow for cannabis retailers to be located in the General Commercial zone. This district is the broadest of the City's commercial districts, and allows food and drug stores; home improvement; auto sales, leasing, service and repair; department and general retail outlets; merchandise leasing; neighborhood serving retail and services; restaurants; entertainment uses; gas stations; general offices (secondary to retail); mixed uses; and financial institutions. Allowing cannabis retailers to operate in this zone is consistent with the other types of uses allowed to operate in this zone.

The amendment will also allow cannabis distributors to operate in the Industrial Zone. This district includes industrial parks and freestanding industrial users. Permitted uses in this district include, but are not limited to, light and medium intensity manufacturing operations, warehousing, and distribution, ministorage, and associated offices. Cannabis distribution is consistent with the other types of uses allowed to operate in this zone.

The amendment will also allow for cannabis cultivation facilities to operate in the Business Park zone. This zone allows for light industrial and office/warehouse buildings. The amendment will also allow for cannabis cultivation facilities to operate in the Business Park zone. This zone allows for light industrial and office/warehouse buildings. Light industrial manufacturing and office/warehouse buildings are also appropriate in this designation. These existing use provisions, allowing manufacturing and storage, are similar in size, scope, and intensity to a commercial cannabis cultivation operation. Furthermore, cannabis cultivation is a similar use in size, scope and intensity and as such is consistent with the uses allowed in the Business Park zone. Cannabis cultivation, which is only permitted to occur indoors, is consistent with light industrial uses.

Finding No. 3: The City Council has independently reviewed and considered the requirements of the California Environmental Quality Act.

Findings of Fact: In accordance with the requirements of the California Environmental Quality Act ("CEQA"), the City Council finds and determines that this Ordinance is not subject to CEQA pursuant to the State CEQA Guidelines Section 15060(c)(3), because it is not a project as defined by the CEQA Guidelines Section 15378. Adoption of this Ordinance does not have the potential for resulting in either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment. Further projects subject to this Ordinance will require a discretionary permit and CEQA review and will be analyzed at the appropriate time in accordance with CEQA.

The City Council has analyzed proposed Zone Text Amendment No. 20-97501 and has determined that, pursuant to California Business and Professions Code Section 26055(h), CEQA "does not apply to the adoption of an ordinance, rule, or regulation by a local jurisdiction that requires discretionary review and approval of permits, licenses, or other authorizations to engage in commercial cannabis activity", provided that said law, ordinance, rule, or regulations shall include any applicable environmental review pursuant to Division 13 of the Public Resources Code. Pursuant to that exemption, Chapters 17.53 and 17.54 of the Banning Municipal Code provide that applications for conditional use permits for

cannabis retailers, distribution facilities, and cultivation facilities will be required to include any applicable environmental review pursuant to Division 13 (commencing with Section 21000) of the Public Resources Code. Additionally, conditional use permits for cannabis retailers and distribution facilities are subject to discretionary review by both the Planning Commission and the City Council.

Section 3. Code Amendment. The City Council hereby amends Section 5.33.010 (Definitions.) of Chapter 5.33 (Cannabis Retailer Regulatory Permits) of Title 5 (Business Licenses and Regulations) of the Banning Municipal Code to amend the definition of "Eligible property" to read as follows, with all other provisions of Section 5.33.010 remaining unchanged:

""Eligible property" or "eligible properties" means any property located within the Highway Serving Commercial zone or the General Commercial zone that meets the location requirements set forth in chapter 17.54."

Section 4. Code Amendment. The City Council hereby amends Subsection (F)(12)(k) of Section 5.33.030 (Cannabis regulatory permit application requirements.) of Chapter 5.33 (Cannabis Retailer Regulatory Permits) of Title 5 (Business Licenses and Regulations) of the Banning Municipal Code to read as follows, with all other provisions of Section 5.33.030 remaining unchanged:

"F(12)(k). A copy of a DOJ background check for each owner and person with a financial interest in the cannabis business procured through a Live Scan provider."

Section 5. Code Amendment. The City Council hereby amends Section 5.33.050 (Decision on cannabis regulatory permit) of Chapter 5.33 (Cannabis Retailer Regulatory Permits.) of Title 5 (Business Licenses and Regulations) of the Banning Municipal Code to revise subsections "C" and "D" to read as follows, with all other provisions of Section 5.33.040 remaining unchanged:

"C. Within seven business days of the lottery being conducted, the city manager, or his or her designee, shall issue a cannabis regulatory permit to the first three retailers that were selected in the lottery and shall notify the applicants that they are eligible to apply for a cannabis conditional use permit. The applicants that were not the first three retailers selected in the lottery will be placed on a waiting list in the order that they were selected in the lottery. The City Council shall adopt a resolution establishing the terms, time, manner, and procedures by which additional cannabis regulatory permits will be issued to cannabis retailers that are on the waiting list.

D. Any cannabis retailer that obtains a cannabis regulatory permit must submit a complete conditional use permit application pursuant to chapter 17.54 within ~~60~~90 days of issuance of the cannabis regulatory permit. Any cannabis regulatory permit shall be deemed null and void if the applicant therefor has not submitted a complete cannabis conditional use permit application to the City and had that application deemed complete by City within ~~90~~60 days of the issuance of the cannabis regulatory permit."

Section 6. Code Amendment. The City Council hereby amends Subsection B of Section 5.33.060 (Lottery appeals.) of Chapter 5.33 (Cannabis Retailer Regulatory Permits) of Title 5 (Business Licenses and Regulations) of the Banning Municipal Code to read as follows, with all other provisions of Section 5.33.060 remaining unchanged:

“B. Upon receipt of a timely appeal, the community development director shall make arrangements for the selection of a hearing officer to conduct the appeal hearing. Not less than seven days prior to the appeal hearing, the community development director shall notify the city manager, chief of police, and the appellant of either: the name of the administrative law judge who will serve as the hearing officer, or any other option determined by the city to serve as a fair and impartial process to hear the appeal. The hearing officer shall be fair and impartial and shall have no bias for or against the city manager, chief of police, or the appellant. The appeal shall be heard within thirty days of the submittal of an appeal but may be extended for due cause including scheduling limitations of the hearing officer.”

Section 7. Code Amendment. The City Council hereby amends Section 5.35.010 (Definitions.) of Chapter 5.35 (Cannabis Regulatory Permits) of Title 5 (Business Licenses and Regulations) of the Banning Municipal Code to amend the definition of “Cannabis business” and to add the definitions of “Distribution” and “Distribution facility” to read as follows, with all other provisions of Section 5.35.040 remaining unchanged:

“Cannabis business” means a cultivation facility, a manufacturing facility, testing laboratory facility, or a distribution facility.”

“Cannabis goods” means cannabis, including dried flower, and cannabis products.

“Distribution” means the procurement, sale and transport of cannabis goods between State licensed cannabis retailers, manufacturers, cultivators and testing laboratories.

“Distribution facility” means a facility that transports cannabis goods between State licensed cannabis retailers, manufacturers, cultivators and testing laboratories.

Section 8. Code Amendment. The City Council hereby amends Subsection (D)(14)(k) of Section 5.35.040 (Cannabis regulatory permit application requirements.) of Chapter 5.35 (Cannabis Regulatory Permits) of Title 5 (Business Licenses and Regulations) of the Banning Municipal Code to read as follows, with all other provisions of Section 5.35.040 remaining unchanged:

“(D)(14)(k) A copy of a DOJ background check for each owner and person with a financial interest in the cannabis business procured from a Live Scan provider.”

Section 9. Code Amendment. The City Council hereby amends Section 5.35.050 (Additional application requirements.) of Chapter 5.35 (Cannabis Regulatory Permits) of Title 5 (Business Licenses and Regulations) of the Banning Municipal Code to add a new subsection “D” to read as follows, with all other provisions of Section 5.35.050 remaining unchanged:

"D. Cannabis Distribution Facilities.

1. A detailed site plan showing where cannabis and cannabis products will be stored, and the entry/exit points of where cannabis and cannabis products will be moved off-site and received into the distribution facility.

2. A list of the of the individuals and vehicles authorized to conduct transportation on behalf of the distributor. This list shall be updated within seven (7) business days of a new employee being hired to transport cannabis goods or a new vehicle being purchased or leased by the distribution facility to transport cannabis goods."

Section 10. Code Amendment. The City Council hereby amends Table 17.12.020 of Section 17.12.020 (Permitted, conditional and prohibited uses.) of Chapter 17.12 (Commercial and Industrial Districts) of Title 17 (Zoning) of the Banning Municipal Code to relocate the uses entitled "Cannabis Commercial Indoor Cultivation," "Cannabis Personal Cultivation" "Cannabis Manufacturing Level 1," Cannabis Retailer, "Cannabis Testing Laboratory," and "Other Cannabis Uses" from the portion of the table entitled "Resource and Open Space Uses" to the portion of the table entitled "Other Uses."

Section 11. Code Amendment. The City Council hereby amends Table 17.12.020 of Section 17.12.020 (Permitted, conditional and prohibited uses.) of Chapter 17.12 (Commercial and Industrial Districts) of Title 17 (Zoning) of the Banning Municipal Code to amend the "Cannabis Commercial Indoor Cultivation" and "Cannabis Retailer" lines to read as follows, and to add a footnote 10 to "Cannabis Manufacturing Level 1" and "Cannabis Testing Laboratory," with all other provisions of Table 17.12.020 remaining unchanged:

Zone	DC	GC	HSC	PO	I	AI	BP	IMR
Other Uses								
Cannabis Commercial Indoor Cultivation ¹⁰	X	X	X	X	C	X	C	X
Cannabis Manufacturing Level 1 ¹⁰	X	X	X	X	C	X	X	X
Cannabis Retailer ⁹	X	C	C	X	X	X	X	X
Cannabis Testing Laboratory ¹⁰	X	X	X	X	C	X	X	X

9. Cannabis Retailers shall require approval of a Cannabis Conditional Use Permit by the City Council, after recommendation by the Planning Commission, and shall be subject to the requirements of Chapter 17.54.

10. Cannabis Commercial Indoor Cultivation, Cannabis Manufacturing Level 1, and Cannabis Testing Laboratory uses shall require approval of a Cannabis Conditional Use Permit by the City Council, after recommendation by the Planning Commission, and shall be subject to the requirements of Chapter 17.53.

Section 12. Code Amendment. The City Council hereby amends Table 17.12.020 of Section 17.12.020 (Permitted, conditional and prohibited uses.) of Chapter 17.12 (Commercial and Industrial Districts) of Title 17 (Zoning) of the Banning Municipal Code to add a new line for "Cannabis Distributor" to read as follows, with all other provisions of Table 17.12.020 remaining unchanged:

Zone	DC	GC	HSC	PO	I	AI	BP	IMR
Other Uses								
Cannabis Distributor ¹¹	X	X	X	X	C	X	X	X

11. Cannabis Distributors shall require approval of a Cannabis Conditional Use Permit by the City Council, after recommendation by the Planning Commission, and shall be subject to the requirements of Chapter 17.53.

Section 13. Code Amendment. The City Council hereby amends Section 17.53.010 (Definitions.) of Chapter 17.53 (Cannabis Conditional Use Permits) of Title 17 (Zoning) of the Banning Municipal Code to amend the definition of "Cannabis business" and to add the definitions of "Distribution" and "Distribution facility" to read as follows, with all other provisions of Section 17.53.010 remaining unchanged:

"Cannabis business" means a cultivation facility, a manufacturing facility, testing laboratory facility, or a distribution facility"

"Cannabis goods" means cannabis, including dried flower, and cannabis products.

"Distribution" means the procurement, sale and transport of cannabis goods between State licensed cannabis retailers, manufacturers, cultivators and testing laboratories.

"Distribution facility" means a facility that transports cannabis goods between State licensed cannabis retailers, manufacturers, cultivators and testing laboratories.

Section 14. Code Amendment. The City Council hereby renumbers Section 17.53.190 (Other provisions.) of Chapter 17.53 (Cannabis Conditional Use Permits) of Title 17 (Zoning) of the Banning Municipal Code as Section 17.53.200, with all other subsequent sections being renumbered in consecutive order.

Section 15. Code Amendment. The City Council hereby adds a new Section 17.53.190 "Cannabis distribution facility" to Chapter 17.53 (Cannabis Conditional Use Permits) of Title 17 (Zoning) of the Banning Municipal Code to read as follows:

"17.53.190 Cannabis distribution facility.

A. The transportation of cannabis or cannabis products shall only be conducted by persons holding a State license for cannabis distribution or employee of those persons.

B. Transportation safety standards, in addition to those imposed by the State of California, shall be approved by the Chief of Police including without limitations, the type of vehicles in which cannabis or cannabis product may be distributed, and minimum qualification for persons eligible to operate such vehicles.

C. A person holding a permit to operate a distribution facility shall observe and comply with all security manifest and notice requirements of Business and Professions Code Section 26070, as well as all State law requirements and Bureau regulations to operate a distribution facility."

Section 16. Code Amendment. The City Council hereby amends Subsection A of Section 17.54.020 (Cannabis retailer conditional use permit required.) of Chapter 17.54 (Cannabis Retailer Conditional Use Permits) of Title 17 (Zoning) of the Banning Municipal Code to read as follows, with all other provisions of Section 17.54.020 remaining unchanged:

"A. Except as expressly authorized pursuant to this Title (Title 17, Zoning), all commercial cannabis activity is prohibited in the City. Notwithstanding the foregoing, the City shall not prohibit any commercial cannabis activity for which the City is preempted by State law from prohibiting. Consistent with Section 5416 of Title 16 of the California Code of Regulations, or any successor section, cannabis retail deliveries are permitted from lawful and permitted retailers in the City and from retailers located outside the City that are lawfully operating and permitted by the county or city in which they are located."

Section 17. Code Amendment. The City Council hereby amends Subsection D of Section 17.54.040 (Cannabis retailer conditional use permit application requirements.) of Chapter 17.54 (Cannabis Retailer Conditional Use Permits) of Title 17 (Zoning) of the Banning Municipal Code to read as follows, with all other provisions of Section 17.54.040 remaining unchanged:

"D. Neighborhood Context Map. An accurate straight-line drawing depicting the boundaries of the premises, the boundaries of all other properties within 600 feet of the premises, and the uses of those properties, specifically including, but not limited to, any use identified in Business and Professions Code section 26054(b), and any park. The map must be professionally prepared by a licensed civil engineer or architect."

Section 18. Code Amendment. The City Council hereby amends Subsection A of Section 17.54.060 (Procedures and findings for approval of cannabis retailer

conditional use permit) of Chapter 17.54 (Cannabis Retailer Conditional Use Permits) of Title 17 (Zoning) of the Banning Municipal Code to read as follows, with all other provisions of Section 17.54.060 remaining unchanged:

"A. A cannabis retailer conditional use permit shall be processed in accordance with the procedures set forth in Chapter 17.52, Conditional Use Permits, with the following exceptions:

1. Any provision that requires the approval by the Planning Commission with appeal to the City Council shall be replaced with the requirement that the Planning Commission make a recommendation on the cannabis retailer conditional use permit and that the approval of such permit shall be made by the City Council.

2. Sections 17.52.020 (Application Procedures), 17.52.070 (Expiration), and 17.52.080 (Modifications) shall not apply.

3. Any procedures pertaining to noticing and the setting of a public hearing before the Planning Commission shall also apply to the City Council."

Section 19. Code Amendment. The City Council hereby adds a new Section 17.54.200 (Expiration.) of Chapter 17.54 (Cannabis Retailer Conditional Use Permits) of Title 17 (Zoning) of the Banning Municipal Code to read as follows:

"Notwithstanding any other provision of this Code, a retailer conditional use permit shall only be issued if it has (1) a condition that requires an application for a building permit for any construction or tenant improvements for the proposed use to be submitted within 45-30 days of approval of the retailer conditional use permit, (2) and another condition that requires that any physical construction in reliance on the building permit be commenced within 60 days after the issuance of the building permit, and (3) and condition that requires that the retailer commence its business operations within 180 days. If the applicant fails to satisfy the requirements for either the 45-30-day, or 60-day, or 180 day period, the retailer conditional use permit shall automatically become null and void, unless the applicant files an application for an extension prior to the expiration of the applicable deadline and thereafter obtains that extension from the permit approving authority on the basis that the extension is warranted by special circumstances and that the applicant would be irreparably injured by the denial of an extension. In addition, if after commencement of construction, work is discontinued for a period of one year 180 days, the Conditional Use Permit shall become null and void."

Section 20. Code Amendment. The City Council hereby amends Subsection B of Section 17.54.080 (Separation requirements and other limitations.) of Chapter 17.54 (Cannabis Retailer Conditional Use Permits) of Title 17 (Zoning) of the Banning Municipal Code to read as follows:

"B. No cannabis business shall be located within a 600-foot radius of any day care center, youth center, public or private school providing instruction in kindergarten or any of grades 1—12, or park. The 600-foot distance requirement does not include any private school in which education is primarily conducted in a private home or a family day

care home. The distances specified in this subsection shall be the horizontal distance measured in a straight line without regard to intervening structures, from the property line of the lot on which the cannabis business is located to the nearest property line of those uses described in this subsection."

Section 21. Code Amendment. The City Council hereby amends Section 17.54.160 (Odor control.) of Chapter 17.54 (Cannabis Retailer Conditional Use Permits) of Title 17 (Zoning) of the Banning Municipal Code to read as follows:

"A. A cannabis business must have a ventilation and filtration system installed that shall prevent cannabis odors from exiting the interior of the structure and shall comply with all related Building Code requirements.

B. The ventilation and filtration system must be approved by the Building Official and installed prior to the commencement of business activities on the premises."

Section 22. Code Amendment. The City Council hereby amends Subsection H of Section 17.54.170 (Operating regulations.) of Chapter 17.54 (Cannabis Retailer Conditional Use Permits) of Title 17 (Zoning) of the Banning Municipal Code to read as follows, with all other provisions of Section 17.54.170 remaining unchanged:

"H. Sale of Untested Products. All cannabis and cannabis products sold by a cannabis retailer must be tested by a State licensed testing laboratory prior to sale to a purchaser in accordance with the MAUCRSA."

Section 23. Code Amendment. The City Council hereby amends Subsection L of Section 17.54.170 (Operating regulations.) of Chapter 17.54 (Cannabis Retailer Conditional Use Permits) of Title 17 (Zoning) of the Banning Municipal Code to read as follows, with all other provisions of Section 17.54.170 remaining unchanged:

"L. State-Mandated Warnings and Information. All cannabis and cannabis product labels and inserts shall include the state-mandated warnings and information contained in Business and Professions Code Section 26120(c)."

Section 24. Severability. If any section, subsection, subdivision, sentence, clause, phrase, or portion of this ordinance or the application thereof to any person or place, is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remainder of this ordinance. The City Council hereby declares it would have adopted this ordinance, and each and every section, subsection, subdivision, sentence, clause, phrase, or portion thereof, irrespective of the fact that any one or more sections, subsections, subdivisions, sentences, clauses, phrases, or portions thereof be declared invalid or unconstitutional.

Section 25. Savings Clause. Neither the adoption of this Ordinance nor the repeal of any other ordinance of this City shall in any manner affect the prosecution of any violation of any City ordinance or provision of the Banning Municipal Code, committed prior to the effective date hereto, nor be construed as a waiver of any license or penalty or the penal provision applicable to any violation thereof.

Section 26. Publication. The City Clerk shall certify to the passage and adoption of this Ordinance and shall make a minute order of the passage and adoption thereof in the records and the proceeding of the City Council at which time the same is passed and adopted. Except as set forth in Section 25 below, this Ordinance shall be in full force and effect thirty (30) days after its final passage and adoption, and within fifteen (15) calendar days after its final passage, the City Clerk shall publish, or cause a summary of this Ordinance to be published in a newspaper of general circulation and shall post the same at City Hall, 99 E. Ramsey Street, Banning, California. The City Clerk shall cause the Ordinance to be printed, published, and circulated.

Section 27. Effective Date. Sections 7, 9, 12, 13, and 15 of this Ordinance shall only take effect if a tax measure imposing a tax on cannabis distribution facilities is adopted by the Banning voters at the November 3, 2020 general election.

Section 28. Certification. The City Clerk shall certify to the adoption of this Ordinance and shall cause it to be published in the manner required by law.

INTRODUCED for the first reading, the 23rd day of June 2020, and **PASSED, APPROVED AND ADOPTED** at a second reading, the 14th day of July 2020.

Daniela Andrade, Mayor
City of Banning

ATTEST:

Sonja De La Fuente, Deputy City Clerk
City of Banning

**APPROVED AS TO FORM AND
LEGAL CONTENT:**

Kevin G. Ennis, City Attorney
Richards, Watson & Gershon



In accordance with City Council Resolution 1995-21, the minutes of meetings of the City Council and the Boards, Commissions, and Committees of the City shall be prepared as Action Minutes.

MINUTES
CITY COUNCIL
BANNING, CALIFORNIA

06/23/2020
SPECIAL MEETING

COUNCIL MEMBERS PRESENT: Mayor Andrade
Councilmember Happe (via teleconference)
Councilmember Pingree
Mayor Pro Tem Wallace
Councilmember Welch

COUNCIL MEMBERS ABSENT: None

OTHERS PRESENT: Douglas Schulze, City Manager
Kevin G. Ennis, City Attorney
Marie Calderon, City Clerk
Sonja De La Fuente, Deputy City Clerk
John McQuown, City Treasurer
Jennifer Christensen, Administrative Services Director
Suzanne Cook, Deputy Finance Director
Matthew Hamner, Police Chief
Todd Hopkins, Fire Chief
Tom Miller, Electric Utility Director
Brandon Robinson, Electrical Engineering Supervisor
Adam Rush, Community Development Director
Laurie Sampson, Executive Assistant
Art Vela, Public Works Director
Ralph Wright, Parks & Recreation Director
James Wurtz, Economic Development Manager
Carla Young, Business Support Manager

I. CALL TO ORDER

A special meeting of the Banning City Council was called to order by Mayor Andrade on June 23, 2020, at 4:11 P.M.

II. BUDGET HEARING

1. Recommended Budget Proposal for Fiscal Years 2021 and 2022

Administrative Services Director Jennifer Christensen provided a report and PowerPoint presentation (Attachment 1) for the recommended Budget for the City of Banning for Fiscal Years 2021 and 2022.

City Manager Doug Schulze provided a report and PowerPoint presentation (Attachment 2) for the City Manager Department.

Community Development Director Adam Rush provided a report and PowerPoint presentation (Attachment 3) for the Community Development Department.

Electric Utility Director Tom Miller provided a report and PowerPoint presentation (Attachment 4) for the Electric Utility Department.

Parks and Recreation Director Ralph Wright provided a report and PowerPoint presentation (Attachment 5) for the Parks and Recreation Department.

Police Chief Matthew Hamner provided a report and PowerPoint presentation (Attachment 6) for the Police Department.

Fire Chief Todd Hopkins provided a report and PowerPoint presentation (Attachment 7) for the Fire Department.

Public Works Director Art Vela provided a report and PowerPoint presentation (Attachment 8) for the Public Works Department.

Administrative Services Director Jennifer Christensen provided a report and PowerPoint presentation (Attachment 9) for the Administrative Services Department.

There was some discussion held among Council and staff.

The Mayor opened the public hearing.

City Treasurer John McQuown indicated that he would forward any questions or comments to the Mayor.

Paul Perkins advised that he believed that the hearing was poorly planned, as enough time was not allowed for all presentations. He also recommended an organizational chart.

Seeing no further comments, the Mayor closed the public hearing.

A motion was made by Councilmember Welch, seconded by Mayor Pro Tem Wallace, to 1) Adopt Resolution No. 2020-81 approving the Two-Year Budget for Fiscal Years 2020-2021 and 2021-2022 for the City of Banning; 2) Adopt Resolution No. 2020-6 UA approving the Two-Year Budget for Fiscal Years 2020-2021 and 2021-2022 for the Banning Utility Authority; 3) Adopt Resolution No. 2020-5 SA approving the Two-Year Budget for Fiscal Years 2020-2021 and 2021-2022 for the Banning Successor Agency; 4) Adopt Resolution No. 2020-82 approving the Gann Limit for Fiscal Year 2020-2021; and 5) Adopt Resolution No. 2020-83 amending the Classification and Compensation Plan. Roll call vote was taken as follows:

AYES: Andrade, Happe, Pingree, Wallace & Welch
NOES: None
ABSTAIN: None
ABSENT: None

Action: Adopted Resolutions 2020-81, 2020-6 UA, 2020-5 SA, 2020-82, and 2020-83.

III. ADJOURNMENT

By consensus, the meeting adjourned at 6:04 P.M.

Minutes Prepared by:



Sonja De La Fuente, Deputy City Clerk

The entire discussion of this meeting may be viewed here:

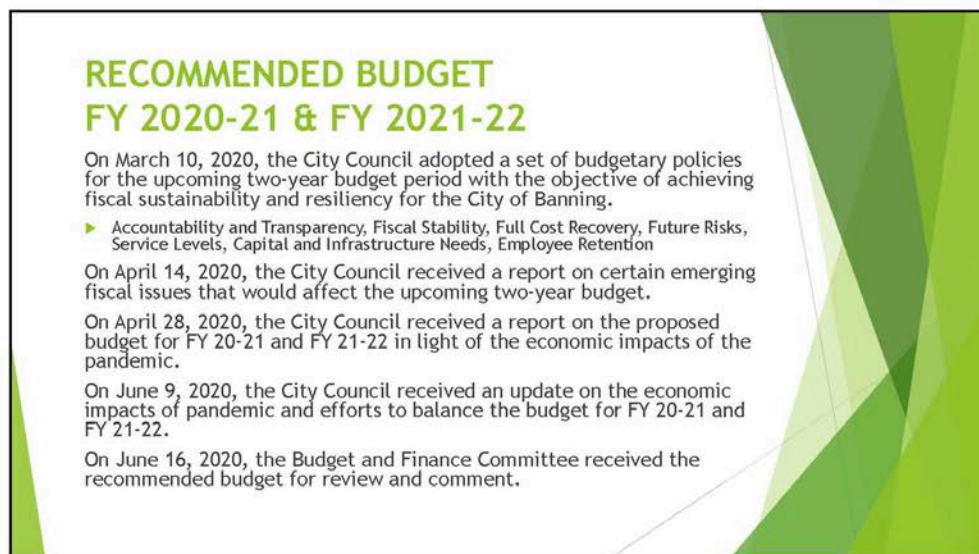
<https://banninglive.viebit.com/player.php?hash=E4uwWUGpQzGK>. Any related documents maybe viewed here:

<http://www.banningca.gov/ArchiveCenter/ViewFile/Item/2323> or by purchasing a CD or DVD in the amount of \$7.00 at Banning City Hall located at 99 E. Ramsey Street.

Attachment 1



1



2

1

RECOMMENDED BUDGET FY 2020-21

General Fund

▶ General Fund Revenues:	\$18,018,847
▶ General Fund Expenditures:	<u>22,363,633</u>
▶ Fund Balance Used:	\$ 4,344,786

All Funds

Citywide/All Funds Operating

▶ All Funds Revenues:	\$99,033,214
▶ All Funds Expenditures:	<u>124,531,919</u>
▶ Fund Balance Used:	\$28,294,993*
▶ Difference of \$2,796,288 released due to restrictions on use of funds for specific purposes	

3

RECOMMENDED BUDGET FY 2021-22

General Fund

▶ General Fund Revenues:	\$18,688,847
▶ General Fund Expenditures:	<u>22,252,434</u>
▶ Fund Balance Used:	\$ 3,563,485

All Funds

Citywide/All Funds Operating

▶ All Funds Revenues:	\$97,820,498
▶ All Funds Expenditures:	<u>114,979,470</u>
▶ Fund Balance Used:	\$17,103,674*
▶ Difference of (\$55,298) released due to restrictions on use of funds for specific purposes	

4

2

RECOMMENDED BUDGET FY 2020-21 & FY 2021-22

Balancing the Budget

- ▶ Generally a balanced budget means that revenues meet or exceed expenditures
- ▶ City's general fund revenues are insufficient to meet expenditure needs
 - ▶ FY 20-21 general fund revenues are estimated to decrease by 21% over FY19-20 budget
 - ▶ Revenue estimates include cannabis tax proceeds, permit fees and revenue from pre-stabilization medical fee
 - ▶ FY 20-21 General Fund expenditures are estimated to decrease by 2% over FY19-20 budget
- ▶ Use of fund balance is required to meet expenditure needs for FY21 and FY22
 - ▶ General Fund: fund balances of \$4,344,786 used in FY21
 - ▶ General Fund: fund balances of \$3,563,485 used in FY22
 - ▶ All Funds: fund balances of \$ \$28,294,993 used for operating and capital expenses in FY21
 - ▶ All Funds: fund balances of \$ \$17,103,674 used for operating and capital expenses in FY22

5

RECOMMENDED BUDGET FY 2020-21 & FY 2021-22

Revenue Impacts

- ▶ Sales Tax & TOT
- ▶ Cannabis Tax
- ▶ Medical Billing
- ▶ Permit Fees from Development

Expenditure Reductions

- ▶ Unfunded Vacant Positions
- ▶ Deferred Capital Projects

	General Fund	Other Funds	Citywide
Expenditure related changes:			
Personnel Related Decreases:			
Unfunding Positions	1,093,290	80,146	1,173,436
Reduction in Parks & Recreation Hours	118,721		118,721
Removing COIA Increases	111,075	206,665	317,740
	<u>1,323,086</u>	<u>286,811</u>	<u>1,609,897</u>
Capital Budgets Expenditure Decreases:			
Streets (Gas Tax)	250,000		250,000
Measure A	65,000		65,000
Electric Fund	7,651,119		7,651,119
Fleet	18,626		18,626
Wastewater	271,438		271,438
	<u>-</u>	<u>8,736,183</u>	<u>8,736,183</u>
Revenue related changes:			
Revenue Increases:			
Medical Billing	400,000		400,000
Cannabis Tax Revenue	700,000		700,000
Permit Revenue			
Building & Safety	350,000		350,000
Engineering	785,000		785,000
Police Revenue PACT/RAID to cover Personnel Costs 100%/70%	<u>327,668</u>		<u>327,668</u>
	<u>2,562,668</u>	<u>-</u>	<u>2,562,668</u>
Revenue Decreases:			
Sales Tax Revenue 23%	679,921		679,921
TOT Revenue 12.5%	111,986		111,986
Calazon Revenue 50%	<u>314,979</u>		<u>314,979</u>
	<u>1,106,886</u>	<u>-</u>	<u>1,106,886</u>
Fund Balance Changes:			
Fund Balances releases for Operating & Capital Budgets (Decreases)	<u>4,344,786</u>	<u>23,470,300</u>	<u>27,815,086</u>

6

3

RECOMMENDED BUDGET FY 2020-21 & FY 2021-22

Use of Fund Balance

- ▶ **Operating Budget**
 - ▶ Timing of downturn creates higher than usual level of uncertainty and stress on revenues
 - ▶ In the near term, judicious use of budget reserves is warranted but should not be viewed as a permanent solution
 - ▶ It will be imperative that the structural imbalance is addressed with structural changes that decrease expenditures as well as increase the city's amount and types of revenues
 - ▶ Rates should be reviewed for level of service needed
 - ▶ Utilities require rates that will support operations and capital needs
 - ▶ Consideration should be given to new revenue measures e.g. sales tax, utility users tax
- ▶ **Capital Budget**
 - ▶ Capital projects have been delayed in Streets, Water, Wastewater, City Facilities, and Information Technology

7

RECOMMENDED BUDGET FY 2020-21 & FY 2021-22

Service Level Impacts

- ▶ **General Fund**
 - ▶ Unfunded positions in Administrative Services, Code Enforcement, Community Development, Public Works, Police and Dispatch (**Total: 8 positions unfunded**)
 - ▶ Reduced staffing hours and facilities/programs closures in Parks & Recreation
 - ▶ Deferred capital projects include City Hall, IT Infrastructure and enterprise systems
 - ▶ Timing of downturn creates higher than usual level of uncertainty
- ▶ **Special Revenue Funds**
 - ▶ Savings of \$600,000 for FY 20/21 due to use of municipal utility rates for all city departments
 - ▶ Deferred street, water and wastewater capital projects; approval of use of Measure A money for street maintenance
 - ▶ Contracting out street sweeping maintenance reduced cost and increased level of service

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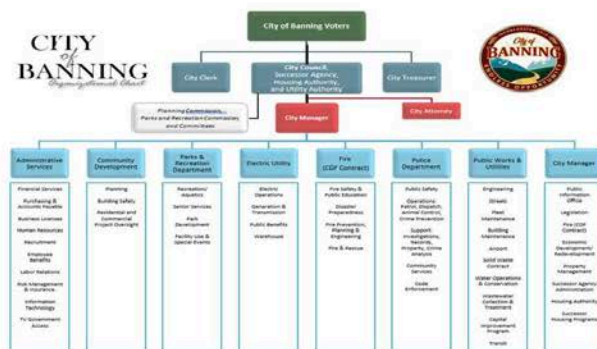
RECOMMENDED BUDGET FY 2020-21 & FY 2021-22

Additional Headwinds and Long-Term Solutions

- ▶ Animal Control Contract: Increase for FY 2020-21 of 100%; city evaluating costs and re-opening shelter and staffing as an alternative to contract with Riverside County
- ▶ Fire Contract and County Administration Costs: City considering alternatives to contract through Riverside County
- ▶ Pension Obligations: Information available after 6/30/20 when fiscal year closes
- ▶ Revenue Measures: Review rates for full cost recovery with emphasis on utilities, consider sales tax, utility users tax
 - ▶ Water/Wastewater rates are insufficient to meet significant capital needs

9

RECOMMENDED BUDGET FY 2020-21 & FY 2021-22 DEPARTMENTAL PRESENTATIONS



10

5

RECOMMENDED BUDGET FY 2020-21 & FY 2021-22

RECOMMENDED ACTIONS

- ▶ Adopt Resolution No. 2020-81 approving the Two-Year Budget for Fiscal Years 2020-2021 and 2021-2022 for the City of Banning;
- ▶ Adopt Resolution No. 2020-6 UA approving the Two-Year Budget for Fiscal Years 2020-2021 and 2021-2022 for the Banning Utility Authority;
- ▶ Adopt Resolution No. 2020-5 SA approving the Two-Year Budget for Fiscal Years 2020-2021 and 2021-2022 for the Banning Successor Agency;
- ▶ Adopt Resolution No. 2020-82 approving the Gann Limit for Fiscal Year 2020-2021; and
- ▶ Adopt Resolution No. 2020-83 amending the Classification and Compensation Plan.

11



RECOMMENDED BUDGET FY 2020-21 & FY 2021-22

QUESTIONS?

12

6

Attachment 2



BUDGET HEARING FY 2020-21 & FY 2021-22

CITY MANAGER'S DEPARTMENT
JUNE 23, 2020

1

CITY MANAGER'S DEPARTMENT FISCAL YEARS 20/21 & 21/22

What We Do

City Manager's Department, in addition to providing general management of the municipal corporation, is responsible for:

- ▶ Public Information
- ▶ Emergency Management
- ▶ Legislation
- ▶ Fire Services Contract
- ▶ Economic Development/Redevelopment
- ▶ Property Management
- ▶ Housing Programs

This is achieved through the provision of professional advice and guidance, thus supporting the City's Strategic Plan goals of a Safe City, Reliable Infrastructure, Diverse Economy, Quality of Life, and Good Governance.

2

1

CITY MANAGER'S DEPARTMENT FISCAL YEARS 20/21 & 21/22

Highlights of FY2021 and FY2022 Objectives

- ▶ Complete P3 with New Energy North America and Implement Phase I
- ▶ Continue efforts for Congressional Action to close Banning Municipal Airport
- ▶ Code enforcement and other efforts to clean up appearance of Ramsey Street corridor
- ▶ Redevelopment of former San Geronio Inn Property
- ▶ Develop plan for Animal Control & Sheltering Services
- ▶ Feasibility and Cost Analysis of a City Fire Department
- ▶ Increase General Fund revenues through economic development and full cost recovery

3

CITY MANAGER'S DEPARTMENT FISCAL YEARS 20/21 & 21/22

Highlights of FY2019 and FY2020 Anticipated Accomplishments

- ▶ Recruitment & Hiring
 - ▶ Administrative Services Director
 - ▶ Parks & Recreation Director
 - ▶ H.R. Manager
 - ▶ Utility Billing Manager
 - ▶ Economic Development Manager
- ▶ Initiated Clean Up of Ramsey Street Corridor
- ▶ Cannabis Ordinance Amendments
- ▶ Response to COVID-19
- ▶ Negotiated Transfer of National Guard Armory Building to City
- ▶ Numerous Economic Development Projects
- ▶ New Energy North America Public Private Partnership

4

2

CITY MANAGER'S DEPARTMENT FISCAL YEARS 20/21 & 21/22

Fiscal Challenges and Service Level Impacts

- ▶ Public Information Officer Position Remains Unfunded
 - ▶ Social media, website, press releases, public outreach & other communication is minimal
- ▶ Training Reduced
 - ▶ Conferences & training are eliminated or significantly reduced

5



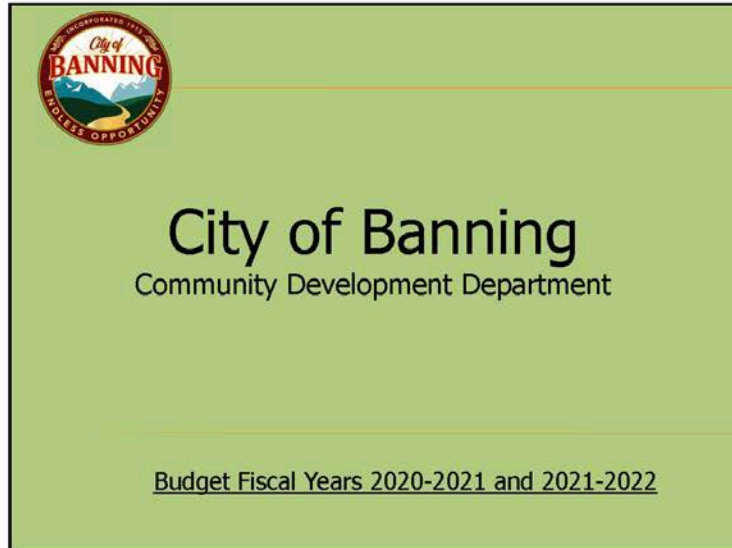
BUDGET HEARING FY 2020-21 & FY 2021-22

CITY MANAGER'S DEPARTMENT
JUNE 23, 2020

6

3

Attachment 3




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2

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PLANNING DIVISION

What We Do

- ❖ Planning preserves the land use integrity of the City.
- ❖ Environmental Planning retains, and enhances, the quality of life for residents.
- ❖ Manage long-range updates to the General Plan.
- ❖ We monitor and process a wide spectrum of land use projects:
 - Residential Subdivisions
 - New Commercial space
 - Change of Use Applications
 - Industrial and Business Park Applications
 - Commercial and Retail Cannabis Projects


3



BUILDING & SAFETY DIVISION


What We Do

- ❖ Building & Safety is responsible for the development and implementation of building codes and construction standards.
- ❖ Building Standards protect life, health, safety, and the general welfare.
- ❖ Building & Safety develop policies, building code compliance, and ensure ADA compliance.
- ❖ Building & Safety provides the following actions on a daily basis:
 - Plan Review for Code Compliance
 - Issuance of Building Permits for Residential, Commercial, Industrial, or Miscellaneous (e.g., patios, pools, roof replacements, water heaters, and many more).
 - Tracking of development fees



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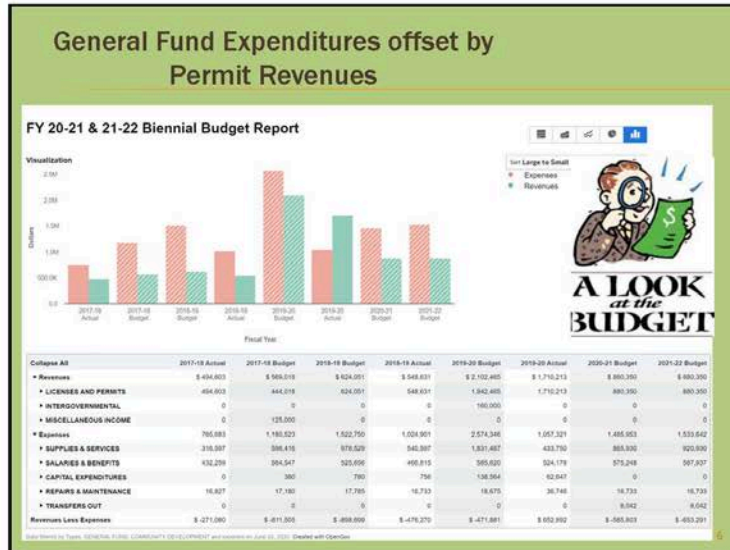
FIRE SAFETY DIVISION

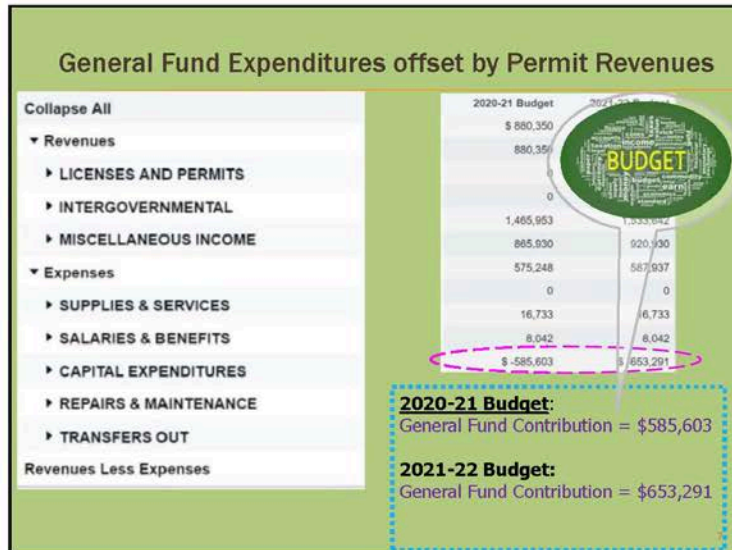
What We Do

- ❖ The City is served, by the Riverside County Office of the Fire Marshal, under the City's Cal-Fire contract.
- ❖ The Fire Marshal administer fire code compliance and safety guidelines to ensure the protection of life, health, safety, and the general welfare.
- ❖ The Fire Marshal conducts Business License Inspections and State mandated annual inspections for the following uses:
 - Apartments
 - Hotels/Motels
 - Public Schools



5





7

QUESTIONS?



Community Development Director:
Adam B. Rush, M.A., AICP

Senior Planner: Sonia Pierce

Contract Planner: Mark De Manincor

Project Coordinator: Sandra Calderon

Building Official: Patrick Johnson

Fire Marshal: Paul Lindley

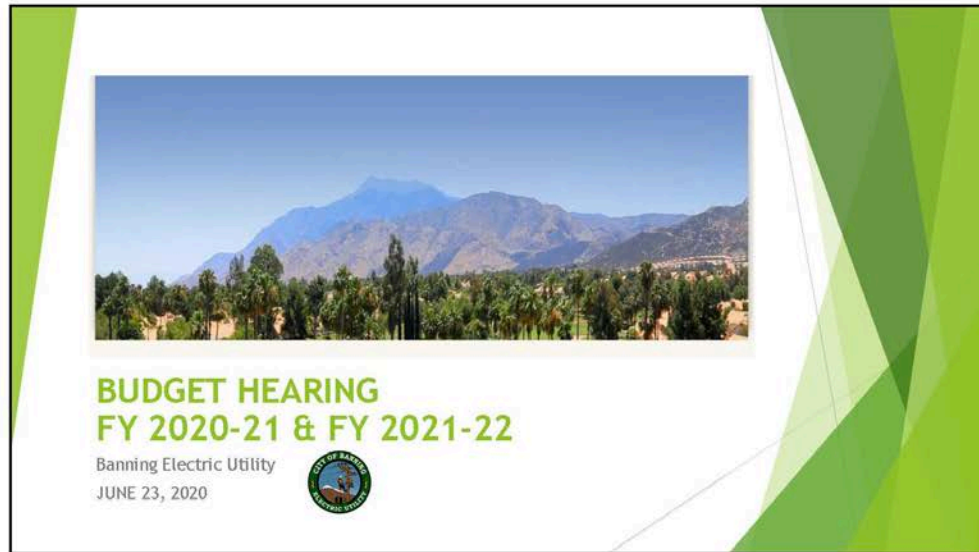
Permit Technicians: Silvia Tapia and Blanca Prostitis

Inspectors: Alan Ryzner & Ron Hernandez

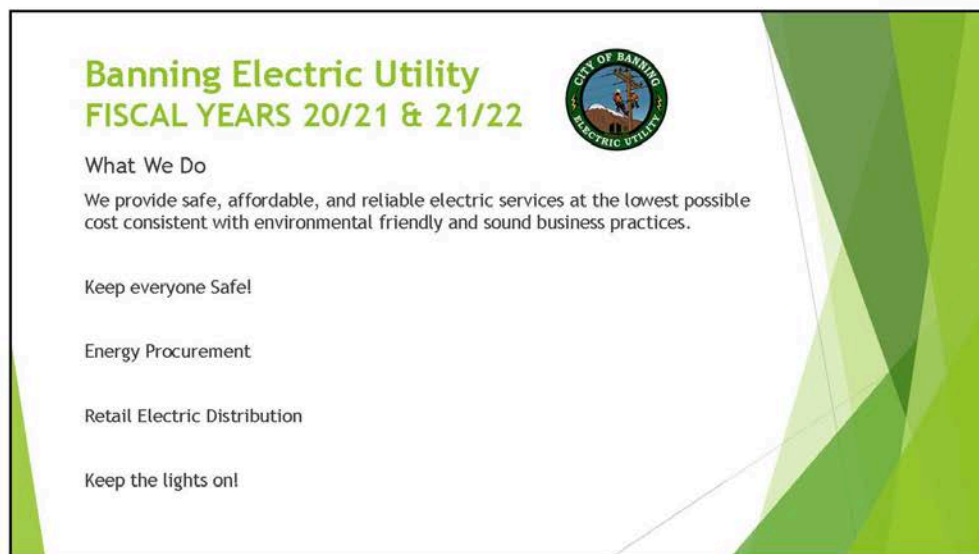
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Attachment 4



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Banning Electric Utility FISCAL YEARS 20/21 & 21/22



Highlights of FY2021 and FY2022 Objectives

- ▶ Remain financially sound and **STRONG!**
 - ▶ Standard and Poor's Rating - A-
- ▶ Meet Debt Service Coverage Requirements
 - ▶ \$3 million
 - ▶ Positive cash flow 6 of last 7 years
- ▶ Utilize existing City Council approved rates to meet revenue requirements
 - ▶ Using rates that were approved by City Council as of May 2013
- ▶ Hit Operating Income target
 - ▶ \$2.2 million
- ▶ Maintain minimum cash reserves of \$11 million
- ▶ 2020 end of year reserves at approximately \$31 million
 - ▶ Heavy utilization of reserves for CIP
- ▶ No new debt or borrowing needs

3

Banning Electric Utility FISCAL YEARS 20/21 & 21/22

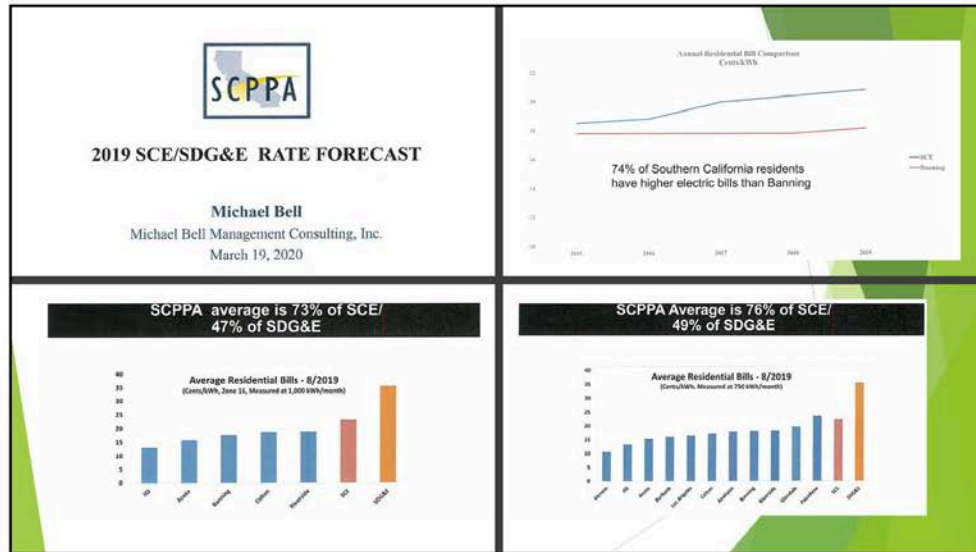


Fiscal Opportunities

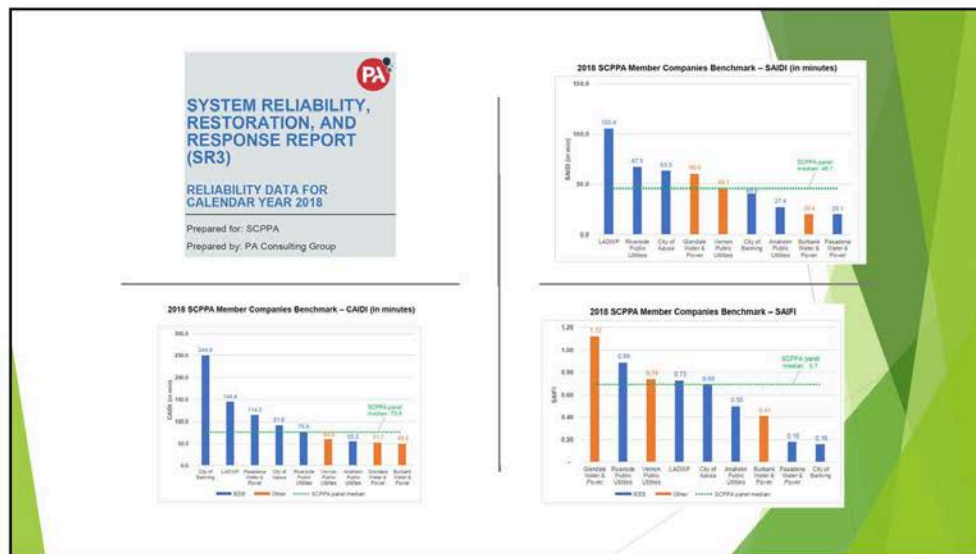
- ▶ Energy Procurement
 - ▶ Energy prices trending downward
 - ▶ Resource Adequacy prices steady
 - ▶ Transmission trending upward
 - ▶ SCE WDAT up \$222,000 (September every year for 7 more years)
 - ▶ Cap and Trade revenues significantly trending downward by \$1 million
 - ▶ Exchanging Puente Hills for COSO
- ▶ Reduction in General Fund Transfer timely with loss of Cap and Trade revenue and WDAT increases
- ▶ Deployment of Itron Advanced Meter Infrastructure
 - ▶ System Automation
 - ▶ Work efficiencies
 - ▶ Operational Improvements
- ▶ Pardee Homes at Atwell

4

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5



6

3

LOAD BANNING

	W	F	LAG
IA	122.9 A		
IB	161.3 A		
IC	166.2 A		
MW	9.246 MW	0.00 MW	1750 kW
MVAR	1.970 MVar	0.00 MVar	10.75 MVar
PF	0.97 PF	LAG	0.97 PF
IA	9.9 A		
IB	9.9 A		
IC	9.9 A		
MW	0.000 MW	0.00 MW	0.00 MW
MVAR	0.000 MVar	0.00 MVar	0.00 MVar
PF	1.000 PF	LEAD	1.000 PF
IA	161.7 A		
IB	156.7 A		
IC	158.8 A		

Questions?

CITY OF BANNING
CALIFORNIA

7

**BUDGET HEARING
FY 2020-21 & FY 2021-22**

Banning Electric Utility
JUNE 23, 2020

CITY OF BANNING
CALIFORNIA

8

Attachment 5



BUDGET HEARING
FY 2020-21 & FY 2021-22
 Parks and Recreation Department
 JUNE 23, 2020

1

**Parks and Recreation Department
 FISCAL YEARS
 20/21 & 21/22**

Mission - The Parks and Recreation Department enhances residents' quality of life through providing affordable, quality recreational and leisure activities for youth, teens, and adults.

What We Do - The division is responsible for the development, implementation, coordination, supervision, and delivery of a wide variety of programs including youth and adult sports, instructional classes, teen programs, day camps, special events and Senior Programming and Services. Allocations of sports fields and reservations of park picnic shelters as well as rental of the Community Center, Senior Center, Park Buildings and meeting rooms and the processing of Special Events Permits are also handled through the department.

2

1

Parks and Recreation Department FISCAL YEARS 20/21 & 21/22

Highlights of FY2019 and FY2020 Anticipated Accomplishments

- ▶ **Program and Participation Tracking**
 - ▶ Creation of Monthly Activity Reports
 - ▶ Developed Per Program Budgeting
 - ▶ Policy Development / Internal/External Communication Forms
- ▶ **New Programming -**
 - ▶ Development of Pee Wee Sports program - Start Smart
 - ▶ Community Clean-up
 - ▶ Christmas at the Ranch
- ▶ **Projects**
 - ▶ Completion of Dysart Park Fencing project
 - ▶ Design / Grant Development - Lion's Park Expansion
 - ▶ Census Outreach
- ▶ **COVID-19 Response -**
 - ▶ Senior Services - Morning Greater / Lunch Distribution
 - ▶ Program /Facility Cancellations
 - ▶ Establishment of a Virtual Recreation Center
 - ▶ Creation and Implementation plan for reopening of Programs and Facilities



PARK and REC Stats

	FY2019	FY2020
Park Visitation	1,234,567	1,345,678
Program Participation	56,789	67,890
Facility Usage	12,345	13,456
Community Events	3,456	4,567
Volunteer Hours	2,345	3,456
Grant Revenue	\$12,345	\$13,456
Per Capita Revenue	\$1.23	\$1.34



3

Parks and Recreation Department FISCAL YEARS 20/21 & 21/22

FY2021 and FY2022 Objectives

- New Programming**
 - Pee Wee and Adult Sports
 - Innovative Senior Outreach Programming
 - Dysart Park Programming
- Planning**
 - Update Park and Recreation Master Plan
 - Maintenance Management Plans
- Grant Acquisition**
 - Per Capita - SPP - Baseball Tomorrow Fund
- Project Management**
 - Rehab of Replifier Park
 - Replacement of Richard Sanchez Playground
 - Lion's Lights
- Partnerships**
 - Work with local non-profits to increase program and service offerings

4


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**Parks and Recreation Department
FISCAL YEARS 20/21 & 21/22**

Fiscal Challenges and Service Level Impacts

COVID-19 Restrictions and Guidelines	Staffing Reductions	Revenue Reduction
<ul style="list-style-type: none"> Large Scale Events - Canceled through 2020 Cancel Support of Large Scale Events - Playhouse Bowl / Stagecoach Days Operation of Senior Center Aquatic Center operations 	<ul style="list-style-type: none"> Parks Recreation Senior Center Aquatics 	<ul style="list-style-type: none"> Aquatics Facility Rentals Participation levels

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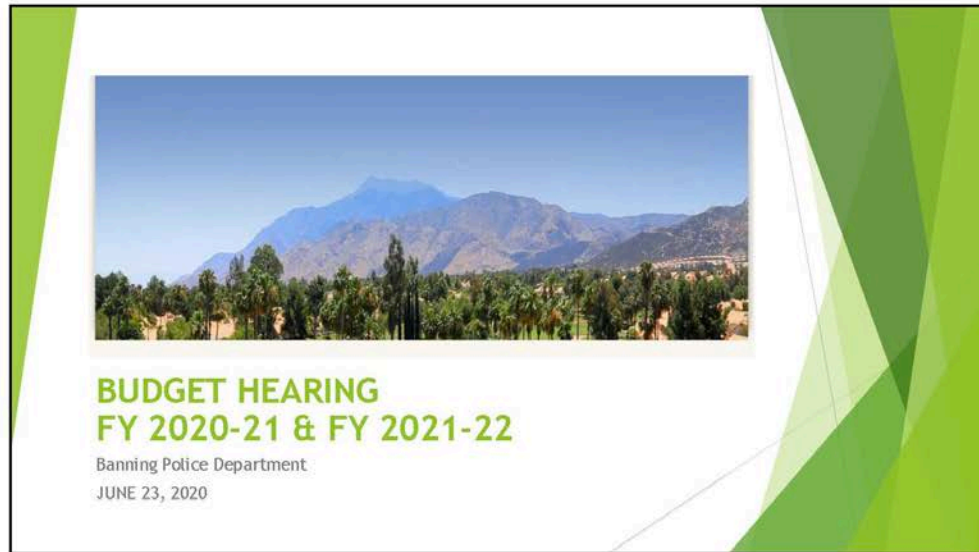
**BUDGET HEARING
FY 2020-21 & FY 2021-22**

Parks and Recreation Department
JUNE 23, 2020

6

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Attachment 6



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Banning Police Department FISCAL YEARS 20/21 & 21/22

Highlights of FY2021 and FY2022 Objectives

- ▶ Maintain Current Staffing Levels (31 Allotted)
- ▶ Complete all Mandated Training
- ▶ Update IT Infrastructure

3

Banning Police Department FISCAL YEARS 20/21 & 21/22

Highlights of FY2019 and FY2020 Accomplishments

- ▶ Updated Policy Manual
- ▶ Fleet Upgrade
- ▶ Filled 4 officer positions (5 remain to be filled)
- ▶ 9 officers on IOD, all but 1 returned to duty

4

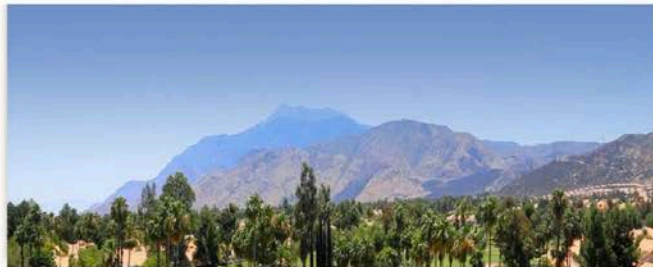
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Banning Police Department FISCAL YEARS 20/21 & 21/22

Fiscal Challenges and Service Level Impacts

- ▶ Current staffing level inadequate (fill 5 open positions)
- ▶ Service level decreased namely:
 - ▶ Calls for services delayed
 - ▶ Property Crimes unresolved
 - ▶ Response times decreased
 - ▶ Use of Force increase
 - ▶ Officer and Citizen Safety Jeopardized
 - ▶ Little or no community involvement
 - ▶ Community outreach severely decreased

5



BUDGET HEARING FY 2020-21 & FY 2021-22

Banning Police Department
JUNE 23, 2020

6

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Attachment 7



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What we do

- ▶ Engine 20 and Engine 89 are All-Risk, ALS resources that protect and serve the citizens of Banning and Riverside County by responding to incidents such as:
 - ▶ Medical Emergencies
 - ▶ Structure Fires
 - ▶ Vegetation Fires
 - ▶ Traffic Collisions
 - ▶ Hazardous Material Incidents
 - ▶ Floods
 - ▶ Public Service Assist
 - ▶ Community Education Events



3

City of Banning Fire Resources

- ▶ City continues to staff (2) Type 1 All-Risks, ALS Fire Engines
 - ▶ Engine 89 – Downtown Station
 - ▶ Engine 20 – Highland Springs and 6th Street
- ▶ Engine 20 Cost Share Agreement still exists between Banning, Beaumont and Riverside County.
 - ▶ Each paying 1/3 total personnel cost.
- ▶ Engine 20 housed out of State owned fire station.
 - ▶ Reduces cost for Banning for maintaining a second fire station
- ▶ Banning has continuous support from other State, City and County resources as part of an integrated, regional, cooperative fire protection system

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2

Highlights of Fiscal Year 2019 & Anticipated Accomplishments

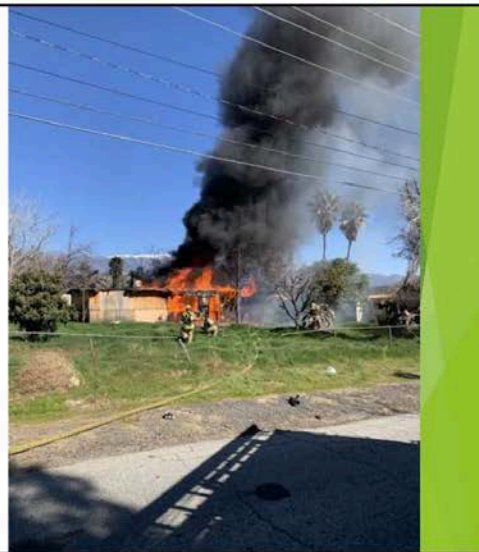
- Cost recovery plan developed. Pre-hospital stabilization fee
- To date, zero 1st Responders for Riverside County Fire Department have tested positive for COVID-19 with development of COVID-19 Algorithm developed by the EMS department
- On average response times are under 5 minutes even with increase in call volume
- No planned closures of fire stations or staffing levels throughout county
- Contract continues to come in lower than cost estimates each year
 - 2018/2019 Cost Estimate: \$3,369,247
 - 2018/2019 Total Cost: \$3,048,650.75
 - 2018/2019 Difference: \$320,596.25



5

Fiscal Challenges


- COVID-19 recovery for cities
- Call volume expected to increase as new houses and businesses are built throughout city
- State employees face 10% pay reduction
 - Any reduction to personnel costs would be applied to Contract Cities personnel cost



6



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Attachment 8



BUDGET HEARING
FY 2020-21 & FY 2021-22

PUBLIC WORKS DEPARTMENT
 JUNE 23, 2020

1

PUBLIC WORKS DEPARTMENT
FISCAL YEARS 20/21 & 21/22

What We Do

- ▶ **Mission:** The Public Works Department mission is to provide essential services to the citizens, businesses and visitors of the City of Banning in a prompt, courteous, safe and efficient manner, while ensuring fiscal and environmental responsibility.
- ▶ The Public Works Department is responsible for oversight and management of operations including: right-of-way (e.g. streets, sidewalk, curbs/gutters, storm drains, signage/stripping and median landscaping), building maintenance, fleet, airport, transit, solid waste, water, wastewater, engineering and Landscape Maintenance District No. 1. This includes the capital planning and construction of infrastructure related to these operations in a manner that protects public health and safety. The department oversees 28 funds and includes 53.39 FTEs.

2

1

PUBLIC WORKS DEPARTMENT FISCAL YEARS 20/21 & 21/22

Highlights of FY2019 and FY2020 Anticipated Accomplishments

Streets Division

- ▶ Construction of \$3.4 Million of capital projects to partially address backlog of street maintenance projects including: pavement rehabilitation, signing/stripping, potholes, sidewalk repairs and curb/gutter repairs.
 - ▶ Utilized \$1,144,095 in grant funding.
- ▶ Solicited and awarded a contract for the preparation of the environmental clearance document and construction bid package for the Sun Lakes Boulevard Extension project.
- ▶ Entered into cooperative agreement with the RCTC and Beaumont to prepare a Project Study Report (PSR) for the Highland Springs Avenue Interchange project

Transit Division

- ▶ New Interagency Services Agreement with Beaumont, which eliminated Beaumont's route in the City of Banning resulting in an increase in fare box revenue.
- ▶ Deployed new mobile bus fare purchasing platform.

3

PUBLIC WORKS DEPARTMENT FISCAL YEARS 20/21 & 21/22

Highlights of FY2019 and FY2020 Anticipated Accomplishments

Water Division

- ▶ Began the installation of automated meters and metering infrastructure.
- ▶ Received an IRWM Implementation Grant in the amount of \$3,537,882 of which will be split 65/35 with the Cabazon Water District; 65% to the City of Banning.
- ▶ Commenced the installation of a new Supervisory Control and Data Acquisition (SCADA) system to replace an obsolete system installed in the early 1990's.
- ▶ Significant progress was made in the negotiations of the San Geronio Flume project.

Building Maintenance Division

- ▶ Construction of \$630,000 of capital maintenance projects to partially address backlog in maintenance projects.

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PUBLIC WORKS DEPARTMENT FISCAL YEARS 20/21 & 21/22

Highlights of FY2021 and FY2022 Objectives

Streets Division

- ▶ To have the Sun Lakes Boulevard extension project shovel ready.
- ▶ Progress to the next phase of the Highland Springs Avenue Interchange project (PA&ED and PS&E).
- ▶ Construction of \$985,000 of capital projects to partially address backlog of street maintenance projects.

Transit Division

- ▶ Complete rebranding of transit system.
- ▶ Drawdown of approximately \$1,344,259 in available capital funding acquired through various funding sources dating back to 2009 (e.g. CNG station, fleet, etc.).

Building Maintenance Division

- ▶ ADA Improvements at the Senior Center.
- ▶ Building demo and construction of parking lot on San Geronio Avenue.

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PUBLIC WORKS DEPARTMENT FISCAL YEARS 20/21 & 21/22

Highlights of FY2021 and FY2022 Objectives

Water Division

- ▶ Construction of the non-potable water system from NP-1 to Sun Lakes Boulevard.
- ▶ Construction of a replacement water main along Nicolet Street, Cottonwood Road and George Street utilizing grant funding.

Wastewater Division

- ▶ Design and construction of equalization basin to optimize performance.

Solid Waste Division

- ▶ Negotiation of new solid waste collection and hauling franchise agreement.
- ▶ Development of solid waste ordinance to ensure compliance with State mandates.

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PUBLIC WORKS DEPARTMENT FISCAL YEARS 20/21 & 21/22

Fiscal Challenges and Service Level Impacts

- ▶ Allocation of Measure A and SB-1 funds for street operations due to reduction in Gas Tax revenue will decrease available funds to construct street capital maintenance projects.
- ▶ COVID-19 has drastically reduce ridership level and farebox revenue. Meeting the required 10% farebox recovery ratio will prove to be challenging without state/federal assistance.
- ▶ New solid waste collection and hauling franchise agreement will include services to match the requirements of the State's solid waste mandates. In turn the cost for the hauler to provide these services will increase; a cost that will be transferred to the rate payers in the form of a rate increase.

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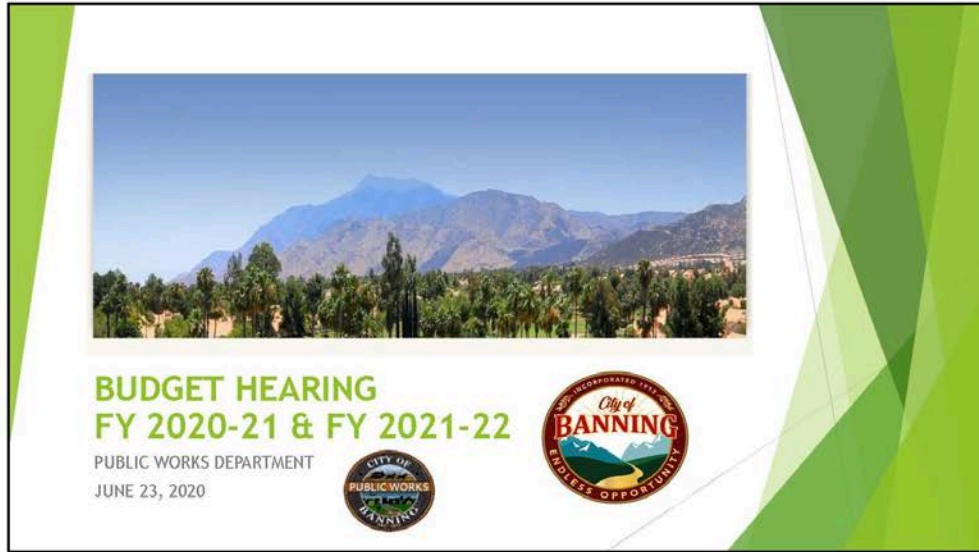
PUBLIC WORKS DEPARTMENT FISCAL YEARS 20/21 & 21/22

Fiscal Challenges and Service Level Impacts

- ▶ Water/Wastewater rates are not sufficient to fund the needed infrastructure projects to keep up with deferred maintenance project.
 - ▶ Known and unknown water leaks make up the majority of the systems 11% loss (i.e. non-revenue water).
 - ▶ The state is developing a new Chromium-6 MCL which will require a significant capital investment and increase in annual operations expenditure. The standard, depending on the concentration, could potentially lead to a rate study/increase.

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Attachment 9



BUDGET HEARING
FY 2020-21 & FY 2021-22
 ADMINISTRATIVE SERVICES DEPARTMENT
 JUNE 23, 2020

1

ADMINISTRATIVE SERVICES
FISCAL YEARS 20/21 & 21/22

What We Do

Administrative Services encompasses the following critical functions to provide critical support to the public as well as all city departments:

- ▶ Finance
- ▶ Risk Management
- ▶ Human Resources
- ▶ Purchasing
- ▶ Information Technology
- ▶ Utility Billing, Meter Reading and Customer Support

This is achieved through the provision of professional advice and guidance, thus supporting the city's mission to ensure that the city is fiscally sound and legally compliant.

We are here to support the community and all of the other city departments. Administrative Services provides the professional support needed by the other city departments, in order to ensure that both the public and city department customers receive the highest level of service possible.

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ADMINISTRATIVE SERVICES DEPARTMENT FISCAL YEARS 20/21 & 21/22

Highlights of FY2021 and FY2022 Objectives

- ▶ Implement comprehensive performance-based budgeting
- ▶ Complete public information portal and fully integrated online budget
- ▶ Implement cybersecurity measures to prevent security breaches and increase traceability of all changes to and access of systems
- ▶ Complete implementation of employee self-service for payroll information
- ▶ Complete formation of a Community Facilities District (CFD) for the Pardee-Atwell housing project

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ADMINISTRATIVE SERVICES DEPARTMENT FISCAL YEARS 20/21 & 21/22

Highlights of FY2019 and FY2020 Anticipated Accomplishments

- ▶ Completion of Cost Allocation Plan (Fiscal)
- ▶ Implementation of Budget System to Provide Transparency to the Public (Fiscal)
- ▶ Citywide Recovery from Cybersecurity Breach (IT)
- ▶ Creation of Disaster Recovery Unit to Ensure Cost Recovery for Disasters (Purchasing and Fiscal)
- ▶ Telecommuting Workforce (IT and HR)
- ▶ Implementation of ProcureNow (Purchasing)

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ADMINISTRATIVE SERVICES DEPARTMENT FISCAL YEARS 20/21 & 21/22

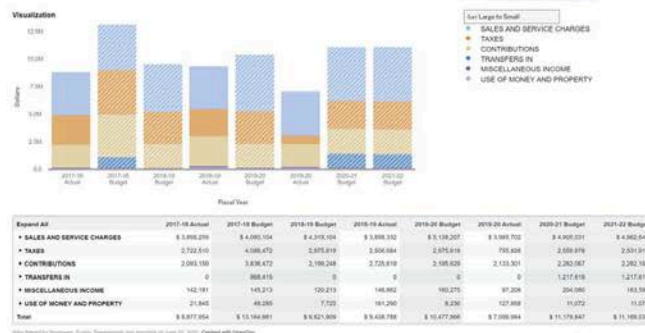
Fiscal Challenges and Service Level Impacts

- ▶ Unfunding of One (1) Full Time Equivalent (FTE)
 - ▶ Longer wait times for customers
- ▶ Antiquated Systems and No Current ERP
 - ▶ Increases the time to respond to Public Records Act requests and lack of data analysis for decision making
- ▶ Minimal Staffing Levels in Fiscal, HR and IT
 - ▶ Increases exposure to risk
- ▶ Cybersecurity Risk

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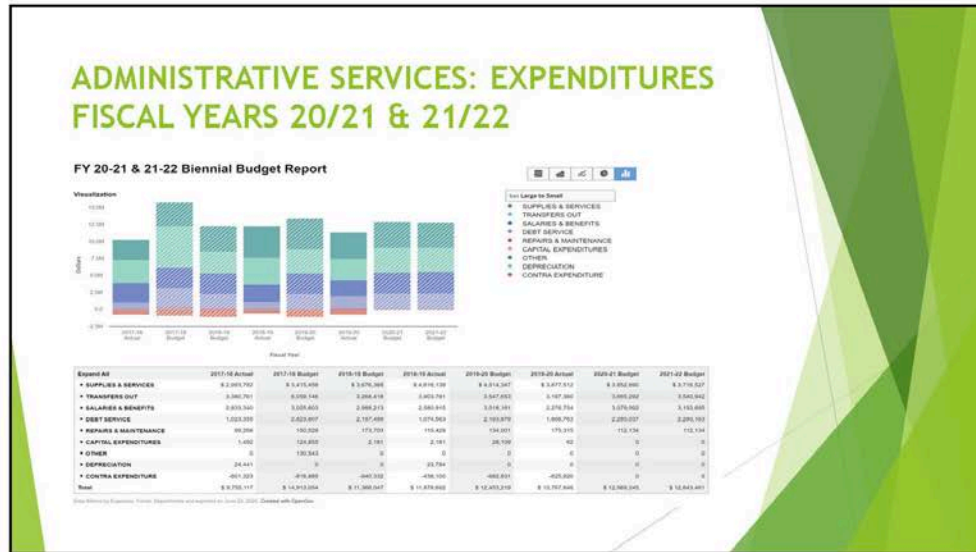
ADMINISTRATIVE SERVICES: REVENUES FISCAL YEARS 20/21 & 21/22

FY 20-21 & 21-22 Biennial Budget Report



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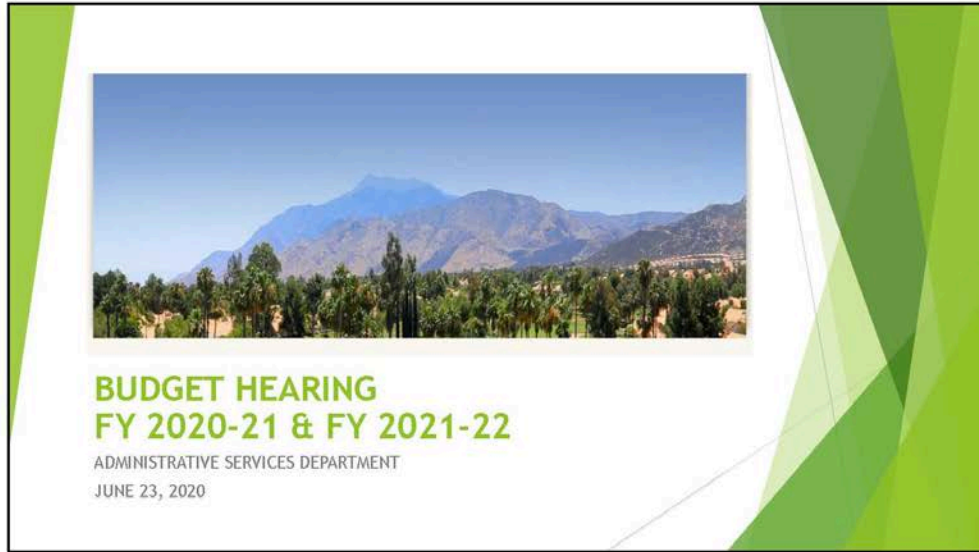


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In accordance with City Council Resolution 1995-21, the minutes of meetings of the City Council and the Boards, Commissions, and Committees of the City shall be prepared as Action Minutes.

MINUTES
CITY COUNCIL
BANNING, CALIFORNIA

06/23/2020
SPECIAL MEETING - CLOSED SESSION

COUNCIL MEMBERS PRESENT: Mayor Andrade
Councilmember Happe (via teleconference)
Councilmember Pingree
Mayor Pro Tem Wallace
Councilmember Welch

COUNCIL MEMBERS ABSENT: None

OTHERS PRESENT: Douglas Schulze, City Manager
Kevin G. Ennis, City Attorney
Sonja De La Fuente, Deputy City Clerk

I. CALL TO ORDER

A special meeting of the Banning City Council was called to order by Mayor Andrade on June 23, 2020, at 3:30 P.M.

II. CLOSED SESSION

The City Attorney listed the items on the closed session Agenda as follows:

- 1. CONFERENCE WITH REAL PROPERTY NEGOTIATORS** pursuant to Government Code Section 54956.8
Property and Owners/Negotiating Parties: Real Property located in the vicinity of Ramsey and Hathaway – 1483 E. Ramsey Street, APN 541- 170-019 – Raymond Ngoc Huynh and Lucy Nguyen Huynh, as Trustees of the Raymond and Lucy Huynh Revocable Trust
City Negotiators: Douglas Schulze, City Manager and Art Vela, Public Works Director
Under Negotiation: Price and terms for acquisition of street right of way and temporary construction easements

2. CONFERENCE WITH REAL PROPERTY NEGOTIATORS pursuant to Government Code Section 54956.8

Property and Owner/Negotiating Party: Real Property located in the vicinity of Ramsey and Hathaway – 1573 E. Ramsey Street, APN 541-170-021 – Jen H. Huang

City Negotiators: Douglas Schulze, City Manager and Art Vela, Public Works Director

Under Negotiation: Price and terms for acquisition of street right of way and temporary construction easements

3. CONFERENCE WITH REAL PROPERTY NEGOTIATORS pursuant to Government Code Section 54956.8

Properties and Owners/Negotiating Party: Real Property located in the vicinity of Ramsey Street and Martin Street, APN 541-150-025 – City of Banning

City Negotiator: Douglas Schulze, City Manager

Under Negotiation: Price and terms

The Mayor opened the closed session items for public comments. Seeing none, the Mayor closed public comments.

The City Council convened to closed session at 3:32 P.M. and reconvened to open session at 3:49 P.M.

II. ADJOURNMENT

By consensus, the meeting adjourned at 3:49 P.M.

Minutes Prepared by:



Sonja De La Fuente, Deputy City Clerk



CITY OF BANNING CITY COUNCIL REPORT

TO: CITY COUNCIL

FROM: Douglas Schulze, City Manager

PREPARED BY: Suzanne Cook, Deputy Finance Director

MEETING DATE: July 14, 2020

SUBJECT: Receive and File Cash, Investments and Reserve Report for the Month of May 2020

RECOMMENDATION:

That City Council receive and file Cash, Investment and Reserve Report for **May 31, 2020** in accordance with California Government Code 53646.

CASH AND INVESTMENT SUMMARY:

Description		Prior Month	Current Month
Funds Under Control of the City			
Cash			
Cash on Hand	\$	4,155.00	\$ 4,155.00
Checking and Savings Accounts	\$	11,958,072.05	\$ 9,610,520.57
Investments			
LAIF	\$	42,364,757.93	\$ 42,364,757.93
Brokerage	\$	27,404,170.36	\$ 27,404,249.18
Total Funds Under Control of the City	\$	81,731,155.34	\$ 79,383,682.68
Funds Under Control of Fiscal Agents			
US Bank			
Restricted Bond Project Accounts	\$	14,800,815.19	\$ 14,801,012.94
Restricted Bond Accounts	\$	4,820,403.60	\$ 4,820,405.13
Union Bank & SCPPA			
Restricted Funds	\$	4,385,658.54	\$ 4,186,405.38
Total Funds Under Control of Fiscal Agents	\$	24,006,877.33	\$ 23,807,823.45
Total Funds	\$	105,738,032.67	\$ 103,191,506.13

RESTRICTED, ASSIGNED, COMMITTED AND RESERVED SUMMARY:

Description	Prior Month	Current Month
Total Funds	\$ 105,738,032.67	\$ 103,191,506.13
Restricted Funds	42,208,567.78	\$ 42,678,191.20
Assigned Funds - Specific Purpose	8,969,200.65	\$ 8,969,200.65
Committed Funds - Specific Purpose	3,242,731.75	\$ 3,242,731.75
Fund Balance Reserves	15,455,882.97	\$ 15,455,882.97
Total Restricted, Assigned, Committed and Reserved	\$ 69,876,383.15	\$ 70,346,006.57
Operating Cash - Unrestricted Reserves	\$ 35,861,649.52	\$ 32,845,499.56
Less Accounts held in Investments	\$ 27,404,170.36	\$ 27,404,249.18
Liquid Cash	\$ 8,457,479.16	\$ 5,441,250.38

ATTACHMENTS:

1. Cash, Investment and Reserve Report May 2020
<https://banningca.gov/DocumentCenter/View/7613/1---Cash-Investment-and-Reserve-Report---May-2020>
2. Investment Report May 2020
<https://banningca.gov/DocumentCenter/View/7585/2---Investment-Report---May-2020>
3. City of Banning Broker Investment Report – May 2020
<https://banningca.gov/DocumentCenter/View/7582/3---City-of-Banning-Broker-Investment-Report-as-of-May-2020>
4. LAIF / PMIA Performance Report
<https://banningca.gov/DocumentCenter/View/7583/4---PMIA-LAIF-Performance-Report-May-2020>
5. LAIF Market Valuation Report May 2020
<https://banningca.gov/DocumentCenter/View/7584/5---LAIF-Market-Valuation-5-31-2020>

If you have any questions, please contact the Finance Department so that additional detailed information can be provided to you.

Approved by:



Douglas Schulze
 City Manager



**CITY OF BANNING
CITY COUNCIL REPORT**

TO: CITY COUNCIL

FROM: Douglas Schulze, City Manager

PREPARED BY: Suzanne Cook, Deputy Finance Director

MEETING DATE: July 14, 2020

SUBJECT: Approval and Ratification of Accounts Payable and Payroll Warrants Issued in the Month of May 2020

RECOMMENDATION:

That City Council review and ratify the warrants for period ending **May 31, 2020**, per California Government Code Section 37208.

WARRANT SUMMARY:

Description	Payment #	Amount	Total Amount
Checks:			
Checks Issued during Month	173967- 174207	\$ 2,083,114.45	
Voided / Reissue Check		\$ 2,812.65	
Check Total			\$ 2,080,301.80
Wires Total	1030 - 1031		\$ 2,692,859.79
ACH payments:	9006738 - 9006762		
Payroll Direct Deposit 5/8/2020		\$ 372,142.47	
Payroll Direct Deposit 5/22/2020		\$ 367,476.75	
Other Payments		\$ 812,507.98	
ACH Total			\$ 1,552,127.20
Payroll Checks:	12082 - 12098		
Payroll - Regular 5/8/2020		\$ 1,850.59	
Payroll - Regular 5/22/2020		\$ 1,829.67	
Manual Check 5/2/2020		\$ 3,413.33	
Payroll Check Total			\$ 7,093.59
Total Warrants Issued for May 2020			\$ 6,332,382.38

ATTACHMENTS:

1. Fund List <https://banningca.gov/DocumentCenter/View/7589/Attachment-1---Fund-List>
2. Warrant Report May 2020
<https://banningca.gov/DocumentCenter/View/7586/Attachment-2---Warrant-Report-May-2020>
3. Warrant Report Detail May 2020
<https://banningca.gov/DocumentCenter/View/7587/Attachment-3---Warrant-Report-Detail-May-2020>
4. Voided Check Log, Payroll Log & Registers – May 2020
<https://banningca.gov/DocumentCenter/View/7588/Attachment-4---Void-Check-Log-Payroll-Log-and-Payroll-Registers-May-2020>

If you have any questions, please contact the Finance Department so that additional detailed information can be provided to you.

Approved by:



Douglas Schulze
City Manager



**CITY OF BANNING
CITY COUNCIL REPORT**

TO: CITY COUNCIL

FROM: Douglas Schulze, City Manager

PREPARED BY: Eric Brown, IT Manager
Laurie Sampson, Executive Assistant

MEETING DATE: July 14, 2020

SUBJECT: Resolution 2020-90, Approving the Agreement with Cybertime Network Communications for Citywide Looped Microwave Backbone System and Data Circuit to the Water Plant, and Provision of 10.0 Mbps Internet Feed to City Hall for Fiscal Year 2020-2021 for \$31,188.00.

RECOMMENDED ACTION:

Approve the Agreement with Cybertime Network Communications for Citywide Looped Microwave Backbone System and Data Circuit to the Water Plant and Provision of 10.0 Mbps Internet Feed to City Hall and Authorizing the City Manager to execute the related agreement.

BACKGROUND:

Beginning 2010 Cybertime Network Communications has provided the City of Banning High-Speed Interconnectivity Services and Technical Support as a sole source provider. The High-Speed Data System provides a private, secure and City dedicated network which interconnects multiple City departments and facilities. Cybertime owns and maintains all of the system components.

JUSTIFICATION:

The continued private and secure communications between the City departments and facilities are vital to maintain daily operations.

FISCAL IMPACT:

Funds are currently available in the Fiscal Year 2020 operating budgets of Water Department (\$22,800.00) and Information Technology (\$8,388.00). No additional appropriation is necessary.

OPTIONS:

1. Approve as recommended
2. Do not approve and provide alternative direction

ATTACHMENTS:

1. Resolution 2020-90 <https://banningca.gov/DocumentCenter/View/7637/Reso-2020-90-Cybertime>
2. Cybertime Network Communications Subscription Service Agreements
<https://banningca.gov/DocumentCenter/View/7635/BANNING-Cybertime-SVC-AGREEMENT-100Mbps-Internet-Jul-1-2020-to-Jun-30-2021>
3. Cybertime Network Communications Sole Source Letter
<https://banningca.gov/DocumentCenter/View/7636/Cybertime-Banning-Sole-Source-Letter-June-2020>

Approved by:



Douglas Schulze
City Manager



CITY OF BANNING CITY COUNCIL REPORT

TO: CITY COUNCIL

FROM: Douglas Schulze, City Manager

PREPARED BY: Eric Brown, IT Manager
Laurie Sampson, Executive Assistant

MEETING DATE: July 14, 2020

SUBJECT: Resolution 2020-91, Approving the Purchase Order with CDW-G for the Purchase of Computers, Software, and Computer Accessories Not to Exceed \$90,000.

RECOMMENDED ACTION:

Adopt Resolution 2020-91, Approving the Purchase Order with CDW-G for the purchase of computers, software, and computer accessories not to exceed \$90,000 Authorizing the City Manager to execute the related agreement, and the Deputy City Clerk to certify adoption of this resolution and file in the book of original resolutions.

BACKGROUND:

Since 2000 the City of Banning has purchased computers, software, and accessories from CDWG, a leading multi-brand technology solutions provider to business, government, education and healthcare customer.

JUSTIFICATION:

The continued private and secure communications between the City departments and facilities are vital to maintain daily operations. The City's technology inventory is aging and requires the constant replacement and upgrade to computer towers, monitors, laptops, hard drives, wireless headsets and printers. The City also purchases annual software from CDW-G such as Adobe Acrobat licenses and Barracuda Email Archiver.

FISCAL IMPACT:

The Purchasing Department has identified an existing agreement, Sourcewell 08149-CDW, that conforms to the City's bid policies and therefore we may piggyback on this agreement. The purchase order shall be issued as a blanket with a not to exceed amount of \$90,000. Each department is responsible for the purchase of their equipment.

OPTIONS:

1. Approve as recommended
2. Do not approve and provide alternative direction

ATTACHMENTS:

1. Resolution 2020-91 <https://banningca.gov/DocumentCenter/View/7640/Reso-2020-91-CDWG>
2. Sourcewell 08149-CDW
https://banningca.gov/DocumentCenter/View/7639/CDW_Final_Contract_081419-1

Approved by:



Douglas Schulze
City Manager



CITY OF BANNING CITY COUNCIL REPORT

TO: CITY COUNCIL

FROM: Douglas Schulze, City Manager

PREPARED BY: Sonja De La Fuente, Deputy City Clerk

MEETING DATE: July 14, 2020

SUBJECT: Resolution 2020-96, Conflict of Interest Code Biennial Report and Update

RECOMMENDED ACTION:

Staff recommends that the City Council adopt Resolution 2020-96, adopting an amended Conflict of Interest Code containing revised designated positions and disclosure categories, and repealing Resolution 2019-09.

BACKGROUND:

The Political Reform Act of 1974, Government Code Section 81000 et seq. (the "Act"), requires all public agencies to adopt and maintain a conflict of interest code. The primary effect of the code is to establish disclosure requirements for various government positions involved in the requisite level of decision-making as set forth in the Act. The Act requires each city to adopt a local conflict of interest code designating city positions not otherwise designated in the Act itself, that are involved in making or participating in the making of city decisions at all levels of city government.

JUSTIFICATION:

The City Council last reviewed the Conflict of Interest Code on May 28, 2019 and adopted the current Conflict of Interest Code by Resolution 2019-09. In conducting the review this year, Staff recommends that the City update the Conflict of Interest Code to add and delete positions and update disclosure categories as necessary. These revisions are included in Appendix A.

FISCAL IMPACT:

No financial impact.

OPTIONS:

1. Approve as recommended
2. Do not approve and provide alternative direction

ATTACHMENTS:

1. Resolution 2020-96
<https://banningca.gov/DocumentCenter/View/7595/Resolution-2020-96-Amending-Conflict-of-Interest-Code>
2. Resolution 2019-09
<https://banningca.gov/DocumentCenter/View/7596/Resolution-2019-09>
3. Local Agency Biennial Notice Instructions
https://banningca.gov/DocumentCenter/View/7594/Local_Agency_Biennial_Notice_Instructions
4. Local Agency Biennial Notice
https://banningca.gov/DocumentCenter/View/7593/Local_Agency_Biennial_Notice

Approved by:



Douglas Schulze
City Manager



CITY OF BANNING CITY COUNCIL REPORT

TO: CITY COUNCIL

FROM: Douglas Schulze, City Manager

PREPARED BY: Adam B. Rush, Community Development Director
Maricela E. Marroquin, Assistant City Attorney

MEETING DATE: July 14, 2020

SUBJECT: Ordinance 1565, (1) Amending Chapter 5.33 and 5.35 of Title 5 and Chapters 17.12, 17.53, and 17.54 of Title 17 of Banning Municipal Code to amend the expiration of cannabis retailer Conditional Use Permits (CUP), (2) to allow indoor commercial cultivation facilities in the Business Park (BP) zone, (3) to allow cannabis distribution facilities to operate in the Industrial (I) zone, and making additional amendments to the regulations pertaining to commercial cannabis businesses, and (4) making a determination pursuant to CEQA. The proposed amendments will affect all properties located in the Highway Serving Commercial (HSC), Business Park (BP), and Industrial (I) Zoning District, in the City of Banning, California.

RECOMMENDED ACTION:

That the City Council waive full reading of, and adopt Ordinance 1565, approving Zoning Text Amendment No. 20-97501, (1) Amending Chapter 5.33 and 5.35 of Title 5 of Banning Municipal Code to allow cannabis distributors to operate in the City and to amend the process for processing cannabis retailer applications, (2) Amending Chapters 17.12, 17.53, and 17.54 of Title 17 of the Banning Municipal Code (Zoning Text Amendment (ZTA) 20-97501 to allow cannabis retailers to operate in the General Commercial zone, to eliminate the separation in the requirement between cannabis retailers and residentially zoned property, to include provisions regarding the expiration of cannabis retailer Conditional Use Permits (CUP), to allow indoor commercial cultivation facilities in the Business Park zone,

to allow cannabis distribution facilities to operate in the industrial zone and making additional amendments to the regulations pertaining to commercial cannabis businesses, and (3) making a determination pursuant to CEQA. The proposed amendments will affect all properties located in the General Commercial (GC), Highway Serving Commercial (HSC), Business Park (BP), and Industrial (I) Zoning District, in the City of Banning, California.

BACKGROUND:

At the May 12, 2020 City Council meeting, a Zoning Text Amendment (ZTA) was initiated by the Council which directed Community Development staff to prepare an amendment to the Title 5 and Title 17 provisions of the Banning Municipal Code. The proposed amendments included expansion of Cannabis Retailers into the General Commercial (GC) Zoning District, removal of the 200-foot setback from residentially zoned properties; addition Commercial Cannabis Cultivation into the Business Park (BP) Zoning District; addition of Cannabis Distribution and Distributors into the Industrial Park (I) Zoning District; and modifications to the processing timeframes for entitlements and building permits. After the amendment was reviewed and discussed by the Planning Commission, the removal of the 200-foot setback was not recommended for approval. Ultimately, the City Council removed any changes to the zoning provisions that pertain to Cannabis Retailers with the exception modifications to the processing timeframes for entitlements and building permits.

DISCUSSION:

The Planning Commission held two public hearings on the proposed ordinance. During the first meeting in May, several questions arose that were only answered during the May 12th City Council meeting. The amendment was rescheduled for the June 3rd Planning Commission meeting in which the Commission recommended all elements contained in the amendment, with one exception. The Commission felt it was unnecessary to remove the 200-foot setback from residentially zone properties. However, after much public testimony, and deliberation amongst the Council, all major changes to Cannabis Retailers remained the same, with the exception of modifying the timeframe in which entitlements and permits are processed; which was to modify the existing processing timeframes for the entitlement and permit processing.

FISCAL IMPACT:

The fiscal impact includes the staff time to prepare and process the amendment through the City Planning Commission and review process. These costs will eventually be off-set by future development fees and permit revenues produced by implementing projects.

ATTACHMENTS:

1. Ordinance 1565 <https://banningca.gov/DocumentCenter/View/7604/Cannabis-Ordinance-1565---2nd-Reading>

Approved by:

A handwritten signature in blue ink, appearing to read 'DS', is written over a horizontal line.

Douglas Schulze, City Manager



CITY OF BANNING CITY COUNCIL REPORT

TO: CITY COUNCIL

FROM: Douglas Schulze, City Manager

PREPARED BY: Adam B. Rush, Community Development Director
Serita Young, Assistant City Attorney
Patrick Johnson, Chief Building Official

MEETING DATE: July 14, 2020

SUBJECT: Resolution 2020-98, a Resolution of the City Council of the City of Banning, Reaffirming and Making Express Findings and Determinations that Modifications to the 2019 California Residential and Fire Codes, as Adopted by the City of Banning.

RECOMMENDED ACTION:

City Council adopt Resolution 2020-98;

Reaffirming and Making Express Findings and Determinations that Modifications to the 2019 California Residential and Fire Codes, as Adopted by the City of Banning. That the City Council finds these modifications are reasonable and necessary because of local climatic, geological, and topographical conditions, including changes to Section R105.2 related to the height of fences that are exempt from building permits.

BACKGROUND:

The City Council adopted the 2019 building code, which includes both the Residential Building Code and Fire Code, on December 10, 2019. Subsequent from the Council's action, the City filed the updated code with the State of California Building Standards Commission. After the updated code was filed, with the Building Standards Commission, the City received a letter, dated February 26, 2020 and then again on May 12, 2020. In regard to the February letter, City staff was in the process of reviewing and evaluating our response with City Hall was forced to close down due to the Governor's mandatory Stay-at-Home order. Once the COVID-19 global health crisis peaked in late March, to mid-April, this particular item fell in the list of priorities; however, a second letter (dated May 12, 2020) and the ability for most City staff to return to more normalized work schedule afforded the

opportunity to review and provide a response to the State Building Standards Commission for the Council consideration and adoption of the attached resolution.

JUSTIFICATION:

The City's justification is provided in Exhibit "A", to Resolution 2020-98; which is attached herein.

FISCAL IMPACT:

No budget impact is anticipated from reaffirming the Council findings regarding this code section.

OPTIONS:

1. Approve as recommended.
2. Do not approve and provide alternative direction.

ATTACHMENTS:

1. Resolution 2020-98
<https://banningca.gov/DocumentCenter/View/7603/ATTACHMENT-1---Banning---CC-Resolution-No-2020- ---Reaffirming-and-Making-Findings-for-Modifications-to-Building->
2. Communications from the California State Building Standards Commission [02/26/20 & 05/12/20] <https://banningca.gov/DocumentCenter/View/7602/ATTACHMENT-2---Building-Standards-and-Local-Amendments>

Approved by:



Douglas Schulze
City Manager



CITY OF BANNING CITY COUNCIL REPORT

TO: CITY COUNCIL

FROM: Douglas Schulze, City Manager

PREPARED BY: Jeff Horn, Police Captain
Debbie Shubin, Code Enforcement Officer

MEETING DATE: July 14, 2020

SUBJECT: Resolution 2020-70, Approving Nuisance Abatement Charges
be Added to the Tax Rolls of Riverside County, California

RECOMMENDED ACTION:

City Council adopt Resolution 2020-70 approving the following:

1. A resolution providing for certain nuisance charges to be added to the tax rolls of Riverside County, California.

BACKGROUND:

The City Council adopted Ordinance 1326 (Exhibit "B"); the Ordinance establishes the procedures for creating assessment liens: authorizing the County Board of Supervisors to levy and collect such charges. According to the terms of the Ordinance, and the procedures required by the Riverside County Auditor's Office, it is necessary for the City Council to adopt a Resolution each year requesting the Board of Supervisors to place the liens on the tax rolls. Liens on all subject parcels have been previously recorded against the properties in the office of the County Recorder

JUSTIFICATION:

The City has incurred costs in the process of abating certain nuisances. Adoption of this Resolution provides for the collection of such costs. Presentation of such Resolution to the City Council is done on an annual basis and can be considered "standard operating procedure" for the purposes of cost recovery.

FISCAL IMPACT:

The estimated amount of the assessment to be placed on the tax roll is \$15,450. The assessment will be placed on the Auditor-Controller's Tax Rolls in August of this year and collected with the ad valorem taxes and any other assessments against the properties. The City participates in the Teeter Plan, whereby the County will reimburse the City 100% of the amount placed on the tax rolls for the weed abatement.

OPTIONS:

1. Approve as recommended.
2. Do not approve and provide alternative direction.

ATTACHMENTS:

1. Resolution 2020-70 <https://banningca.gov/DocumentCenter/View/7616/Resolution-2020-70>
 - a. Exhibit "A" - List of properties, identified by APN, that will have liens placed on the for non-payment of weed abatement services
<https://banningca.gov/DocumentCenter/View/7617/EXHIBIT-A-2020-2021-tax-roll>
 - b. Exhibit "B" - Copy of Ordinance 1326
<https://banningca.gov/DocumentCenter/View/7618/EXHIBIT-B-Ord-1326>

Approved by:



Douglas Schulze
City Manager



CITY OF BANNING CITY COUNCIL REPORT

TO: CITY COUNCIL

FROM: Douglas Schulze, City Manager

PREPARED BY: Art Vela, Director of Public Works

MEETING DATE: July 14, 2020

SUBJECT: Adopt Resolution 2020-94 Approving Final Tract Map Nos. 35966 and 35967 for the Purpose of Subdividing Property within the Atwell Development (Butterfield Specific Plan) for Financing and Conveyance Purposes; Authorizing Staff to Sign the Final Tract Map; and Releasing the Maps for Recordation

RECOMMENDED ACTION:

That City Council adopt Resolution 2020-94 approving Final Tract Map Nos. 35966 and 35967 for the purpose of subdividing property within the Atwell Development (Butterfield Specific Plan) for financing and conveyance purposes, authorizing staff to sign the Final Tract Maps and releasing the maps for recordation.

BACKGROUND:

The Butterfield Specific Plan was originally approved by the City Council in March of 2012. Subsequent litigation and a settlement agreement resulted in a request by the applicant for approval of a general plan amendment related to Highland Home Road as well as certain minor modifications to the Specific Plan; the Planning Commission recommended approval of the applications in January 2017 and the City Council reviewed and approved the applications in February 2017.

The Project site is approximately 1,528 acres and is located in the northwestern corner of the City of Banning; see Figure 1. The site is generally bounded by Wilson Street to the south, Highland Springs Avenue to the west, Riverside County unincorporated land to the north and northeast, and portions of Highland Home Road to the east. Major access to the site is provided by Highland Springs Avenue, Wilson Street, and Highland Home Road.

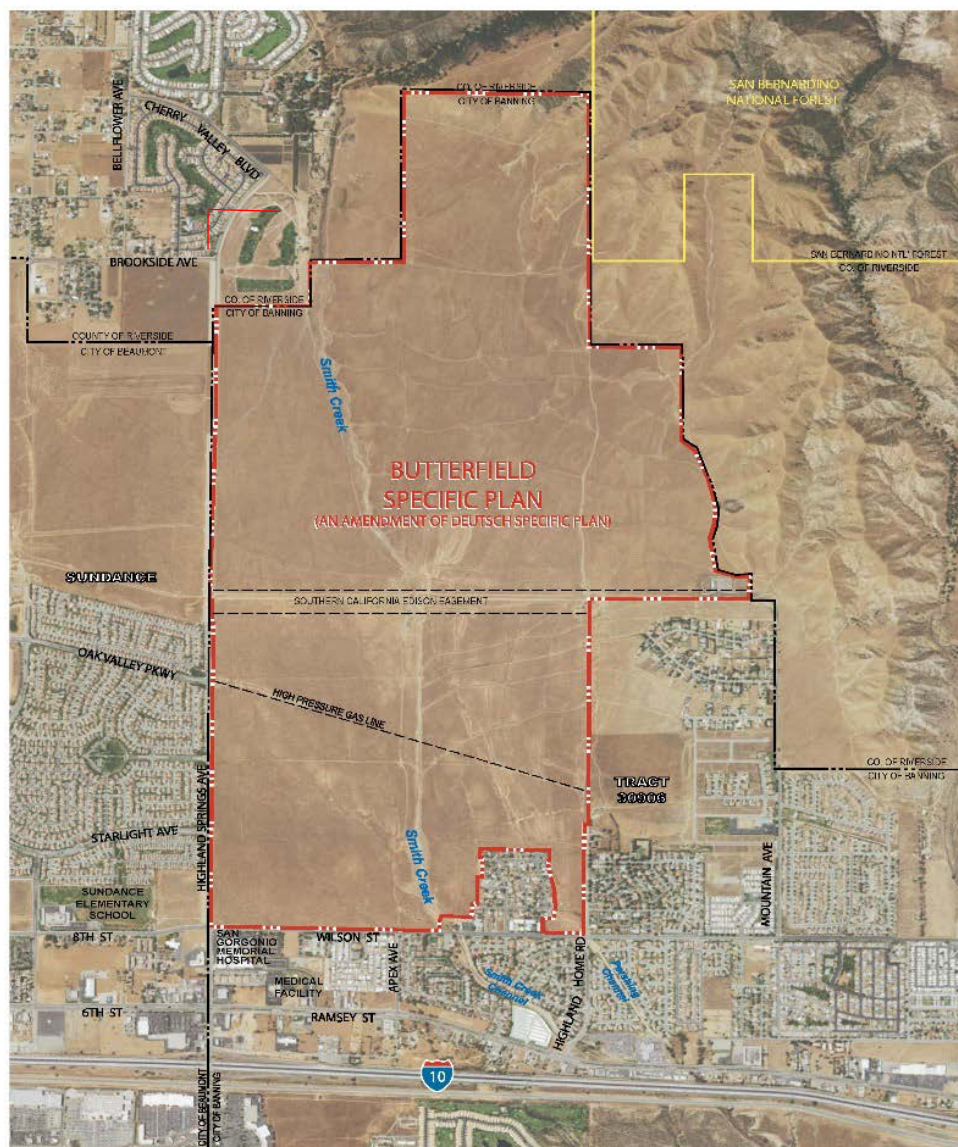
The Project site is currently designated Specific Plan in the City's General Plan. Site development is governed by the provisions of the Butterfield Specific Plan, which includes

land use designations of Very Low Density Residential, Medium Density Residential, High Density Residential, Commercial, Active Recreation, and Passive Open Space-Parks.

ISSUES / ANALYSIS:

Final Tract Map Nos. 35966 and 35967 will subdivide a total of 1,186.99 acres of vacant land into 105 lots for financing and conveyance purposes. The Project site is located north of Wilson Street and east of Highland Springs Road, encompassing the Atwell Development (Butterfield Specific Plan) area as shown in Figure 1.

Figure 1: Butterfield Specific Plan Area



SOURCE: Esri World Imagery 2018

PARDEE HOMES • BUTTERFIELD SPECIFIC PLAN

Final Tract Map 35966

The original Tentative Tract Map No. 35966 as approved proposed 61 lots on 616 acres and covered the southerly portion of the Atwell Development (Butterfield Specific Plan) project area, generally from Wilson Street to the northerly boundary of the SCE transmission easement that transects the site.

Final Tract Map 35966 is reduced to 37 lots and 272.43 acres due to the recordation of Final Tract Maps 37298, 37298-1, 37298-2, 37298-3, 37365, and 37474. Additionally, the areas that are included in approved Tentative Tract Map 37390 are also not included.

Final Tract Map 35967

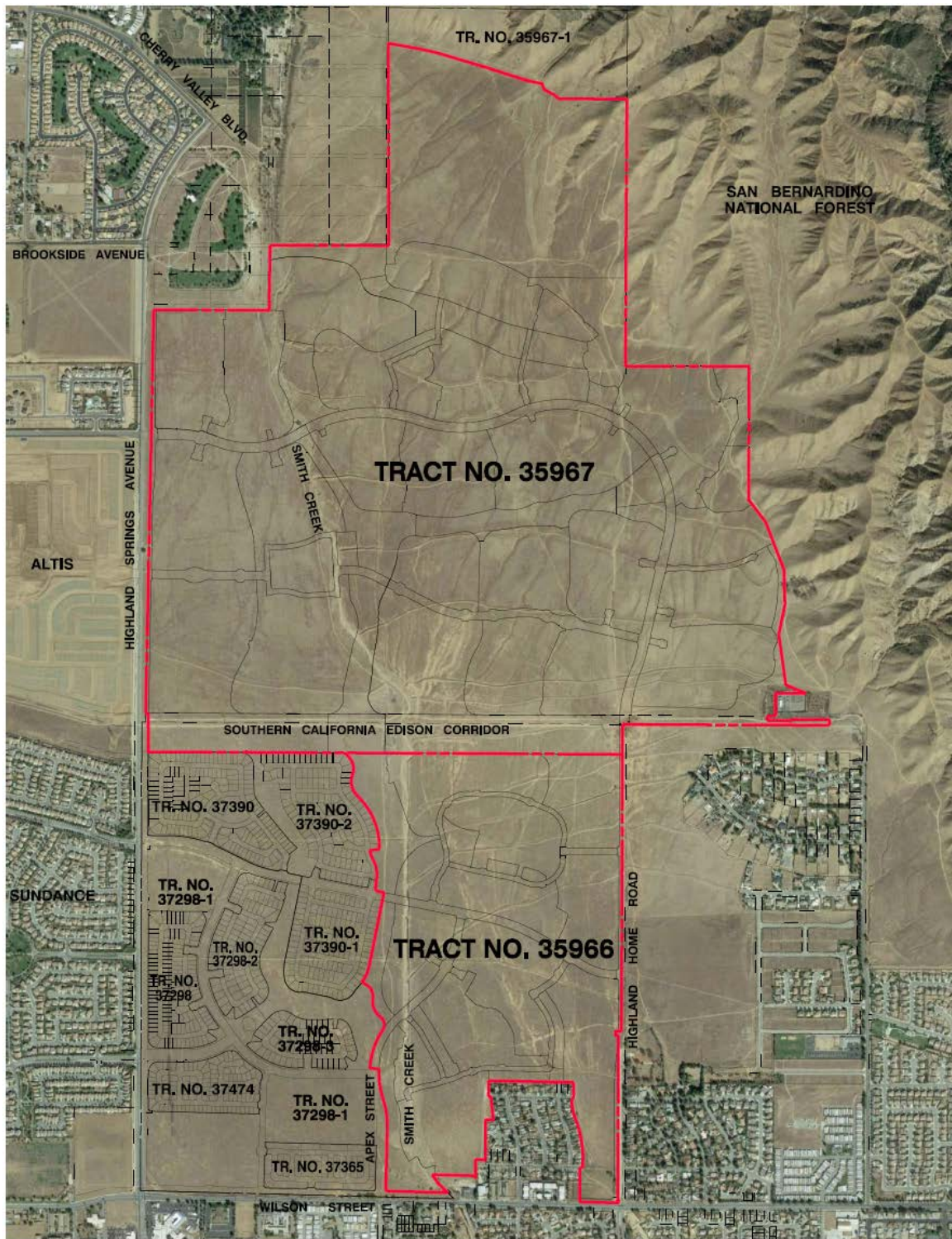
Final Tract Map No. 35967 proposes 68 lots on 914.56 acres. This tract map covers the northerly portion of the Atwell Development (Butterfield Specific Plan) project area, excluding the substation site along the easterly edge of the site and the former annexation area at the northwest portion of the site.

Finance and Conveyance Maps

In accordance with Section 9.8 *Financing and Conveyance Maps* of the approved Development Agreement, "The Developer may have a Master Tract map approved for the purpose of conveying portions of the Developer's Property to others and/or for the purpose of creating legal lots which may be used as security for loans to develop the Developer's Property and as provided in Section 6.5.1. Any such map shall not authorize any Development and shall not be subject to any conditions, exactions or restrictions, other than monumentation and conditions which do not require the payment of money or the installation or construction of improvements."

Final Tract Map Nos. 35966 and 35967, as shown on Figure 2, are proposed as financing and conveyance maps only, the function of which is to permit conveyance of parcels to individual owners and/or to facilitate project financing. No development is proposed or permitted in conjunction with these maps. No physical improvements are required for financing and conveyance maps, although tentative maps for future development of the project sites will require the design of public improvements (e.g. water, sewer, streets, etc.). Additional future approvals needed prior to site development would include design review approvals, grading permits, and other approvals and permits as may be required.

Figure 2: Final Tract Map Areas



JUSTIFICATION:

Final Tract Map Nos. 35966 and 35967 were checked by the City's consulting surveyor and were found to be technically correct and that they conform to the requirements of the Subdivision Map Act.

The City Engineer has verified that Final Tract Map Nos. 35966 and 35967 are in substantial conformance with the approved Tentative Tract Map Nos. 35966 and 35967.

FISCAL IMPACT:

The Atwell Development (Butterfield Specific Plan) project consists of both residential and commercial development and represents a long-term investment in the local community in both housing and public infrastructure (streets, water, sewer, fire station, parks, drainage facilities, etc.). Future maps would provide for development which would ultimately result in building permit and development impact fee revenues to the City.

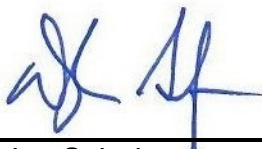
ALTERNATIVES:

1. Do not approve the recommendation and provide staff with alternate direction.

ATTACHMENTS:

1. Resolution 2020-94
<https://banningca.gov/DocumentCenter/View/7626/Attachment-1-Reso-2020-94-TM-35966-and-35967>
 - a. Exhibit A – Tentative Tract Map 35966
<https://banningca.gov/DocumentCenter/View/7624/Reso-Exhibit-A-Tract-No-35966>
 - b. Exhibit B – Tentative Tract Map 35967
<https://banningca.gov/DocumentCenter/View/7625/Reso-Exhibit-B-Tract-No-35967>

Approved by:



Douglas Schulze
City Manager

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CITY OF BANNING CITY COUNCIL REPORT

TO: CITY COUNCIL

FROM: Douglas Schulze, City Manager

PREPARED BY: Art Vela, Director of Public Works

MEETING DATE: July 14, 2020

SUBJECT: Adopt Resolution 2020-97, Authorizing the City Manager to Execute a TUMF Reimbursement Agreement with WRCOG for up to \$1,000,000 in TUMF Funds for the Sun Lakes Boulevard Extension Project

RECOMMENDED ACTION:

That the City Council adopt Resolution 2020-97 authorizing the City Manager to execute a Transportation Uniform Mitigation Fee (TUMF) Reimbursement Agreement with Western Riverside Council of Government (WRCOG) for up to \$1,000,000 in TUMF funds for the Sun Lakes Boulevard Extension project.

BACKGROUND:

WRCOG has developed and administers the TUMF program, a regional fee program designed to provide transportation infrastructure to mitigate the impact of new growth in western Riverside County. Each of WRCOG's members, including the City of Banning (City), participate in the TUMF program through an adopted ordinance.

As the program administrator, WRCOG allocates TUMF funds to a variety of agencies, including the Riverside County Transportation Commission (RCTC), Riverside Transit Agency (RTA), Western Riverside Regional Conservation Authority (RCA) and western Riverside cities and Riverside County areas through applicable TUMF Zones. Eligible projects funded by TUMF revenues are those that have been identified as being part of the Regional System of Highway Arterials (also known as the "TUMF Network") in the TUMF Nexus Study. Typically, each TUMF Zone receives 45.7% of TUMF revenues collected within their respective zone. The remainder of the funds are distributed to RTA (3.13%), RCTC (45.7%), RCA (1.47%) and WRCOG (4%).

TUMF funds are programmed through a collaborative exercise involving each of WRCOG's member agencies. The WRCOG subregion is divided into five TUMF Zones, which allows member jurisdictions to coordinate with neighboring ones to discuss project allocations. The Pass Zone is comprised of the following: Banning, Beaumont, Calimesa, and Riverside County (District 5). Staff and elected officials representing each jurisdiction within its respective Zone meet regularly to discuss funding allocations for individual projects. The

result of these meetings is a 5-year Zone-specific Transportation Improvement Program (TIP), which must be approved by the WRCOG Executive Committee. The current Pass Zone TIP, which includes the Sun Lakes Boulevard Extension project, was approved by the WRCOG Executive Committee at its May 4, 2020 meeting.

JUSTIFICATION:

Sun Lakes Boulevard is identified by the City of Banning General Plan Circulation Element as an Arterial Highway. The proposed realignment of Sun Lakes Boulevard will ease traffic congestion at the intersections of Highland Springs Avenue and Interstate 10 ramps and Highland Springs Avenue and Ramsey Street.

On April 14, 2020 City Council awarded a Professional Services Agreement for the Environmental Document and Design of the Sun Lakes Boulevard Extension project.

The WRCOG Executive Committee approved the TUMF Reimbursement Agreement at it's June 1, 2020 meeting.

FISCAL IMPACT:

The TUMF Reimbursement Agreement will provide up to \$1,000,000 in TUMF funds in the form of a reimbursement to the City of Banning for expenditures related to the Sun Lakes Boulevard Extension project. The TUMF funds will cover the costs associated with the Professional Services Agreement for the Environmental Document and Design of the Sun Lakes Boulevard Extension project, which was approved with a project budget of \$603,258.05.

ALTERNATIVE:

Do not approve the recommendation and provide staff with alternate direction.

ATTACHMENTS:

1. Resolution 2020-97
<https://banningca.gov/DocumentCenter/View/7628/Attachment-1-Reso-2020-97-SLB-TUMF-Agreement>
2. TUMF Reimbursement Agreement
<https://banningca.gov/DocumentCenter/View/7627/Attachment-2-Sun-Lakes-Blvd-TUMF-Agreement>

Approved by:



Douglas Schulze
City Manager



CITY OF BANNING CITY COUNCIL REPORT

TO: CITY COUNCIL

FROM: Douglas Schulze, City Manager

PREPARED BY: Art Vela, Director of Public Works
Kevin Sin, Senior Civil Engineer

MEETING DATE: July 14, 2020

SUBJECT: Accept the Easements from Banning Industrial, L.P. for Water Utility Purposes on Assessor's Parcel Numbers 532-130-001 and 532-130-002 for the Maintenance of the City Owned Water System

RECOMMENDED ACTION:

Accepting two easements from Banning Industrial, L.P. for water utility purposes on Assessor's Parcel Numbers 532-130-001 and 532-130-002 for the maintenance of the City owned water system.

BACKGROUND:

The property owner, Banning Industrial, L.P. submitted an application to construct a one million square foot warehouse building at the site just north of the airport. As part of the Conditions of Approval for the project, the owner is required to provide the City the necessary easements for the maintenance of the City owned water system.

JUSTIFICATION:

It is necessary to obtain the easements in order for the City to access and provide maintenance for the City owned water system including water mains and meters.

FISCAL IMPACT:

There is no fiscal impact associated with these two easements acceptance.

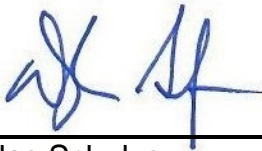
OPTIONS:

1. Approve as recommended.
2. Do not approve and provide alternative direction.

ATTACHMENTS:

1. Easements
 - a. <https://banningca.gov/DocumentCenter/View/7631/Attachment-1A---Easement---Water-Utility-Purposes>
 - b. <https://banningca.gov/DocumentCenter/View/7632/Attachment-1B---Easement--Water-Utility-Purposes>
2. Certificates of Acceptance
 - a. <https://banningca.gov/DocumentCenter/View/7629/Attachment-2A---Certificate-of-Acceptance>
 - b. <https://banningca.gov/DocumentCenter/View/7630/Attachment-2B---Certificate-of-Acceptance>

Approved by:



Douglas Schulze
City Manager



**CITY OF BANNING
CITY COUNCIL REPORT/ PUBLIC HEARING**

TO: CITY COUNCIL

FROM: Douglas Schulze, City Manager

PREPARED BY: Art Vela, Director of Public Works/City Engineer

MEETING DATE: July 14, 2020

SUBJECT: Resolution 2020-92, Confirming the Levy and Collection of Assessments within the City of Banning's Landscape Maintenance District No. 1 for Fiscal Year 2020/2021

RECOMMENDED ACTION:

Staff recommends that the City Council adopt Resolution 2020-92:

1. That the City Council adopt Resolution 2020-92, Confirming the Levy and Collection of Assessments within the City of Banning's Landscape Maintenance District (LMD) No. 1 for Fiscal Year 2020/2021 pursuant to the provisions of Part 2 of Division 15 of the California Streets and Highways Code.
2. Authorize and direct the City Clerk to file the diagram and assessment with the Riverside County Assessor/County Clerk-Recorder's Office.

BACKGROUND:

In accordance with the "Landscaping and Lighting Act of 1972" ("1972 Act") of the Streets and Highways Code, the City Council adopted a resolution on August 14, 1990 ordering the formation of LMD No. 1, ("the District"). An additional five tracts and three tentative tracts were annexed (Annexation No. 1) into LMD No. 1 when the City Council approved Resolution 2005-36 on May 10, 2005. A map displaying LMD No. 1 is shown as Attachment 2. On February 25, 2020 the City Council approved Resolution No. 2020-26, initiating proceedings for the fiscal year update of LMD No. 1 and ordering the City Engineer to prepare and to file a report in accordance with the 1972 Act. The District, by special benefit assessments, provides funding for the operation and maintenance of certain landscape areas within the City of Banning, all of which were constructed as part of private development projects and all of which are located in the public right-of-way and/or city owned property. The 1972 Act requires that assessments be levied according to benefit rather than according to assessed value.

Subsequently, on April 14, 2020, the City Council adopted Resolution No. 2020-45, approving the Engineer's Report. Resolution 2020-92, if approved, will confirm the

assessments for the Fiscal Year 2020/2021. The schedule updating LMD No. 1 is shown as Attachment 3, and the Notice of Public Hearing is shown on Attachment 4.

A professional services contract was awarded to Webb Municipal Finance, LLC at the April 9, 2019 City Council meeting. They analyzed the existing LMD No. 1 structure, prepared a financial analysis, determined the proper zones and assessment amounts for each tract in order to assure the LMD No.1 is operated with a balanced budget. On January 14, 2020, the City Council approved the "Financial Analysis, Redevelopment, and Proposition 218 Report" prepared by Webb Municipal Finance, LLC. The consultant prepared a detailed analysis and budget for all the existing tracts within the LMD and recommended that the LMD be rezoned in a manner that allows for each tract to pay only for benefits that it is receiving. Thus, ten (10) new Zones were developed to better reflect each tract's unique expenses and revenues and benefits bestowed to its' property owners residing within the Zone, as shown in Attachment 2, the LMD No.1 map. Additionally, the Report analyzed the entire operating budget showing that expenditures are greater than revenues and thus options for property owners to consider for a Proposition 218 vote, in order to increase the level of service through increased assessments, were presented to the community. Webb Municipal Finance, LLC had intended to prepare a "Proposition 218" Engineer's Report that will present the new escalated Assessment Unit rates for each Zone to be reflected on the Proposition 218 Vote Card for each Zone. However, due to COVID-19 restrictions and the closing of public facilities, the Proposition 218 vote was postponed and will occur later this year.

The Annual Engineer's Report approved as part of Resolution 2020-45 lists the Assessment Unit (AU) rates and costs to be levied to the property owners within LMD No. 1 for FY 2020/2021.

JUSTIFICATION:

The City Council approved the formation of Landscape Maintenance District (LMD) No. 1 by adopting Resolution 1990-59 on August 14, 1990. The adoption of this Resolution will enable the City of Banning to assess the property owners located within LMD No. 1 to provide for the funding required to maintain landscape areas located within the public right-of-way directly benefiting said property owners.

FISCAL IMPACT:

Based on the proposed assessments in the Engineer's Report, the estimated revenues for Fiscal Year 2020/21 for LMD No. 1 will be approximately \$139,912, with the 3.03% CPI increase applied to the existing tracts annexed into the LMD in 2005: Tracts 28252, 30793, 31833, 31834, 31835 and 30906. If approved, the annual assessment for a single-family dwelling in these Zones would increase from the current rate of \$210.38, to \$216.69.

The estimated expenses are \$152,000, a shortfall of approximately \$12,000 which will be covered by the LMD fund balance, currently at \$203,783. The assessment revenues

will fund the landscape maintenance contract, electric and water utility costs, administrative costs and miscellaneous costs (printing, advertisement, etc.).

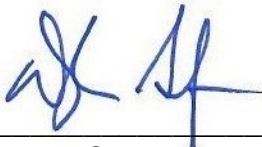
ALTERNATIVE:

The City Council may reject Resolution No. 2020-92, which would result in staff not continuing with the process of assessing the homeowners and properties within LMD No. 1 a fee to pay for operation and maintenance costs. Expenses funded by the fee currently include the landscape maintenance contractor, utility costs (water and electric), administrative costs, and miscellaneous costs. Without an assessment, other funding sources would have to be utilized to pay for the expenses related to the operation and maintenance of LMD No.1.

ATTACHMENTS:

1. Resolution 2020-92 <https://banningca.gov/DocumentCenter/View/7621/Attach-1-Resolution-Confirming-the-levy-and-Public-Hearing>
2. LMD No. 1 Map for FY 2020/21
<https://banningca.gov/DocumentCenter/View/7622/Attach-2-LMD-1-Map>
3. Tentative Schedule for Updating LMD No. 1
<https://banningca.gov/DocumentCenter/View/7623/Attach-3-Tentative-Schedule-for-Updating-Landscape-Maintenance-District-No-1-FY-20-21>
4. LMD No. 1 Assessments/Public Hearing Publication
<https://banningca.gov/DocumentCenter/View/7619/Attach-4-Ad-for-Public-Hearing-published-in-Record-Gazette-on-6262020->
5. LMD No. 1 Assessments
<https://banningca.gov/DocumentCenter/View/7620/Attach-5-Landscape-Maintenance-District-No-1-Tracts-and-Assessments-for-Fiscal-Year-2020-2021>

Approved by:



Douglas Schulze
City Manager

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**CITY OF BANNING
CITY COUNCIL REPORT**

TO: CITY COUNCIL

FROM: Douglas Schulze, City Manager

PREPARED BY: Ralph Wright, Parks and Recreation Director

MEETING DATE: June 23, 2020

SUBJECT: Adopt Resolution 2020-78, Approving the Renewal of the Landscape Maintenance Contract for City Parks with Z&T Ventures, Inc. dba Service Scape of Alta Loma, California for Fiscal Year 2020/2021 in the not too exceed amount of \$49,095.20

RECOMMENDED ACTION:

Staff recommends that the City Council adopt Resolution 2020-78:

1. Approving renewal of an Agreement with Z&T Ventures, Inc., dba Service Scape of Alta Loma, California in the amount “not to exceed” \$49,095.20 for the remainder of the available contract term through February 28, 2021.
2. Authorizing the Administrative Services Director to make necessary budget adjustments, appropriations and transfers related to the Agreement.
3. Authorizing the City Manager to execute the Amendment No. 3 to the Agreement with Z & T Ventures, Inc. dba Service Scape of Alta Loma, California for the remainder of available contract term, through February 2021.

BACKGROUND:

In 2017, the City transitioned the Parks Maintenance Division (“Parks”) from the Public Works Department to the Community Services Department. Part of the transition process included a reorganization of the Streets Maintenance Division (“Streets”) and Parks, which included the transferring of City staff from Parks to Streets.

In order to continue maintaining the City’s parks in a cost effective and efficient manner, staff determined that the City would benefit from hiring a landscape maintenance contractor to complete routine landscape maintenance tasks such as mowing, trimming and edging. Subsequently, on October 13, 2017 staff solicited proposals through Planet Bids from qualified companies to provide landscape maintenance services for City

owned parks. The Invitation to Bid (IFB) went to 250 external vendors and 10 City of Banning vendors.

The scope of work includes:

- Turf management – once a week mowing of all turf areas in designated park; once a year aeration of all turf areas, over-seeding turf areas annually. Application of weed abatement product as necessary to reduce weed growth within turf areas.
- Edging of turf border areas, string trimming around all trees, irrigation boxes, wooden posts etc.
- Planter bed management including the weeding of the ground area and proper pruning of shrubs and plants.
- Skirting and pruning of trees.

The parks included in the scope of the contract include:

- Lions Park
- Sylvan Park
- Dysart Park
- Roosevelt Williams Park
- Replier Park (Not the Aquatic Center or Community Center turf and planter areas-These areas covered by a separate contract)

As a result, the Council approved the award of the contract for landscape maintenance services of City Park to Z&T Ventures, Inc., dba Service Scape for “not to exceed” the amount of \$39,270 for the remainder of Fiscal Year 2017/2018 (5 month period) with the option to renew for an additional three single years upon satisfactory annual review of provided services and subject to the consideration of a consumer price index increase.

On June 26, 2018, the City Council adopted Resolution No. 2018-62, authorizing renewal of the contract for the first one-year additional period. Amendment No. 1 to the Agreement was executed and dated July 1, 2018, to effectuate that extension for the period of July 1, 2018 through June 30, 2019.

On July 9, 2019, the City Council adopted Resolution No. 2019-91, authorizing renewal of the contract for the second one-year additional period. Amendment No. 2 to the Agreement was executed and dated July 9, 2019, to effectuate that extension for the period of July 1, 2019 through June 30, 2020.

The City Council is asked to authorize the third renewal for FY 2020/2021 and to approve Amendment No. 3 to the Agreement from July 1, 2020 through February 28, 2021.

CURRENT SITUATION:

Currently, the Park's Division includes two full time maintenance workers and the equivalent of 1 FTE Rec Leader hours to perform all non-routine parks maintenance work on irrigation, cleaning of restrooms, trash management, open space and non-improved weed abatement, playground and amenity prep and maintenance, ball field preparation and maintenance, graffiti abatement, event set-up and small and large park projects. This staffing level is considerably below the park metric of 1 FTE per 10 acres of park and open space area and the continuation of the contractor's services are required to maintain the parks at their current level.

With the current staffing level of the Park's Division, the routine maintenance performed by the contractor cannot be absorbed if the contract was not renewed. For the Park's Division to take these responsibilities in house would require a minimum of one additional full-time maintenance worker and the purchase or lease of a large mower. The costs of the additional labor and equipment is significantly more than the extension amount of the proposed contract extension with Z & T Ventures, Inc.

This is the third and final renewal available under the original contract as the original contract allowed for a total of no more than three years. This extension would go through February of 2021 and Staff intends to issue a new Invitation for Bid for landscape maintenance services prior to the contract expiration. It is anticipated that the initial bid process through award for a new contract will be between 4 to 6 months.

JUSTIFICATION:

The award of an agreement to Z&T Ventures Inc., dba Service Scape will ensure that the City Parks included in the agreement continue to be maintained at the current level. The one-year renewal includes a 1.75% increase based on CPI, which results in an increase of \$105.55 per month or \$1,266.60 for the contract period.

FISCAL IMPACT:

The needed funding for the landscape maintenance agreement is included in the 2020/2021 budget in the General Fund to Account No. 001-3600-461.23-29 (Landscape Maintenance) in the amount of \$81,000.

OPTIONS:

1. Approve as recommended
2. Do not approve and provide alternative direction

ATTACHMENTS:

1. Resolution 2020-78
<https://banningca.gov/DocumentCenter/View/7608/Attachment-1---Resolution-2020-78-Service-Scape>
2. Original Contract Services Agreement
<https://banningca.gov/DocumentCenter/View/7609/Attachment-2---Service-Scape-Agreement>
3. Scope of Work <https://banningca.gov/DocumentCenter/View/7610/Attachment-3--Scope-of-Work-Service-Scape-contract>
4. Resolution 2018-12 (Original Agreement)
<https://banningca.gov/DocumentCenter/View/7612/Attachment-5---Resolution-2018-12>
5. Resolution 2018-62 (1st Renewal)
<https://banningca.gov/DocumentCenter/View/7611/Attachment-4---Resolution-2018-62>
6. Resolution 2019-91 (2nd Renewal)
<https://banningca.gov/DocumentCenter/View/7606/Attachment-6---Resolution-2019-91>
7. Amendment No. 3
<https://banningca.gov/DocumentCenter/View/7607/Attachment-7---Amendment-No-3>

Approved by:



Douglas Schulze
City Manager



CITY OF BANNING CITY COUNCIL REPORT

TO: CITY COUNCIL

FROM: Douglas Schulze, City Manager

PREPARED BY: Tom Miller, Electric Utility Director
Kevin G. Ennis, City Attorney
Robin Harris, City Attorney's Office

MEETING DATE: July 14, 2020

SUBJECT: Banning Electric Utility (BEU) - Economic Development Policy
and Adoption of Resolution 2020-68 Approving that Policy

RECOMMENDED ACTION:

Staff respectfully requests that the City Council:

1. Adopt Resolution 2020-68, approving "Electric Utility Involvement in Economic Development" Policy ("Policy").
2. Direct the City Manager, the Electric Utility Director, and key staff to engage in economic development programs and activities in accordance with the Policy.
3. Direct the City Clerk to include the Policy in the City's and Banning Electric Utility's records and administrative policies.

BACKGROUND:

The City of Banning owns and operates Banning Electric Utility (BEU), a retail electrical energy distribution system, and has an obligation to serve load to end-use customers in BEU's assigned area of service. The City Council believes that it is crucial to the economic well-being of the City to be able to continue to provide BEU's ratepayers a reliable source of electricity at reasonable rates. Leveraging BEU resources to design, execute, and monitor economic development programs and activities will assist the City to provide electricity at reasonable rates. Undertaking such economic development programs and activities is essential to the City's ability to attract, retain, and expand businesses within BEU's assigned area of service. Adding business customers, retaining business customers, and increasing the electricity demands of existing business customers improves the system load factor and promotes load diversification. This allows the fixed costs of the utility to be distributed among a greater number of customers without the need to expand the system, thereby keeping rates reasonable.

Staff has prepared the "Electric Utility Involvement in Economic Development" Policy ("Policy") attached to Resolution 2020-68. By adopting this Policy, the City Council will

authorize the City Manager and the BEU Director to work together to leverage BEU revenues to design, execute, and monitor economic development programs and activities. The Policy describes the purpose and objectives of economic development, and includes required objectives and elements for economic development programs and economic development rates. The Policy also provides guidelines and tools intended to carry out the economic development goals of the Policy.

As explained in the Policy, economic development programs and activities that are funded with revenues from the City's electric utility service charge (ratepayer revenues) and economic development rates (discounted rates) must meet certain objective and required elements set forth in the Policy. In addition, economic development programs and activities that leverage BEU revenues without using ratepayer revenues (for example, cap and trade proceeds and grants) may advance and support the City's broader strategies and efforts for encouraging economic development to strengthen the overall economic well-being of the City and improve the quality of life through the creation of jobs and the growth of tax revenues.

FISCAL IMPACT:

The City Council authorizes BEU to budget for a reasonable amount of economic development programs and activities in order to achieve measurable results in improved electric revenues. On a bi-annual basis, BEU will determine the amount of financial support that will be available for all BEU economic development programs and activities. Applications for assistance will be taken on a first-come first-served basis until budget limitations are encumbered.

OPTIONS:

1. Approve as recommended.
2. Approve with modifications.
3. Do not approve and provide alternative direction.

ATTACHMENTS:

1. Resolution 2020-68 <https://banningca.gov/DocumentCenter/View/7633/Resolution-2020-68-Approving-Economic-Development-Policy>
 - a. Exhibit A to Resolution 2020-68
<https://banningca.gov/DocumentCenter/View/7634/Banning-Policy-re-Economic-Development>

Approved by:



Douglas Schulze, City Manager



CITY OF BANNING CITY COUNCIL REPORT

TO: CITY COUNCIL

FROM: Douglas Schulze, City Manager

PREPARED BY: Thomas Miller, Electric Utility Director
James Wurtz, Economic Development Manager

MEETING DATE: July 14, 2020

SUBJECT: Resolution 2020-93, Approving the Agreement for Purchase and Sale and Escrow Instructions Between the City of Banning, as Buyer, and Shi Pingdong, as Seller, for Real Property located at 447 E. Ramsey Street (APN: 541-150-004)

RECOMMENDATION:

Staff recommends that the City Council adopt Resolution No. 2020-93, authorizing the City of Banning to purchase real property located at 447 E. Ramsey Banning CA, 92220 (APN No. 541-150-004), using Banning's Electric Utility Enterprise Funds, for the purpose of achieving economic development goals, as set forth in the City's "Electric Utility Involvement in Economic Development" policy.

BACKGROUND:

The City Council has a fundamental interest in promoting the community's well-being and prosperity and believes in investing in the future success of Banning through undertaking programs and activities to promote economic development. The City owns and operates Banning Electric Utility (BEU), a retail electrical energy distribution system, and has an obligation to serve load to end-use customers in an assigned area of service. The City Council believes that it is crucial to the economic well-being of the City to be able to continue to provide BEU's ratepayers a reliable source of electricity at reasonable rates. Leveraging BEU resources to design, execute, and monitor economic development programs and activities will assist the City to provide electricity to the ratepayers at reasonable rates. Undertaking economic development programs and activities is essential to the City's ability to attract, retain, and expand businesses in the City within BEU's assigned area of service. Adding business customers, retaining business customers, and increasing the electricity demands of existing business customers improves the system load factor and promotes load diversification, allowing the fixed costs of the utility to be distributed among a greater number of customers without the need to expand the system, for the benefit of the ratepayers.

Pursuant to its Resolution No. 2020-93, the City Council approved a policy regarding “Electric Utility Involvement in Economic Development” (the “Policy”), which sets forth guidelines and tools for leveraging BEU revenues to design, execute, and monitor economic development programs and activities, including elements and objectives that must be met when ratepayer funds are used for such programs and activities. One of the tools set forth in the Policy is the acquisition and disposition of real property for the purpose of economic development.

Shi Pingdong (the “Seller”) has agreed to sell to the City the property located at 447 E. Ramsey in the City and identified as APN 541-150-004 (the “Property”) for the purchase price of \$340,000, which is the fair market value of the Property as established pursuant to an appraisal. Staff recommends that the City Council purchase, and subsequently dispose of, the Property for the purpose of economic development in furtherance of and in accordance with the Policy in order to assist the City with providing electricity at reasonable rates.

CEQA:

The environmental effects of the acquisition of the Property were studied and analyzed pursuant to the California Environmental Quality Act (“CEQA”), Public Resources Code Section 21000 *et seq.*, and the CEQA Guidelines, 14 Cal. Code Regs. Section 15000 *et seq.* (“CEQA Guidelines”). Pursuant to Section 15332 (Infill Development Projects) of Article 19 (Categorical Exemptions) of the State CEQA Guidelines, City Staff found that the Property acquisition is exempt from CEQA because the further use and development of this site will be consistent with the General Plan and Zoning, the site is less than five acres, it is located within the City’s boundaries, the site has no value as habitat for endangered, rare or threatened species, the property is currently unutilized, and its acquisition by the City will not result in any significant effects related to traffic, noise, air quality or water quality. Resolution No. 2020-93 directs City staff to file a Notice of Exemption in connection with the acquisition of the Property.

FISCAL IMPACT:

The purchase price of the Property is \$340,000 plus escrow and title charges, which are estimated to not exceed \$5,000. Funds are to be sourced from Account 673-7000-473.90-01 of the BEU Enterprise Fund. The Property, once purchased, will be maintained as an asset of the BEU Fund and, upon disposition of the Property, the proceeds of the disposition will be deposited in the BEU Fund.

OPTIONS:

1. Approve as recommended.
2. Do not approve and provide alternative direction.

ATTACHMENTS:

1. Resolution 2020-93 <https://banningca.gov/DocumentCenter/View/7641/Resolution-2020-93---Acquisition-of-447-Ramsey>
2. Partially Executed Purchase and Sale Agreement
<https://banningca.gov/DocumentCenter/View/7642/Purchase-Contract-Owner-Signed>

Approved by:

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Douglas Schulze
City Manager

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CITY OF BANNING CITY COUNCIL REPORT

TO: CITY COUNCIL

FROM: Douglas Schulze, City Manager

MEETING DATE: July 14, 2020

SUBJECT: Waiver of Permit Fees for Banning Animal Shelter

RECOMMENDED ACTION:

A motion to authorize waiver of all permit fees related to improvements and repairs of the City of Banning Animal Shelter and directing the City Manager to prepare a resolution for City Council consideration at the August 25, 2020 meeting.

BACKGROUND:

The City Council has directed the City Manager to provide alternatives for animal control and sheltering services. Alternatives to the current contract with Riverside County Animal Control are likely limited to an in-house service, contract with a non-profit organization, or a combination of in-house animal control services with a non-profit operated animal shelter. Either alternative would involve maintenance, repair and improvements to the City-owned animal shelter facility on Charles Street.

A previous estimate for repairs and improvements to the Charles Street facility is just over \$700,000, including \$75,000 for design and \$105,000 for contingency. In addition, the cost estimate includes \$82,500 for an unneeded new kennel and many other costs that can be completed with volunteer work and through donations. At this point, the amount of permit fees has not been determined, but City Council support of the fee waiver is requested so work can proceed during the next few weeks to start working on volunteer efforts and donations.

Ideally, staff would prefer to have complete information and a resolution for City Council consideration, but timing of the proposal did not provide sufficient time for staff to complete the full review and detailed cost estimate. However, due to the cancellation of the July 28 and August 11 meetings, Council preliminary approval is requested at this time.

JUSTIFICATION:

Riverside County has substantially increased the contract cost to the City for animal control/shelter services. The cost of this service is unreasonable and the City simply cannot afford to pay such a large cost for animal control services. Operating costs can be supported by pet license fees, adoption fees, and fines with General Fund subsidies in an amount far less than the Riverside County contract costs. However, the animal shelter must be repaired and improvements completed before animal control services are established in-house. Permit fee waiver is a cost that can be considered as in-kind support when seeking funding through donations or grants and reduces overall project costs for taxpayers.

FISCAL IMPACT:

To be determined based on construction value of work completed.

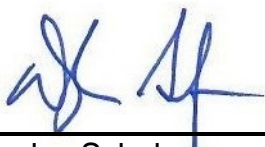
OPTIONS:

1. Approve as recommended.
2. Do not approve and provide alternative direction.

ATTACHMENTS:

None

Approved by:

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Douglas Schulze
City Manager



CITY OF BANNING CITY COUNCIL REPORT

TO: CITY COUNCIL

FROM: Douglas Schulze, City Manager

PREPARED BY: Kevin G. Ennis, City Attorney
Maricela E. Marroquin, Assistant City Attorney

MEETING DATE: July 14, 2020

SUBJECT: Resolution 2020-95 Providing for the Submission of a Ballot Argument by Councilmembers in Favor of the Cannabis Distribution Tax Measure Pursuant to Elections Code Section 9282

RECOMMENDED ACTION:

Staff recommends that the City Council:

1. Take one of the following actions:

(A) Designate the City Council (all five members) to draft, sign and submit the ballot argument in favor of the Cannabis Distribution Tax Measure; or

(B) Designate two Councilmembers to draft, sign and submit the ballot argument in favor of the Measure, authorize those Councilmembers to find and have up to three community members also sign the ballot argument and any rebuttal, but give priority to other Councilmembers to sign the argument over other community members if they so desire; and

2. Adopt Resolution 2020-95, a Resolution of the City Council of the City of Banning Providing for the Submission of a Ballot Argument by Council Members in Favor of the Cannabis Distribution Tax Measure pursuant to Elections Code Section 9282 (including the selection of one of two alternative Sections 3 to that Resolution).

BACKGROUND:

At its June 9, 2020 City Council meeting, the City Council voted to place a measure on November 2020 ballot to impose a tax on cannabis distribution facilities. At its June 23, 2020 meeting, the City Council held a public hearing and conducted a first reading of an ordinance regulating cannabis uses that would allow cannabis distribution facilities to

operate in the Industrial Zone in the City. The provisions of the cannabis ordinance pertaining to cannabis distribution facilities will only go into effect if the voters approve a tax on cannabis distribution facilities.

DISCUSSION:

The City Council has acted as a body to place the Cannabis Distribution Tax Measure on the November 3, 2020 ballot. Accordingly, Elections Code Section 9282 gives the City Council or any authorized member of the City Council priority in preparing and signing a ballot argument in favor of that Measure.

The Council is being asked today to make a choice as to how the ballot argument will be drafted and who will sign it. The argument is limited to 300 words. The deadline for filing an argument is August 17, 2020. Not more than five signatures may appear on the argument according to Elections Code Section 9283.

The City Council may authorize either: (1) the City Council as a whole (all five members) to draft and sign the argument, or (2) only two or more Councilmembers (but less than all five) to draft and sign the argument. If the Council elects to have the argument drafted and submitted by all five councilmembers, then two members can be tasked to prepare a draft of it and then bring it back to the full City Council at a Special Meeting for review and approval prior the August 17, 2020 deadline.

If, on the other hand, the City Council decides to have less than all members draft and sign the ballot argument in favor of the measure, then those members may be authorized to not only draft and sign it but to also submit the argument in favor of the measure to the City Clerk without further review or authorization of the City Council. Under this latter alternative, those two members can also be tasked with obtaining the support and signature of up to three other community members in favor of the ballot argument, while at the same time giving priority to the signatures of other Councilmembers who want to sign on to the ballot argument or rebuttal over the signatures of community members.

The draft Resolution attached has two alternative Sections 3 to reflect which choice the City Council makes in terms of the signatories to the ballot argument and rebuttal argument. As part of the motion to approve the Resolution, the City Council should select one of those two Section 3 options (Option A or Option B).

FISCAL IMPACT:

There is no fiscal impact associated with the preparation of the ballot argument.

ATTACHMENTS:

1. Resolution 2020-95
<https://banningca.gov/DocumentCenter/View/7600/Resolution---Cannabis-Distribution-Tax-Measure>

Approved by:

A handwritten signature in blue ink, appearing to read 'DS', is written over a horizontal line.

Douglas Schulze
City Manager