



CITY COUNCIL STAFF REPORT

DATE: December 3, 2008 PUBLIC HEARING

SUBJECT: FINAL SUPPLEMENTAL ENVIRONMENTAL IMPACT REPORT (FINAL SEIR) FOR THE SECTION 14 MASTER DEVELOPMENT PLAN/SPECIFIC PLAN

FROM: David H. Ready, City Manager

BY: Craig A. Ewing, AICP, Director of Planning Services

SUMMARY

The City Council will consider for certification Final SEIR for the Section 14 Master Development Plan/Specific Plan prepared pursuant to a Settlement Agreement in the Jane Smith v. City of Palm Springs litigation (Case No. INC 042895) ("Smith Litigation"). A draft Notice of Determination has been prepared for this action.

RECOMMENDATION:

1. Open the public hearing and receive public testimony.
2. Adopt Resolution No. _____ "A RESOLUTION OF THE CITY OF PALM SPRINGS, CALIFORNIA, CERTIFYING THE SUPPLEMENTAL EIR FOR THE SECTION 14 MASTER DEVELOPMENT PLAN/SPECIFIC PLAN."

PRIOR ACTIONS:

On March 31, 2004, the City of Palm Springs City Council approved the Section 14 Master Development Plan/Specific Plan and certified the Final Environmental Impact Report/Environmental Impact Statement ("EIR/EIS") for this project. The project and associated NEPA document were also approved by the Agua Caliente Tribe.

On December 6, 2005, subsequent to the City Council's certification of the Final EIR/EIS, the Desert Water Agency ("DWA"), which supplies water the Section 14, adopted an Urban Water Management Plan ("2005 UWMP"). The 2005 UWMP provides updated information on the ability of DWA's to supply future development within its service area, which includes Section 14 and almost the entire City of Palms Springs.

In addition, in July, 2007, the City entered into a Settlement Agreement with Dr. Jane Smith to resolve the case Smith Litigation. Pursuant to the Settlement Agreement, Dr. Smith agreed to dismiss her lawsuit against the City and the City agreed to prepare an SEIR to address the water supply issues related to the implementation of the Section 14 Specific Plan.

STAFF ANALYSIS:

In March 2004, the City of Palm Springs City Council approved the Section 14 Master Development Plan/Specific Plan and certified the EIR/EIS. Section 14 is part of the Agua Caliente Tribe Reservation, which is bounded by Ramon Road on the south, Alejo Road on the north, N. Sunrise Way on the east and N. Indian Canyon Way on the west.

In May, 2004, Dr. Jane Smith filed a lawsuit against the City alleging that the City failed to comply with the California Environmental Quality Act ("CEQA") and the California Water Code when it approved the Master Development Plan/Specific Plan and certified the Final EIR/EIS. The primary allegation in the lawsuit was that the Final EIR/EIS did not adequately address the Master Development Plan/Specific Plan's impact on water supply.

In July, 2007, the City and Dr. Smith entered into a Settlement Agreement whereby the City agreed to prepare a Supplemental EIR ("SEIR") that reanalyzed the Master Development Plan/Specific Plan's impact on water supply. In accordance with the Settlement Agreement, City staff retained Terra Nova, an environmental consulting firm, to prepare the SEIR and a Water Supply Study ("WSS") to assess the adequacy of water supply sources to serve build-out of the Master Development Plan/Specific Plan. As the documents discuss in more detail, in 2005 and subsequent to the City Council's certification of the Final Environmental Impact Report/Environmental Impact Statement, the Desert Water Agency adopted the 2005 UWMP.

The 2005 UWMP provides updated information on the ability of Desert Water Agency to supply water to future development within its service area, which includes Section 14 and almost the entire City of Palms Springs. Therefore, Terra Nova and the City have the benefit of a recent and comprehensive Urban Water Management that was adopted by the water purveyor for Section 14, for purposes of conducting its analysis of water supply impacts.

Based on the 2005 UWMP and additional research and analysis, Terra Nova was able to quantify the potential impacts of Section 14 buildout on reasonably available water resources. Terra Nova's findings are included in the WSS, which was attached as an appendix to the SEIR. The SEIR relies upon the technical analysis provided in WSS and other information in the record of proceedings, including the technical reports and analysis that were reviewed and relied upon when compiling the WSS.

This information provides the basis for the conclusion regarding the adequacy and reliability of water supply sources to serve build-out of Section 14 pursuant to the Master Development Plan/Specific Plan. The SEIR determined that adequate water

resources exist to accommodate future development within Section 14 and elsewhere in the DWA service area.

The City prepared the SEIR to "supplement" and bolster the EIR/EIS' analysis of water resources impacts. The purpose of the SEIR is mainly to disclose additional information about the Specific Plan's water supply based on the most recent and up to date water resource data, including the 2005 UWMP. The SEIR also includes a brief discussion of the other environmental resources that were analyzed in the 2004 FEIR/EIS, but require no further analysis.

Existing Conditions

The Coachella Valley groundwater basin is a northwest-southeast trending sub-surface aquifer covering approximately 400 square miles, which generally extends from the community of Whitewater on the northwest to the Salton Sea on the southeast. The groundwater basin is bounded by the non-waterbearing rocks of the San Bernardino and Little San Bernardino Mountains on the north and northeast, and the San Jacinto and Santa Rosa Mountains on the south and southwest. Although the sediment fill is estimated to be approximately 20,000 feet thick, the water-yielding section extends only to depths of a few thousand feet. The total estimated groundwater storage capacity within the first 1,000 feet of the basin is approximately 36.5 million acre-feet.

Demand for water in the Palm Springs Subarea, which is the basin serving Section 14 and most of the DWA service area, comes from both residential and commercial needs, and cannot be satisfied through local surface and groundwater supplies alone. Therefore, in order to assure an adequate supply of water and prevent adverse impacts associated with the depletion of groundwater reserves in the Palm Springs Subarea and throughout the Coachella Valley, a groundwater replenishment program has been implemented.

Artificial groundwater replenishment began in the Upper Whitewater River Subbasin in 1973 and continues today, primarily through the import of surface water. The surface water replenishment program uses imported supplemental water from the Colorado River aqueduct in exchange for the DWA and CVWD contract entitlements for State Water Project ("SWP") water. In the Final SEIR's responses to comments, it is noted that, notwithstanding recent litigation that has required reduced SWP deliveries, DWA and CVWD SWP entitlements represent only a portion of its water supply sources.

The Final SEIR ultimately concludes that despite potential reductions in SWP deliveries, DWA's water supply, which includes the groundwater basin, would still be adequate to serve the Master Development Plan/Specific Plan development. Limited additional artificial recharge is from the release of treated wastewater to spreading ponds and non-consumptive return of irrigation water.

However, demand has frequently exceeded the recharged supply throughout the Coachella Valley over the past few decades. The cumulative effect has reduced the total estimated groundwater in storage in the Coachella Valley groundwater basin from 36.5 million acre-feet to approximately 31 million acre-feet. Over this same time period

the Palm Springs Subarea has experienced a net reduction in water storage of approximately 220,000 acre-feet, leaving a current estimate of water in storage in the Palm Springs Subarea at approximately 4.38 million acre-feet. To address overdraft, water districts and cities throughout the Coachella Valley are implementing a number of more stringent conservation requirements, including requiring higher water use fees, and increasing the use of alternative water sources and recycled water. These measures are aimed at bringing water demand and supply into balance. Desert Water Agency is a leader in this effort.

Project Impacts

Analysis of the Desert Water Agency's actual Section 14 consumption records over the past five years shows that existing consumption has reached 1,540 acre-feet per year. The Final SEIR calculated that the remaining development potential within Section 14 would result in an additional annual demand of 590 acre-feet (if 45 acres of development within Section 14, which has been approved since the Council adopted the Master Development Plan/Specific Plan, are excluded) or 739 acre-feet of water (if this development is included in the demand estimate).

In order to provide a range of future water supply projections three water supply scenarios were analyzed, consistent with the methodology used to prepare Water Supply Assessments and Verifications as defined by Senate Bills 610 and 221, respectively. Under all scenarios, the SEIR and WSS concluded that the Master Development Plan/Specific Plan's water demand could be accommodated.

The subject analysis also included a review of the 2005 UWMP, the 2007 California Department of Water Resources estimate of future SWP deliveries, and a reduced water supply scenario that provides a conservative estimate of future water deliveries based on the potential outcome of recent federal water resource litigation.

Desert Water Agency's Urban Water Management Plan

The 2005 UWMP was based upon an assumed consistent annual delivery of approximately 65% of its SWP allocation. This compares to the actual 20-year historic annual average delivery of approximately 87% of SWP allocation. The Desert Water Agency assumed a more conservative long-term delivery scenario despite the historically higher annual deliveries. Assuming Section 14 is built-out over the next 20 years, Section 14's total annual use would represent approximately 3% of the Desert Water Agency's annual estimated demand.

The 2005 UWMP "normal water year" supply/demand analysis results in a net benefit (inflow) to the Palm Springs Subarea basin of approximately 60,000 acre-feet by 2030, substantially adding to groundwater in storage. Under the worst-case "multi-dry years scenario", the 20-year model projects a net decrease of groundwater in storage of approximately 74,100 acre-feet. As a result, the amount of water that would remain in storage in the Palm Springs Subarea at the end of the 20-year modeled period would range from approximately 4.28 to 4.44 million acre-feet.

Current SWP Delivery Projections

To arrest the existing overdraft condition of the groundwater basin, DWA injects into the groundwater basin Colorado River water that is exchanged with the Metropolitan Water District for DWA's SWP entitlement. Accordingly, the amount of Colorado River water to inject into the groundwater basin depends on DWA's SWP allocation that fluctuates in any given year.

As the SEIR addresses in more detail, recent court cases have affected the deliveries of SWP water to its contractors, including the Desert Water Agency. In December 2007, the State Department of Water Resources provided estimates of SWP delivery reliability analysis and has indicated to SWP contractors that they can safely assume a long term delivery average of 66% of their allocations notwithstanding the more dramatic recent reductions that have occurred as a result of the litigation.

Utilizing these SWP projections, the 20-year supply/demand model for the Desert Water Agency's service area was run for several supply scenarios. In order to provide an even more conservative analysis for each of these projections, the analysis assumes that, in the first year of the 20-year model the Desert Water Agency will receive 35% of its allocation of SWP water, followed by four years at 50% of its allocation, and 66% of its allocation for the remaining years of the modeled period.

Mitigation Measures

The 2005 UWMP assumes continuing new development and growth in water demand. The Master Development Plan/ Specific Plan is one of several development areas throughout Palm Springs that were accounted for in Desert Water Agency's existing and future demand estimates. The 2005 UWMP has also planned for potential reductions in SWP deliveries through increased conservation requirements, increased use of recycled water and purchase of additional water supplies.

In addition, the Section 14 Specific Plan includes design standards and guidelines that help Desert Water Agency increase water conservation and reduce consumption. Development in Section 14 will continue to adhere to existing and future conservation measures, and the project will be required to incorporate the latest water conservation technology to minimize water use. All development within Section 14 will be connected to the municipal sewer system and wastewater will be collected and recycled. Development within the Section 14 Specific Plan will also be required to pay fees to Desert Water Agency for the purpose of buying additional supplies of water for importation into the basin. These combined actions will assure that any impacts of the Section 14 Specific Plan on the groundwater basin will be less than significant.

Alternatives

Three alternatives to the Master Development Plan/Specific Plan were evaluated in the EIR/EIS. The EIR/EIS analyzed a General Plan/no project alternative, a more intense alternative, and a less intense alternative. Moreover, the City Council previously rejected these alternatives when it approved the Master Development Plan/Specific Plan in 2004. The Final SEIR (Section V.) reviews each of these previously analyzed

alternatives and updates the prior analysis based on the updated analysis of water supply impacts.

The primary differences between these previously analyzed alternatives are the location and intensity of commercial and residential development within Section 14. The only alternative that could substantially lessen the water demand of the Master Development Plan/Specific Plan is the less intense alternative. However, this alternative did and still does not meet the primary objective of the Specific Plan, which is to provide a framework for future development within Section 14 that will promote economic self-sufficiency for the members of the Tribe, while supporting development of tribal government and infrastructure.

In addition to the previously analyzed alternatives, the Final SEIR analyzed an alternative site alternative, which generally contemplates the development of an approximately 200 acre master plan on Indian lands located north of the I-10 as opposed to Section 14. However, as noted in the Final SEIR, the "more exposed nature of these lands and increased sand and wind make such an alternative impractical." Moreover, the development of an equivalent project at an alternative site does not substantially lessen or avoid water supply impacts.

Summary of Analysis

Build-out of the Section 14 Specific Plan will not have a significant direct, indirect or cumulative impact on local water supplies or the Desert Water Agency's ability to provide domestic water to Palm Springs' Section 14, or the rest of its service area. The various supply/demand analyses in the Final SEIR and associated Water Supply Study clearly indicate that a safe and reliable range of resources for domestic water will be available for the next 20 years and beyond. The certification of the subject Final SEIR will satisfy the requirements set forth in the Settlement Agreement associated with this project.

Environmental Review

Pursuant to the Settlement Agreement, the Final SEIR focused on the availability of water supplies to serve the Master Development Plan/Specific Plan. That study concluded that adequate water supplies do and will exist to serve Section 14 and other development in the DWA service area. The project's potential water demand will also be minimized through the implementation of mitigation measures set forth in the Final SEIR. Potentially significant environmental impacts resulting from this project will be reduced to a level of insignificance.

Fiscal Impact

No fiscal impact has been identified.

Findings of Fact

Staff requests that the City make the following findings, as they are also set forth in the attached resolution, certifying the Section 14 SEIR:

1. That the SEIR has been prepared and processed in compliance with the State CEQA Guidelines and the City's implementation procedures and reflects the City's independent judgment and analysis. The City Council has independently reviewed and considered the information contained in the EIR/EIS as revised by the SEIR and finds that it adequately describes and addresses the environmental effects of the Section 14 Master Development Plan/Specific Plan.
2. That the City determined, based on the circumstances set forth in Public Resources Code §21166 and 14 Cal. Code of Regulations §15162, that a Subsequent EIR was not required; however, the City determined that a "Supplement" to the Section 14 Master Development Plan/Specific Plan Final Environmental Impact Report/Environmental Impact Statement ("EIR/EIS") was required to update and expand the analysis of the Section 14 Master Development Plan/Specific Plan's impact on water resources. The SEIR concluded that the EIR/EIS adequately assessed the Section 14 Master Development Plan/Specific Plan's impact on all other environmental resources.
3. Based upon the SEIR, the comments received thereon, and the entire record of proceeding relating to the SEIR and the Section 14 Master Development Plan/Specific Plan update,, the City Council finds as follows:

WATER SUPPLY

(1) Facts:

a. The SEIR analyzes water supply impacts in Section III. As noted in the SEIR, DWA presently relies on multiple water supply sources to serve water demand within its service area. These supplies include, underlying groundwater from the Palm Springs Subarea of the Upper Whitewater River Subbasin, surface water, imported Colorado River water pursuant to an Agreement with Metropolitan Water District to exchange DWA's State Water Project allocation, and recycled water.

b. Regarding the local groundwater supply, in 1964 the California Department of Water Resources estimated that the Palm Springs Subarea had approximately 4.4 million acre-feet of water in storage. Since the Department of Water Resources' estimate approximately 50 years ago, demand has exceeded the recharged supply in the Palm Springs Subarea and has resulted in a net reduction in water storage of approximately 220,000 acre-feet, leaving a current estimate of approximately 4.18 million acre-feet of water in storage in the Subarea.

c. Build-out of the Master Development Plan/Specific Plan would result in an additional annual demand of 590 acre-feet (if 45 acres of development within Section 14, which has been approved since the Council adopted the Master Development Plan/Specific Plan, are excluded) or 739 acre-feet of water (if this development is included in the demand estimate).

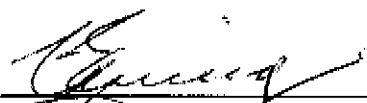
d. The SEIR and the Water Supply Study conclude that DWA's has sufficient water supplies to serve this additional demand through at least 2030. The SEIR and WSS analyzed several different scenarios, ranging from a normal water year scenario to single and multiple dry year scenarios. Under each of these scenarios, the SEIR and WSS concluded that sufficient water supplies to serve build-out of the Master Development Plan/Specific Plan. The SEIR and WSS also utilized different assumptions regarding the availability of State Water Project in light of recent developments that resulted in across reductions of State Water Project water. Even under the most conservative scenarios that assume significantly less State Water Project water than has historically been allocated to DWA, DWA would have an adequate overall water supply to accommodate future demand within its service area, including Section 14.

e. The SEIR also includes a comprehensive discussion regarding the significant water conservation measures that DWA, CVWD, and the City implement that will further reduce water demand in Section 14 and throughout the City and DWA service area. (See SEIR, Section III.C) In addition, the SEIR identifies general conservation measures that shall be imposed on all future development within Master Development Plan/Specific Plan area. Collectively, these regulations and mitigation measures will further reduce demand on water resources and minimize impacts. The mitigation measures identified in the SEIR have been incorporated into the Section 14 Master Development Plan/Specific Plan pursuant to the adopted Mitigation Monitoring and Reporting Program.


(2) Finding:

- a. The Master Development Plan/Specific Plan would have a less than significant impact on water supply. Nonetheless, the SEIR identifies additional mitigation measures that will further reduce water supply impacts and these measures are hereby adopted.
4. The Project will not be detrimental to the health, safety, or general welfare of the community, either indirectly, or directly, in that no significant unmitigated impacts were identified in the subject SEIR.
 5. The Project will not have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife population to drop below self sustaining levels, threaten to eliminate a plant or animal community, reduce the number, or restrict the range of, rare or endangered plants or animals or eliminate important examples of the major periods of California history, or prehistory.
 6. There is no evidence before the City that the Project will have the potential for an adverse effect on wildlife resources or the habitat on which the wildlife depends.

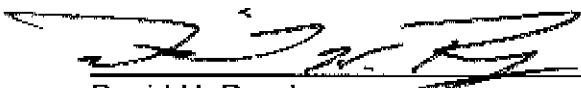
7. The Project does not have the potential to achieve short-term environmental goals, to the disadvantage of long-term environmental goals, as no significant effects on environmental factors have been identified by the SEIR.
8. The Project will not result in impacts, which are individually limited or cumulatively considerable when considering planned or proposed development in the immediate vicinity, as development patterns in the area will not be significantly affected by the Project.
9. The Project will not have environmental effects that will adversely affect the human population, either directly or indirectly, as no significant unmitigated impacts have been identified which would affect human health, risk potential or public services.
10. The City Council has fully considered the Final SEIR and the comments received thereon.
11. The Final SEIR reflects the independent judgment and analysis of the City Council.
12. The location of the documents which constitute the record of proceedings upon which the City Council decision is based upon is in the Palm Springs City Hall, Development Services Department, 3200 East Tahquitz Way, Palm Springs, CA 92262.
13. A Mitigation Monitoring Program (MMP), which is incorporated in the Final SEIR, is hereby adopted pursuant to Public Resources Code § 21081.6 in order to assure compliance with the mitigation measures during Project implementation.



Craig A. Ewing, MCP
Director of Planning Services



Thomas Wilson
Assistant City Manager, Dev't Services



David H. Ready,
City Manager

Attachments:

1. Draft/Final Supplemental EIR for Section 14 Specific Plan
2. Draft Resolution Certifying Section 14 Final SEIR

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM SPRINGS, CALIFORNIA CERTIFYING A SUPPLEMENTAL ENVIRONMENTAL IMPACTS REPORT FOR THE SECTION 14 MASTER DEVELOPMENT PLAN/SPECIFIC PLAN (CASE NO.: STATE CLEARINGHOUSE NO. 1997061005)

WHEREAS, on March 31, 2004, the City Council of the City of Palm Springs ("City") approved the Section 14 Master Development Plan/Specific Plan and certified the Final Environmental Impact Report/Environmental Impact Statement ("FEIR/EIS") for this project; and,

WHEREAS, on or about May 3, 2004, Dr. Jane Smith filed a Preemptory Writ of Mandate and Complaint for Declaratory and Injunctive Relief against the City challenging the City Council's approval of the Project and certification of the FEIR/EIS based on alleged violations of the California Environmental Quality Act, including, inter alia, alleged deficiencies in the FEIR/EIS' analysis of water supply impacts ("Section 14 Litigation"); and,

WHEREAS, on or about July, 2007, the City entered into a Settlement Agreement with Jane Smith to resolve the Section 14 Litigation, which included a requirement that the City conduct further review and analysis of the Master Development Plan/Specific Plan's impact of water supply in a Supplemental EIR ("SEIR"); and,

WHEREAS, in accordance with the Settlement Agreement, the City has prepared the SEIR to disclose additional information and analysis regarding the Master Development Plan/Specific Plan's impact of water supply; and,

WHEREAS, the City has prepared this SEIR in compliance with California Environmental Quality Act (CEQA) and the State CEQA Guidelines, California Code of Regulations, Title 14, Section 15000 et. seq., (CEQA Guidelines); and,

WHEREAS, in accordance with the Settlement Agreement, all appropriate notices relating to the Final SEIR have been published in the Desert Sun and sent to the Office of Neighborhood Involvement to ensure that Dr. Smith, members of the public, and other public agencies received notice of the SEIR and had an opportunity to review and consider the SEIR; and,

WHEREAS, on December 3, 2008, the City Council held a duly noticed public hearing to consider the approval and certification of the SEIR; and at which hearing the Council received and considered a staff report, associated documents, and public testimony both oral and written; and

WHEREAS, upon hearing and considering all testimony and arguments, if any, of all interested persons desiring to be heard, said City Council did make the following findings to certify said Final SEIR:

1. That the SEIR has been prepared and processed in compliance with the State CEQA Guidelines and the City's implementation procedures and reflects the City's independent judgment and analysis. The City Council has independently reviewed and considered the information contained in the EIR/EIS as revised by the SEIR and finds that it adequately describes and addresses the environmental effects of the Section 14 Master Development Plan/Specific Plan.
2. That the City determined, based on the circumstances set forth in Public Resources Code §21166 and 14 Cal. Code of Regulations §15162, that a Subsequent EIR was not required; however, the City determined that a "Supplement" to the Section 14 Master Development Plan/Specific Plan Final Environmental Impact Report/Environmental Impact Statement ("EIR/EIS") was required to update and expand the analysis of the Section 14 Master Development Plan/Specific Plan's impact on water resources. The SEIR concluded that the EIR/EIS adequately assessed the Section 14 Master Development Plan/Specific Plan's impact on all other environmental resources.
3. Based upon the SEIR, the comments received thereon, and the entire record of proceeding relating to the SEIR and the Section 14 Master Development Plan/Specific Plan update,, the City Council finds as follows:

WATER SUPPLY

(1) Facts:

a. The SEIR analyzes water supply impacts in Section III. As noted in the SEIR, DWA presently relies on multiple water supply sources to serve water demand within its service area. These supplies include, underlying groundwater from the Palm Springs Subarea of the Upper Whitewater River Subbasin, surface water, imported Colorado River water pursuant to an Agreement with Metropolitan Water District to exchange DWA's State Water Project allocation, and recycled water.

b. Regarding the local groundwater supply, in 1964 the California Department of Water Resources estimated that the Palm Springs Subarea had approximately 4.4 million acre-feet of water in storage. Since the Department of Water Resources' estimate approximately 50 years ago, demand has exceeded the recharged supply in the Palm Springs Subarea and has resulted in a net reduction in water storage of approximately 220,000 acre-feet, leaving a current estimate of approximately 4.18 million acre-feet of water in storage in the Subarea.

c. Build-out of the Master Development Plan/Specific Plan would result in an additional annual demand of 590 acre-feet (if 45 acres of development within

Section 14, which has been approved since the Council adopted the Master Development Plan/Specific Plan, are excluded) or 739 acre-feet of water (if this development is included in the demand estimate).

d. The SEIR and the Water Supply Study conclude that DWA's has sufficient water supplies to serve this additional demand through at least 2030. The SEIR and WSS analyzed several different scenarios, ranging from a normal water year scenario to single and multiple dry year scenarios. Under each of these scenarios, the SEIR and WSS concluded that sufficient water supplies to serve build-out of the Master Development Plan/Specific Plan. The SEIR and WSS also utilized different assumptions regarding the availability of State Water Project in light of recent developments that resulted in across reductions of State Water Project water. Even under the most conservative scenarios that assume significantly less State Water Project water than has historically been allocated to DWA, DWA would have an adequate overall water supply to accommodate future demand within its service area, including Section 14.

e. The SEIR also includes a comprehensive discussion regarding the significant water conservation measures that DWA, CVWD, and the City implement that will further reduce water demand in Section 14 and throughout the City and DWA service area. (See SEIR, Section III.C) In addition, the SEIR identifies general conservation measures that shall be imposed on all future development within Master Development Plan/Specific Plan area. Collectively, these regulations and mitigation measures will further reduce demand on water resources and minimize impacts. The mitigation measures identified in the SEIR have been incorporated into the Section 14 Master Development Plan/Specific Plan pursuant to the adopted Mitigation Monitoring and Reporting Program.

(2) Finding:

- a. The Master Development Plan/Specific Plan would have a less than significant impact on water supply. Nonetheless, the SEIR identifies additional mitigation measures that will further reduce water supply impacts and these measures are hereby adopted.4. The Project will not be detrimental to the health, safety, or general welfare of the community, either indirectly, or directly, in that no significant unmitigated impacts were identified in the subject SEIR.
5. The Project will not have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife population to drop below self sustaining levels, threaten to eliminate a plant or animal community, reduce the number, or restrict the range of, rare or endangered plants or animals or eliminate important examples of the major periods of California history, or prehistory.

6. There is no evidence before the City that the Project will have the potential for an adverse effect on wildlife resources or the habitat on which the wildlife depends.
7. The Project does not have the potential to achieve short-term environmental goals, to the disadvantage of long-term environmental goals, as no significant effects on environmental factors have been identified by the SEIR.
8. The Project will not result in impacts, which are individually limited or cumulatively considerable when considering planned or proposed development in the immediate vicinity, as development patterns in the area will not be significantly affected by the Project.
9. The Project will not have environmental effects that will adversely affect the human population, either directly or indirectly, as no significant unmitigated impacts have been identified which would affect human health, risk potential or public services.
10. The City Council has fully considered the Final SEIR and the comments received thereon.
11. The Final SEIR reflects the independent judgment and analysis of the City Council.
12. The location of the documents which constitute the record of proceedings upon which the City Council decision is based upon is in the Palm Springs City Hall, Development Services Department, 3200 East Tahquitz Way, Palm Springs, CA 92262.
13. A Mitigation Monitoring Program (MMP), which is incorporated in the Final SEIR, is hereby adopted pursuant to Public Resources Code § 21081.6 in order to assure compliance with the mitigation measures during Project implementation.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF PALM SPRINGS DOES HEREBY RESOLVE AS FOLLOWS:

1. That the above recitations are true and correct, and constitute the findings of the City Council for this Final SEIR.
2. That it does hereby certify a Final Supplemental Environmental Impact Report for the Section 14 Master Development Plan/Specific Plan for the reasons set forth in this Resolution and as stated in the Final SEIR, on file in the Development Services Department and attached hereto.

Resolution No. _____
Page 5

ADOPTED this 3rd day of December, 2008.

David H. Ready, City Manager

ATTEST:

James Thompson, City Clerk

CERTIFICATION

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss.
CITY OF PALM SPRINGS)

I, JAMES THOMPSON, City Clerk of the City of Palm Springs, hereby certify that Resolution No. _____ is a full, true and correct copy, and was duly adopted at a regular meeting of the City Council of the City of Palm Springs on _____, by the following vote:

- AYES:
- NOES:
- ABSENT:
- ABSTAIN:

James Thompson, City Clerk
City of Palm Springs, California

PUBLIC COMMENTS:

Chair Hochanadel opened Public Comments:

The following persons spoke in favor of Item 3A. Case 3.3297:

- Joy Meredith, Palm Springs, requested approval of the two year time extension.
- Norman Freedberg, Palm Springs, applicant for Case 3.3297 Item 3A, provided further details in reference to the length of years he's been in business, monthly testing of equipment and the types of clientele.

The following persons spoke in favor of Item 4C. Case 5.1218:

- Joy Meredith, Palm Springs, thanked the city for consideration of medical cannabis and requested approval.
- Lonny Swerdlow, Palm Springs, requested the use allowed in the business district and not limited to the M-1/M2 zone.
- Wes Rankins, Palm Springs, described his necessity to take many medications and the side-effects associated with them.
- Susan Smith, Banning, spoke of the difficulty for her to travel long distances to obtain medical cannabis and the advantage of closer location for her.
- Lydia Smith, Banning, explained her medical necessity to take medications and the numerous side effects associated with them.
- Roger Fisher, Desert Hot Springs, noted the benefits to the community and requested consideration to allow dispensaries in commercial areas.
- Mike Trevino, Palm Springs, spoke of his need for medicinal cannabis due to his illness.
- Atson Reader, Palm Springs, spoke against limiting the use in the M1/M2 zone and emphasized the safety of cannabis.
- John Palzio, spoke of the benefit of medical cannabis to treat depression and control anxiety.
- Brandon Yeager, Palm Desert, spoke of his visits to the existing dispensary and the guidelines for patients; has not seen additional crimes committed due to these types of establishments.
- Robert Phillipsen, Palm Springs, requested the Commission postpone their decision until the new administration settles in.
- Stacy Hochanadel, Palm Springs, thanked the Commission for consideration of medicinal cannabis in a safe regulated manner.

There being no further appearances, Public Comments was closed.

PUBLIC HEARINGS:

4C. Case 5.1218 ZTA - An application by the City of Palm Springs to amend the Palm Springs Zoning Code relating to medical cannabis cooperatives and collectives as permitted uses in the M-1 and M-2 zones. (Project Planner: Craig A. Ewing, Director of Planning)

Chair Hochanadel noted his abstention due to a family related conflict of interest and would not be participating in the discussion and vote. He left the Council Chamber at 3:11 p.m.

Director Ewing provided background information as outlined in the staff report dated November 12, 2008. Staff noted that there are a number of federal and state laws addressing the treatment of medical marijuana that has created quite of bit of confusion and cities are wrestling with the distribution and sale of medical marijuana. Director Ewing provided an overview of the designated M1 and M2 zones located within the City limits.

Commissioner Ringlein noted the importance of knowing if any problems have arisen with the existing dispensary at the Amado Center.

Vice Chair Cohen opened the Public Hearing.

-Raymond Bordeaux, Palm Springs, explained that he is a 22 year survivor of HIV and gave credit to medical marijuana and provided details of purchasing street marijuana as opposed to state regulated marijuana.

-Mark Cvetko, San Jacinto, stated that by having these dispensaries available it removes the criminal element associated with it.

-Lynda Stamer, La Quinta, spoke of the side effects of dialysis treatment she is undergoing and the benefits of medical marijuana.

-William Marquez, Cathedral City, expressed appreciation for helping people out with terminal illnesses.

-Terrance Miller, Morongo Valley, stated that the areas the dispensaries are located are safe and patrolled by the police and used by people who need relief.

-Ryan Raven, Riverside, said that by allowing medical marijuana it would reduce the crime level and financial gains by drug dealers.

-Ben Warren, Palm Springs, spoke in support of medicinal marijuana dispensaries.

-David Taylor, Palm Springs, spoke of the ease of obtaining drugs from physicians and is in favor of the dispensary.

-Lance Caldwell, Palm Springs, spoke of how medical marijuana has helped him cope with his medical condition.

There being no further appearances, the Public Hearing was closed.

Commissioner Caffery felt that allowing dispensaries in the M1 zone could create problems, with less traveled areas, and suggested strict regulation of hours similar to drug stores or liquor stores through a conditional use permit.

Commissioner Scott noted that locating in either a commercial or professional zone would be acceptable and suggested Option 2 to allow "by right" in the M1 and M2 zone with the possibility of amending in the future.

Commissioner Conrad expressed concern that Option 2 would create non-conforming uses. Ms. Conrad felt they would be best to require by conditional use permit regardless of zone, thereby allowing the Commission to retain discretion.

Commissioner Ringlein concurred with Commissioners Conrad, Caffery, and Scott and recalled in the past when she was working in a building adjacent to the dispensary on Amado and was never troubled, offended or worried, whereas, she has worried being at a liquor store. Ms. Ringlein said she is in full agreement to allow dispensaries in the City by conditional use permit.

Commissioner Donenfeld stated that he concurs with Commissioner Scott on Option 2 and move it forward to the City Council with a further study on other alternatives.

Commissioner Conrad reiterated her preference to move it forward subject to a conditional use permit rather than in keeping it in the manufacturing zone.

Commissioner Ringlein suggested a compromise "by right" in the M-1 and M-2 zone and in any other zone subject to a conditional use permit.

Commissioner Caffery concurred with Ms. Ringlein "by right" in the M1/M2 zone and possibly include the P zone. Commissioner Conrad noted hesitation with operation in the M zone since the established ones are non-conforming and felt that the P zone is best. Staff responded that the existing establishments are currently illegal non-conforming and that their future status is at the City Council's discretion.

Commissioner Donenfeld expressed concern with making too many changes to the draft ordinance since the City Council has ultimate jurisdiction and has given their recommendation.

Commissioner Donenfeld noted his support to have the facilities for the community but did not feel this is a good public policy.

M/S/C (Scott/Caffery, 6-0, 1 abstained/ Chair Hochanadel) To direct staff to prepare a resolution and draft ordinance and return to the Planning Commission based on:

-Option 2 - To allow medical cannabis cooperatives and collectives permitted in the M-1, M-2 and P zones "by right" and by conditional use permit in all other non-residential zones including the development standards as listed in the staff report.

Chair Hochanadel re-entered the Council Chamber at 4:00 p.m.

DRAFT

**CITY OF PALM SPRINGS
PUBLIC HEARING NOTIFICATION**



CITY CLERK'S DEPARTMENT
James Thompson, City Clerk

Meeting

Date: December 3, 2008

Subject: Certification of a Final Supplemental Environmental Impact Report (SEIR) for the Section 14 Master Plan

AFFIDAVIT OF PUBLICATION

I, Kathie Hart, Chief Deputy City Clerk, of the City of Palm Springs, California, do hereby certify that a copy of the attached Notice of Public Hearing will be published in the Desert Sun on November 22, 2008.

I declare under penalty of perjury that the foregoing is true and correct.

Handwritten signature of Kathie Hart in black ink.

Kathie Hart, CMC
Chief Deputy City Clerk

AFFIDAVIT OF POSTING

I, Dolores Strickstein, Secretary, of the City of Palm Springs, California, do hereby certify that a copy of the attached Notice of Public Hearing was posted at City Hall, 3200 E. Tahquitz Canyon Drive, on the exterior legal notice posting board and in the Office of the City Clerk on November 20, 2008.

I declare under penalty of perjury that the foregoing is true and correct.

Handwritten signature of Dolores Strickstein in black ink.

Dolores Strickstein
Secretary

NOTICE OF PUBLIC HEARING
CITY COUNCIL
CITY OF PALM SPRINGS

REQUEST BY THE CITY OF PALM SPRINGS FOR CERTIFICATION OF
A FINAL SUPPLEMENTAL ENVIRONMENTAL IMPACT REPORT (SEIR) FOR
THE SECTION 14 MASTER PLAN

NOTICE IS HEREBY GIVEN that the City Council of the City of Palm Springs, California, will hold a public hearing at its meeting of December 3, 2008. The City Council meeting begins at 6:00 p.m. in the Council Chamber at City Hall, 3200 East Tahquitz Canyon Way, Palm Springs.

The purpose of the hearing is to consider certification of a Final Supplemental Environmental Impact Report (SEIR) for the Section 14 Master Plan. The Section 14 Master Plan is an adopted Specific Plan for Section 14, a square-mile area of vacant and developed lands located within the Reservation of the Agua Caliente Band of Cahuilla Indians and within the corporate boundaries of the City of Palm Springs. The project site has an area of 640 acres and is bound by Alejo Road to the north, Sunrise Way to the east, Ramon Road to the south, and Indian Canyon Drive to the west. The Supplemental Environmental Impact Report has been prepared to review the environmental constraints and opportunities associated with the impacts to water resources associated with the Section 14 Master Plan. No change to the Section 14 Master Plan is proposed.

REVIEW OF PROJECT INFORMATION: The staff report and other supporting documents regarding this project are also available for public review at City Hall between the hours of 8:00 a.m. and 5:00 p.m., Monday through Friday. Please contact the Office of the City Clerk (760) 323-8204 if you would like to schedule an appointment to review these documents.

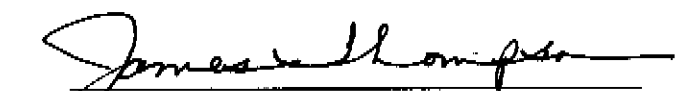
COMMENT ON THIS APPLICATION: Response to this notice may be made verbally at the public hearing and/or in writing before the hearing. Written comments may be made to the City Council by letter (mail or hand delivery) to:

James Thompson, City Clerk
3200 East Tahquitz Canyon Way
Palm Springs, CA 92262

Any challenge of the proposed project in court may be limited to raising only those issues raised at the public hearing described in this notice, or in written correspondence delivered to the City Clerk at, or prior to, the public hearing. (Government Code Section 65009[b][2]).

An opportunity will be given at said hearing for all interested persons to be heard. Questions regarding this case may be directed to Craig A. Ewing, Director, Planning Services Department at (760) 323-8245.

Si necesita ayuda con esta carta, porfavor llame a la Ciudad de Palm Springs y puede hablar con Nadine Fieger (760) 323-8245.


James Thompson, City Clerk