



(ACT) – ACTION NEEDED  
(INF) – INFORMATION ONLY  
(DIS) – DISCRETIONARY

## **A G E N D A**

REGULAR MEETING OF THE CITY COUNCIL  
NEEDLES PUBLIC UTILITY AUTHORITY  
CITY OF NEEDLES, CALIFORNIA  
**TUESDAY, MAY 24, 2022**  
COUNCIL EXECUTIVE SESSION – 5:00 P.M.  
CITY COUNCIL MEETING – 6:00 P.M.  
CITY COUNCIL CHAMBERS  
1111 BAILEY AVENUE, NEEDLES

**AUTHORIZED BY AB 361**

**THE MAYOR AND COUNCIL MEMBERS MAY BE ATTENDING THIS MEETING VIA**  
**\*\*\* MICROSOFT TEAMS \*\*\***

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**OR listen in and participate by calling Teams: 1-323-488-2227 - Meeting ID: 679 735 383#  
The meetings are being recorded. - MASKS ARE ENCOURAGED**

CALL TO ORDER  
ROLL CALL

**RECESS THE CITY COUNCIL MEETING AND CONVENE A JOINT COUNCIL / NPUA MEETING**  
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PUBLIC COMMENTS PERTAINING TO THE EXECUTIVE SESSION ITEMS (A three-minute time limit per person has been established.)

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- a) COUNCIL: Conference with real property negotiator pursuant to Government Code §54956.8: Agency negotiator City Manager Rick Daniels or his designee. Negotiating Parties are the City of Needles as the potential seller and William Cavanaugh as the potential buyer of a portion of the property described as a 4.59 acre vacant parcel, generally located South of W. Broadway Street and West of the S Street Flood Control Channel, APN 0185-071-11. Under negotiations are the price and terms
- b) NPUA / COUNCIL: Conference with Legal Counsel regarding potential initiation of litigation pursuant to Government Code Section 54956.9(d)(4) one potential case

**EXECUTIVE SESSION** – Report by City Attorney

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ROLL CALL

INVOCATION  
PLEDGE OF ALLEGIANCE  
APPROVAL OF AGENDA  
CONFLICT OF INTEREST  
CORRESPONDENCE  
INTRODUCTIONS  
CITY ATTORNEY - Parliamentary procedures

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- 2) NPUA / COUNCIL: Accept the bid from Cora Construction for Base Bid in the amount of \$2,086,775 to construct a new Lillyhill Water Booster Station on Lillyhill & Clary Drive and authorize staff to issue a Notice of Award and Notice to Proceed to be reimbursed by a grant from the California State Water Resources Control Board (ACT)

**ADJOURN THE JOINT NPUA / COUNCIL MEETING - RECONVENE THE CITY COUNCIL MEETING**

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- 6) Authorize the city manager to declare items with a proposed value of \$1,000 or less as surplus property and authorize for sale
- 7) Approve final balancing Change Order #5 in an amount not to exceed \$8,040 for work completed by Christensen Brothers General Engineering Inc. on the Phase II Water Service Replacement and Street Improvements Project
- 8) Waive the reading and adopt Resolution No. 2022-41 approving an Agreement between the City of Needles and Needles Unified School District for a Sheriff's Service Specialist for the 2022-2023 school year using COPS funding in the amount of \$91,593 of which half is to be reimbursed by the School District
- 9) Waive the reading and adopt Resolution No. 2022-40 approving a Fourteenth Amendment to and Extension of the License between the City of Needles and Bonnie Baker Senior Center for use of the kitchen and a portion of the dining area in the Needles Senior Citizens Center during the 2022-2023 fiscal year
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- 11) Accept Change Order #2 with Pacific Play Systems for installation of a 2-bay swing set not to exceed \$8,950 to be funded by the Statewide Park Development and Community Revitalization Duke Watkins Grant No. C9803078
- 12) Accept the bid of Phillips Excavation Inc to install a 50 ft X 30 ft shade structure over the new playground equipment at Duke Watkins Park not to exceed \$29,000 and authorize staff to issue a Notice of Award and Notice to Proceed to be funded by a grant received from the State of California Department of Parks and Recreation Statewide Park Development and Community Revitalization for Duke Watkins Park
- 13) Award Reinke Heating and Air Conditioning Inc a bid to install a 20-ton HVAC unit at the Recreation Center not to exceed \$36,000 of which \$25,000 is budgeted and the remaining balance of \$11,000 to be covered by general fund reserves

#### **End of Consent**

#### **REGULAR ITEM**

- 14) Approve the Twenty Sixth Amendment to Contract No. 99-376 with the County of San Bernardino in the total amount of \$3,369,365 providing for law enforcement services by amending Schedule A for the 2022-2023 fiscal year and authorize the Mayor to sign same (ACT)  
  
Provide direction as to the sheriff's department request for an additional 40 Patrol Hours per week: plus an increase in the positions of lieutenant, sergeant, office specialist, HT. general county services and startup cost at an additional cost of \$387,353 (DIS)
- 15) Provide staff direction on proposed ballot measure to establish a Transient Occupancy Tax for Short Term Rental Units (ACT)
- 16) Provide staff direction on proposed ballot measure to amend Chapter 20 of the Needles Municipal Code establishing a tax on cannabis and hemp business activities within the City and Suspending Article VIII (Current Marijuana Business Tax) (ACT)

#### **CITY ATTORNEYS REPORT**

#### **CITY MANAGERS REPORT**

#### **COUNCIL REQUESTS**

Councilmember Campbell  
Councilmember Evans  
Councilmember Merritt  
Vice Mayor Paget  
Councilmember Belt  
Councilmember Longacre  
Mayor Williams

#### **ADJOURNMENT**

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Posted May 20, 2022

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I hereby certify, under penalty of perjury under the laws of the State of California that the foregoing Agenda was posted at the front entrance of City Hall not less than 72 hours prior to the meeting.

Dated this 20th day of May 2022

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Dale Jones, CMC, City Clerk



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Dated this 20th day of May 2022

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Dale Jones, CMC, City Clerk



## City of Needles, California Request for City Council Action

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☒ CITY COUNCIL ☒ NPUA ☐ SARDA ☒ Regular ☐ Special

**Meeting Date:** May 24, 2022

**Title:** BUDGET WORKSHOP:  
Presentation and discussion of the City Manager's Proposed Budgets for the City of Needles, Cemetery, grant funds, Sanitation, Golf Course, Internal Service Funds, Transit Funds, Successor Agency to the Needles Redevelopment Agency, and NPUA for the fiscal year ending 06/30/23.

**Background:** The City Manager, Director of Finance and Department Managers developed the budget as required by the City Charter. The Proposed Budgets were reviewed by the Council Budget Committee on May 12, 2022.

General Fund Version 2 includes a \$246,000 increase in the Sheriff contract for continuation of current base level service. The second page of the General Fund budget lists the major changes in the General Fund. Revenue estimates include projected increases in property taxes \$190,000 and \$150,000 for sales taxes. Included across department budgets are an estimated 10% increase in healthcare costs which are renewed in November, a contractual 2% increase for salaries and related costs starting in July 2022, salary increases and related costs for Year 2 of the Pay and Class study, \$143,000 for General Fund departments, and \$50,000 for utility departments. For Public Works, Year 3 of the Pavement Project is included in the operating budget for \$2,482,776.

A list of capital projects for FY 23-28 that will improve efficiency, improve the level of services, or enhance the community's visual condition, is also included. These projects were generated from Boards and Commissions and Department Managers. The Capital Improvements list is also open for discussion. Projects on this list will be planned out and a detailed estimate created once the funding has been secured and moved to the operating/capital budget.

The projected cash reserves for June 30, 2023 are \$1,152,818 which is approximately 10% of operating revenue.

For FY 23 Cemetery expenditures increased \$40,000 due to pay increases per contract and associated payroll costs and increase in water utility expense. The subsidy transfer from General Fund will be approximately \$180,000 in FY 23.

# /



## City of Needles, California Request for City Council Action

The FY 23 Golf Fund budget reflects expenditures that exceed revenues by \$326,787. Although projected Golf expenditures are down \$85,000, and revenues are projected to increase, golf expenditures still far exceed revenue.

The Utility Board discussed the attached NPUA draft preliminary budget at their May 3, 2022 meeting, and recommended the budget for NPUA approval. The NPUA budget is also attached for review.

Once the Council has reviewed the proposed budget and provided direction for any changes, a public hearing will be scheduled for June 14, 2022. As per City Charter Section 1105, the budget shall be adopted on or before June 30 each year.

Some of the major goals for FY 22-2023 include the following:

**RECREATION DIVISION** - a themed fun night at the Aquatics Center. Increased revenue in reservations due to the upgrades to the parks/playgrounds and amenities, and consistency in daily operations to continue to offer outstanding service. Seeking out new businesses to sponsor Rec. Center events and sports programs; actively seeking funding for lights at the newly renovated Duke Watkins Park to move flag football from Nikki Bunch to Duke Watkins.

**DEVELOPMENT DIVISION – Building Dept.** - the completion of 100,000+ sq. ft. of cannabis projects, 80 room Hampton Hotel opening in Fall 2022, and 200,000+ sq. ft. of commercial projects. Also, the goal of finding a homebuilder to help accommodate Needles residents and the 500+ employees in the cannabis industry.

**Code Dept.** – Plans to schedule more community cleanups and continue to beautify the community while regulating our \$50 million industry.

**Engineering Dept.** – Phase III of the water and service replacements and ongoing major street improvements scheduled.

**STREETS & PARKS** – Continue street sign replacement project, and pavement management plan. Conduct a traffic study for the City. Complete park improvements at Duke Watkins, Jack Smith, and First Beach/Manny Morris Parks.





**City of Needles, California  
Request for City Council Action**

Some of the utilities' goals for FY 22-2023 include: WATER-the replacement of Well No. 11 treatment system and upgrading a 6" main along River Road. WASTEWATER-Upgrading gate valves at the drying beds, servicing the plant digester, and replacing the sand in the drying beds. ELECTRIC-improvement to the Park Moabi system, completion of the automatic metering infrastructure, and finalizing the pole change outs in the Vistas.

**Fiscal Impact:** See attached spreadsheets.

**Recommendation:** Direction to proceed with the Budget process and schedule the matter for a public hearing and action on June 14, 2022 for the fiscal year ending June 30, 2023

**Submitted By:** Sylvia Miledi, Director of Finance

**City Management Review:** 

**Date:** 5/17/22

Approved: ☐

Not Approved: ☐

Tabled: ☐

Other: ☐

Agenda Item: 1

DRAFT

## CITY OF NEEDLES

DRAFT

## General Fund Summary

FY 2022 / 2023

Comments

Percent  
Change

## General Fund Revenues

2020	2021	2022	2023	
Actuals	Actuals	Revised Budget	Requested Budget	
General Government	\$ 8,568,664	\$ 10,898,739	\$ 11,135,709	\$ 11,302,338
Aquatics	\$ 6,582	\$ 8,850	\$ 7,950	\$ 9,250
Jack Smith Park	\$ 220,118	\$ 299,908	\$ 202,500	\$ 227,500
Recreation	\$ 42,996	\$ 5,557	\$ 32,200	\$ 40,700
<b>Total General Fund Revenues</b>	<b>\$ 8,838,360</b>	<b>\$ 11,213,054</b>	<b>\$ 11,378,359</b>	<b>\$ 11,579,788</b>

## General Fund Expenditures

2020	2021	2022	2023	
Actuals	Actuals	Revised Budget	Requested Budget	
City Attorney	\$ 95,326	\$ 69,610	\$ 80,000	\$ 80,000
City Manager	\$ 170,385	\$ 168,097	\$ 205,293	\$ 219,507
Finance	\$ 338,198	\$ 392,619	\$ 528,654	\$ 688,085
Mayor / Council / Clerk	\$ 95,139	\$ 169,820	\$ 201,933	\$ 291,344
Planning / Zoning	\$ 125,754	\$ 29,149	\$ 304,327	\$ 373,159
Engineering	\$ 132,522	\$ 116,046	\$ 269,415	\$ 445,795
Community Promotions	\$ 11,171	\$ 89,751	\$ 69,770	\$ 38,900
Senior Center	\$ 35,854	\$ 39,029	\$ 55,404	\$ 59,457
Police	\$ 2,614,458	\$ 2,809,970	\$ 3,216,842	\$ 3,483,367
Animal Shelter / Control	\$ 192,926	\$ 185,276	\$ 236,591	\$ 233,027
Building & Safety	\$ 264,625	\$ 317,698	\$ 454,386	\$ 537,493
Code Enforcement	\$ 336,162	\$ 455,248	\$ 629,675	\$ 696,985
Public Works	\$ 443,072	\$ 466,110	\$ 992,378	\$ 753,297
Sanitation	\$ 129,115	\$ 130,422	\$ 156,217	\$ 166,600
Aquatics	\$ 111,859	\$ 178,095	\$ 180,845	\$ 194,192
Parks / Buildings / Grounds	\$ 337,154	\$ 406,758	\$ 637,633	\$ 658,491
Jack Smith Park Marina	\$ 107,989	\$ 133,654	\$ 139,888	\$ 107,923
Recreation	\$ 245,190	\$ 234,352	\$ 353,231	\$ 411,884
Transfer to Other Funds	\$ 576,365	\$ 702,796	\$ 3,812,952	\$ 529,057
<b>Total Expenditures</b>	<b>\$ 6,363,264</b>	<b>\$ 7,094,500</b>	<b>\$ 12,525,434</b>	<b>\$ 9,968,563</b>

Projected Cash  
reserve 06/30/23NET CHANGE IN  
FY 23Projected Cash  
06/30/22

Projected Cash from mid-year budget (less additional appropriations by Council)

Anticipated under-spending on street projects FY 22

Proposed General Fund capital street projects FY 23

1,152,818.00

10.0%

Base Level Comparison - GENERAL FUND		FY 23	
		Revenues	Operating Expenses
Note: Mid-year budget to New budget comparison			
Base level from mid-year approved budget FY 21			
		11,378,359	15,851,976
<u>Revenue Increases / (Decreases)</u>			
Property Tax		190,450	16% projected increase from last year
Sales & Use taxes		150,000	23% projected increase from last year
1/2 Cent Public Safety		10,000	14% projected increase from last year
Transient Occupancy tax		70,000	8% projected increase from increase in travel
Dispensary business tax		(54,431)	FY 22 under-realized; adjust
Cultivation business tax		(200,000)	FY 22 under-realized; adjust
Utility users tax		6,507	Increased consumption
Business license fees		10,000	Anticipated increase due to enforcement
Planning		5,000	Increase in site plan development review revenues
Building & Safety		(21,200)	Decrease in building permit fee revenue; more activity in FY 22
Engineering		23,000	Increase in outside review services revenue
Code Enforcement		20,000	Increase in cannabis compliance revenue
BHHS Legacy Foundation		(110,000)	Received in FY 22; not anticipated in FY 23
Interest Earnings		(10,000)	Overestimated in FY 22
Property Rentals		3,000	Increase in rental activity
Short Term Rental Fee		22,000	Short term rental fee is new for FY 23
Transfer from Gas Tax		26,311	New projections
Transfer from DAR & NAT		1,062	New projections
Transfer from SARDA		(43,000)	Sale of property did not happen; transfer no longer needed
General Gov't Services		68,680	Increase in Fair Share Allocation due to increase in utility budgets
Misc		(750)	Decrease in Miscellaneous
Aquatics		1,300	Increase in programs due to restrictions lifted
Increase in launch passes		25,000	Due to expected increase in travel with restrictions lifted
Recreation		8,500	Increase in programs due to restrictions lifted
		201,429	
<u>Departments</u>			
City Manager			14,214
			Employee allocation changes plus pay increases; new computer
Finance			120,296
Finance			25,000
Finance			8,235
Finance			5,900
			Employee allocation changes plus pay increases
			Increase in legal fees
			Increase in allocable internal service costs
			Increase in audit fees
Mayor / Council / Clerk			74,041
Mayor / Council / Clerk			4,070
			Employee allocation changes plus pay increases
			Increase in Election charges

Base Level Comparison - GENERAL FUND		FY 23	
		Revenues	Operating Expenses
<i>Note: Mid-year budget to New budget comparison</i>			
Mayor / Council / Clerk		8,300	Add training for new employee; additional Council travel
Mayor / Council / Clerk		3,000	Additional office equipment
Planning / Zoning		39,413	Re-allocation of Associate Planner between Planning and Utilities & pay increases per contract
Planning / Zoning		29,419	Increase in General plan update costs
Engineering		140,439	Increase in Professional services due to Project Manager
Engineering		35,941	Employee allocation changes plus pay increases
Community Promotions		125,500	Increase in Economic Development Grants
Community Promotions		(6,370)	Decrease in Economic Dev Consulting from FY 22
Senior Center		1,653	Increases in utilities and insurance
Senior Center		1,589	Pay increases per contract & associated p/r costs
Senior Center		811	Increase in Equipment maintenance
Police (Sheriff contract)		246,246	Increase in contract for base level continuation
Police (Sheriff contract)		20,279	Increase in PERS unfunded liability & vehicle fuel/repairs
Animal Shelter / Control		(17,544)	Pay increases per contract & associated p/r costs less decrease in health insurance costs
Animal Shelter / Control		9,925	Increase in spay and neuter, and vet services
Animal Shelter / Control		4,055	Increase in facility and kennel maintenance, and supplies
Building & Safety		127,107	Addition of in-house Building Inspector
Building & Safety		(44,000)	Reduction in consulting services
Code Enforcement		42,510	Pay increases per contract & associated p/r costs
Code Enforcement		7,600	Additional travel expense for training
Code Enforcement		4,665	Increases in fleet maint, vehicle fuel, and software subscriptions
Code Enforcement		4,535	Increase in Abatement costs
Public Works		(359,766)	Decrease in street improvement spending due to carryover from FY 21 to FY 22
Public Works		250,000	New asphalt truck
Public Works		(238,000)	Capital equipment & Bridges on FY 22 budget. Not on FY 23
Public Works		(18,782)	Employee allocation changes net of pay increases
Public Works		17,701	Increases in insurance, street materials, and vehicle fuel



CAPITAL IMPROVEMENT PLAN		DRAFT	
FY 2023 - FY 2028			
	(in priority order as identified by dept. managers)	Cost Estimate	Funding Source
<b>ANIMAL SHELTER</b>			
*	1. Kennel area upgrades	3,000	donations
	2. Build additional storage	5,000-10,000	donations
	3. Shelter building add restrooms	20,000	?
<b>AQUATICS</b>			
	1. Re-plaster main pool	150,000	?
	2. Seam dismantle and repair on slide	50,000	?
Either/or	3. Replace microprocessor for automatic main pool filter (new system)	20,000	?
Either/or	4. Install valves & gauges for manual filter operation	10,000	?
	5. Concrete under slide area	5,000-10,000	?
<b>FINANCE</b>			
	1. Frame walls to create offices	30,000	General Fund reserves
<b>JACK SMITH PARK MARINA</b>			
	1. Bollards / cable along south side of River Rd. (Dike Rd.)	110,000	?
	2. Improvements to restrooms on no. side of parking lot	20,000	?
<b>PARKS / BUILDINGS / GROUNDS</b>			
*	1. Duke Watkins Park improvements	3,965,400	CA Dept. of Parks & Recreation
*	2. Jack Smith Park improvements	196,287	CA Dept. of Parks & Rec./CalRecycle
*	3. Marina Park, First Beach improvements	2,179,702	CalTrans
	4. Bleacher shade structures for Nikki Bunch and Ed Perry	150,000	Legacy Foundation
	5. Duke Watkins soccer field chain link fence (625 lf)	26,000	Park grant
	6. 200 tons of rock to landscape grounds near pool/park	6,500	?
	7. New parking lot behind Nikki Bunch / Franz fields (28k sf)	105,000	?
	8. River walk design	5,000	Park grant
	9. Aquatics Center improvements	7,400,000	Park grant
<b>PUBLIC WORKS</b>			
	1. New asphalt truck	250,000	?
	2. New dump truck	75,000	?
	3. Shade structures for equipment	150,000	?
	4. North K Railroad underpass flood prevention	200,000	?
	5. Fourth Year Paving Replacement - FY 24	2,966,776	?
	6. City yard rehab. / asphalt repave	180,000	?
General Fund Total (estimate)		18,288,665	
<b>CEMETERY</b>			
	1. Solar shade cover at maintenance yard	100,000	?
	2. New irrigation system within Cemetery & future site	400,000	?
	3. Automated cemetery records (incl. cost of data input)	10,000	?
	4. Pioneer Cemetery security & hillside stabilization	125,000	?
	5. New mower	20,000	?
	6. Install new well on grounds for irrigation	850,000	?
	7. Use of reclaimed water (in lieu of new well)	1,200,000	?
Cemetery Total (estimate)		2,705,000	

CAPITAL IMPROVEMENT PLAN			DRAFT	
FY 2023 - FY 2028				
		(in priority order as identified by dept. managers)	Cost Estimate	Funding Source
<b>GOLF COURSE MAINTENANCE</b>				
	1.	Fairway mower unit	30,000	?
	2.	Approach mower	15,000	?
	3.	Pro Gator (topdress, etc.)	15,000	?
	4.	Greens mower	15,000	?
	5.	Tractor with backhoe	27,500	?
	6.	Pave Golf Maintenance yard	122,800	?
	7.	Level the driving range	15,000	
		Golf Total (estimate)	240,300	
			21,233,965	
	* Pending funding			





DRAFT		CITY OF NEEDLES				DRAFT	
		Special Revenue Funds					
		FY 2022 / 2023					



[illegible]















Base Level Comparison		<i>DRAFT</i>	FY 2023
		Revenues	Operating Expenses
<b><u>WATER</u></b>			
	Base level from mid-year approved budget FY 22	2,843,130	2,006,995
	<u><i>Increases</i></u>		
	Increase in rates	180,000	
	Electric utility increase		40,000
	Increase in allocable internal service costs		13,000
	<u><i>Decreases</i></u>		
	Transfer revenue line not needed	(160,888)	
	Decrease in legal fees		(75,000)
	Employee allocation changes net of pay increases		(46,596)
	FY 23 draft budget v.3	2,862,242	1,938,399
	Increase / (decrease)	19,112	(68,596)
<b><u>WASTEWATER</u></b>			
	Base level from mid-year approved budget FY 22	2,228,835	1,297,932
	<u><i>Increases</i></u>		
	Increase in rates	74,400	
	Electric utility increase		24,000
	<u><i>Decreases</i></u>		
	Transfer revenue line not needed	(223,893)	
	Decrease in legal fees		(55,000)
	Employee allocation changes net of pay increases		(25,607)
	FY 23 draft budget v.3	2,079,342	1,241,325
	Increase / (decrease)	(149,493)	(56,607)
<b><u>ELECTRIC</u></b>			
	Base level from mid-year approved budget FY 22	14,570,000	12,526,973
	<u><i>Increases</i></u>		
	Increase in forecasted power purchases		490,000
	Increase in allocable internal service costs		63,134
	Increase in professional/consulting services and insurance		12,788
	<u><i>Decreases</i></u>		
	Reduction in inventory & supply purchases		(493,000)
	Reduction in Transformer sales	(302,000)	
	Vehicle Replacement line not needed		(105,000)
	Employee allocation changes net of pay increases		(88,174)
	FY 23 draft budget v.3	14,268,000	12,406,721
	Increase / (decrease)	(302,000)	(120,252)





CAPITAL IMPROVEMENT PLAN - NPUA				DRAFT
FY 2023 - FY 2028				
			Cost Estimate	Funding Source
<b>WATER DEPT.</b>				
1.	Well No. 11 Treatment		7,449,918	State Water Resources Control Board
2.	L Street and Lilly Hill Booster Station		3,492,554	State Water Resources Control Board
3.	Replace Deteriorating Pipe in Monterey & Arizona Avenues		546,770	State Water Resources Control Board
4.	Replace Deteriorating Pipe in River Road		639,860	State Water Resources Control Board
5.	Backup generator at well site 15 for power outage		312,000	State Water Resources Control Board
6.	Golf course maintenance yard main distribution manifold		1,079,133	State Water Resources Control Board
7.	AMI-automated metering infrastructure		1,203,097	BOR / Coronavirus Local Fiscal Recovery Funds / Asset replacement
8.	Jet Vac / Trailer		150,000	Asset replacement funds
9.	Construct 1.5 Million Gallon Water Reservoir		2,380,000	State Water Resources Control Board
10.	Main replacement in the Vista Street area & new services		1,300,000	Asset replacement funds
11.	Replace Deteriorating Pipe in Chestnut Street		195,165	Asset replacement funds
12.	Replace Deteriorating Pipe in Chesney's Subdivision (Housing)		416,637	Asset replacement funds
13.	Replace Deteriorating Pipe in Coronado Street area		1,381,668	Asset replacement funds
14.	Replace Deteriorating Pipe in Casa Linda Street area		530,589	Asset replacement funds
15.	Main replacement at Verde Shores under the pond and Chesney development (Fire line into Verde Shores)		400,000	Asset replacement funds
16.	Fire hydrant replacements		15,000	Asset replacement funds
17.	Extension into North Needles		8,400,000	DIF / Privately funded
	Water Department Total (estimate)		29,892,391	
<b>WASTEWATER DEPT.</b>				
1.	Railroad crossing at Bazoobuth lift station		170,000	Asset replacement funds
2.	Upsize effluent pump		20,000	Asset replacement funds
3.	Mini excavator & tilt trailer		120,000	Asset replacement funds
4.	Jet Vac / Trailer		150,000	Asset replacement funds
5.	Plant grit separator		300,000	Asset replacement funds
6.	Upsize deficient sewer lines on 15 blocks of Front St.		1,484,724	Asset replacement funds
7.	Upsize deficient sewer lines from T St. to Front St.		885,145	Asset replacement funds
8.	North Needles sewer line extension (engineering only)		72,000	Privately funded
9.	Manhole rehab program (ongoing)		150,000	Asset replacement funds
10.	North Needles sewer line extension		3,500,000	DIF / Privately funded
11.	Manhole replacement and upsize project		1,660,920	Asset replacement funds
	Wastewater Department Total (estimate)		8,512,789	
<b>ELECTRIC DEPT.</b>				
1.	AMI-automated metering infrastructure		2,200,000	Asset replacement funds
2.	Electric circuit reliability program (pole replacement)		800,000	Asset replacement funds
3.	Construction of South Hwy 95 Substation (cemetery site)		3,200,000	Developer funded
4.	Upgrade power lines feeding Park Moabi		3,000,000	Developer funded
5.	Wire trailer		30,000	Asset replacement funds
6.	Mohave line rehabilitation		4,500,000	Developer funded
7.	Eagle Pass to Cemetery site		2,000,000	Developer funded
8.	Cure Farms substation (behind Needles Town Center)		1,100,000	Developer funded
9.	230kv line		30,000,000	Developer funded
10.	Street light LED phase out program		30,000	Asset replacement funds
11.	Double bucket truck		360,000	Asset replacement / Vehicle replacement
	Electric Department Total (estimate)		47,220,000	



## Request for Board Action City of Needles, California

☒ CITY COUNCIL ☐ UTILITY BOARD ☒ NPUA

☒ Regular ☐ Special

**Meeting Date:** May 24, 2022

**Title:** Accept the bid from **CORA CONSTRUCTION** for Base Bid in the amount of \$2,086,775 to construct a new Lillyhill Water Booster Station on Lillyhill & Clary Dr.

**Background:** The City advertised for bid on 01/12/2022 for the construction of a new Lillyhill Water Booster Station.

On 01/12/2022 the project was advertised in the Needles Desert Star and bids were opened on 02/17/2022 with Five (5) bids received. The bid received was from Cora Construction in the amount of \$2,086,775 was the apparent low bidder.

**Fiscal Impact:** The City received a grant from the California State Water Resources Control Board in which the total amount will be reimbursed to the City. DM Sylvia Miledi

**Recommendation:** Accept the bid from **CORA CONSTRUCTION** for Base Bid in the amount of \$2,086,775 to construct a new Lillyhill Water Booster Station on Lillyhill & Clary Drive and authorize staff to issue a Notice of Award and Notice to Proceed.

**Submitted By:** Tammy Ellmore, Engineering Tech II  
Rainie Torrance, Assistant Utility Manager

**City Management Review:** Ruv

**Date:** 5/17/22

Approved: ☐

Not Approved: ☐

Tabled: ☐

Other: ☐

AGENDA ITEM: 2

# City of Needles

## SEALED BID OPENING

**PROJECT NAME:** Lillyhill & L Street Water Booster **DATE:** 02/17/2022 - 3:30 p.m.

BIDDER		DECLARATION	ADDENDUMS	BID BOND	DIR	CERTIFICATES	TOTAL BID
<b>1</b>	Cora Construction	Lillyhill Booster	✓	✓	✓	✓	\$ 2,086,775.00
		L Street Booster					\$ 838,695.00
		TOTAL					\$ 2,925,470.00
<b>2</b>	Metro Builders & Engineers	Lillyhill Booster	✓	✓	✓	✓	\$ 2,307,304.78
		L Street Booster					\$ 782,263.00
		TOTAL					\$ 3,089,567.78
<b>3</b>	Pacific Hydrotech Corp	Lillyhill Booster	✓	✓	✓	✓	\$ 2,435,925.78
		L Street Booster					\$ 852,210.00
		TOTAL					\$ 3,288,135.78
<b>4</b>	Pyramid Building & Engineering	Lillyhill Booster	✓	✓	✓	✓	\$ 2,447,920.78
		L Street Booster					\$ 792,920.00
		TOTAL					\$ 3,240,840.78
<b>5</b>	RSH Construction	Lillyhill Booster	✓	✓	✓	✓	\$ 2,414,035.78
		L Street Booster					\$ 1,041,490.00
		TOTAL					\$ 3,455,525.78

### Present at Opening:

Tammy Ellmore  
 Alberto Pavia  
 Rainie Torrance  
 Pete Stamas - CA Water Board

Travis Gurter - RSH Construction  
 Emily Samarin - Cora Constructors  
 Udit Tambe - Metro Builders  
 Jimmy Garibaldo - Pacific Hydro  
 Karen Garrison - Pyramid Builders

Recorded by:  
 Tammy Ellmore





## City of Needles, California Request for City Council Action

☒ CITY COUNCIL ☐ NPUA ☐ RDA

☒ Regular ☐ Special

**Meeting Date:** May 24, 2022

**Title:** City Council Resolution No. 2022-43  
A Resolution of the City Council of the City of Needles Approving an Amendment to Conditional Use Permit No. 01-18-2017-2 PC Adding a 20,000 Sq. Ft. Second Building for Cannabis Cultivation, located at 1105 Lillyhill Drive, also known as APN's 0186-191-57-0000 and 0186-191-50-0000 in the Neighborhood Commercial (C-1) zone. Formally known as APN's 0186-191-50-0000 and 0186-191-53-0000

**Background:** Previous applicant, MSB Facilities Inc, received approval from the City Council on February 14, 2017, for the development of a 30,375 sq. ft. cannabis cultivation facility located at 1105 Lillyhill Drive. Applicant, Dawn Williams, representative for MSB Facilities, Inc., is proposing an amendment to Resolution No. 01-18-2017-2 PC to add a 20,000 square foot cannabis cultivation facility on the front undeveloped 6.64-acre parcel in the Neighborhood Commercial (C-1) zoning designation (see Attachment A, *Project Location*).

The existing 30,375 sq. ft. cannabis cultivation has been cited numerous times for not having a proper ventilation and filtration system installed to prevent offensive odors. The existing building at the site was purchased by the current applicant in December of 2020. The applicant has made efforts to control the emission of odors which includes adding UV lighting and carbon filters but applicant states that ultimately the AC units need to be changed out and a new ventilation system needs to be installed. A condition has been added to CUP No. 05-11-2022-1 PC which will require the applicant that prior to issuance of a permanent Certificate of Occupancy for building 2 applicant will achieve odor control of building 1.

As shown in Attachment B, *Site Plan*, the project would involve the construction of a 20,000 square foot, 25-foot tall metal building with associated parking totaling 52 spaces that would include 5 ADA spaces and 4 electrical vehicles spaces. The project's proposed building (200'x 100') will be constructed of metal with metal roofing and will be situated next to an existing cannabis cultivation facility. Access to the facility will be provided from Lillyhill Drive with an existing asphalt concrete paved road

As shown in Attachment C, *Floor Plan*, the building would consist of interior wall partitioning for the creation of ten (10) cultivation flowering rooms (each 1,327 sq. ft.), a warehouse and storage room (725 sq. ft.), a fertigation room (593 sq. ft.), three (3) dry rooms (261 sq. ft. each), an electrical room (262 sq. ft.), two (2) office rooms (80 and 91 sq. ft.), a break room (136 sq. ft.), an IT room (72 sq. ft.), two (2) restrooms (105 and 128 sq. ft.), a locker room (168 sq. feet) and a secure entry/exit room (87 sq. ft.).

As shown in Attachment D, *Conceptual Elevation Plans*, the building will be constructed with one roll-up door and 5 pedestrian doors, and with a combination of saddle



tan-and-charcoal grey colored finishing added to exterior walls. The building would rise to a maximum height of 25 feet.

As shown in Attachment E, *Security Plan*, security measures have been incorporated into the project. Security cameras and lighting will be mounted on all exterior corners of the building and at door entrances. Interior security cameras will be utilized for each room within the building, as well as on-site security personnel, use of audible interior and exterior alarms. Entry into the building will be activated by an employee badge utilizing a “buzz in” system.

As shown in Attachment F, *Landscape Plan*, the project would install 20 new shrubs and 37 new trees (valley oaks – sp. *Quercus lobata*) on-site. Together, this vegetation would provide for approximately 21,500 square feet of shading.

Upon completion of construction, the project will operate 7 days a week, from 6 am to 6 pm, and would employ 50 people full-time.

On May 26, 2020, the City Council adopted Ordinance No. 629- AC, allowing cannabis cultivation in zones C-1, C-2, C-3, M-1 and M-2 with the approval of a Conditional Use Permit and a Regulatory Permit.

On May 11, 2022, the Planning Commission held a duly noticed and advertised public hearing on an amendment to Conditional Use Permit No. 01-18-2017-2 PC to add a 20,000 Sq. Ft. second building for cannabis cultivation located at 1105 Lilly Hill Drive in the City of Needles, also known as APN’s 0186-191-57-0000 and 0186-191-50-0000 in the Neighborhood Commercial (C-1) zone. The Planning Commissioners discussed the odors that have been emitted by the existing building at the project site. The Applicant acknowledged that the odors are currently a problem at the project site and shared that they had inherited the problem when they purchased the building which had package units.

The Applicant stated that a split system (closed loop system) will be installed at the new building and will shutdown the existing building at Lillyhill Drive and replace the existing packing units at the site with a \$3.2 million split system (closed loop system) that has been ordered but is 24 months out. Additionally, a temporary Certificate of Occupancy may be issued for the new 20,000 sq. ft. building 2 to replace the packing units with a closed looped system in the existing cannabis cultivation building 1 to achieve the necessary odor control.

The Planning Commission also discussed the concern of noise being generated from the Air conditioning units and traffic. The Applicant reassured the Planning Commission that traffic and noise would not be an issue. The Planning Commissioners voted unanimously to recommend the Project to the City Council.

### **Conditional Use Permit Findings.**

In accordance with Section 94.07, the City Council must make the following findings for a Conditional Use Permit:

1. That the requested permit is within its jurisdiction according to the table of permissible uses.
2. The application is complete.
3. The use is consistent with the General Plan.
4. The use will be in harmony with the area in which it is to be located.
5. The use will not materially endanger the public health or safety.
6. The use will not substantially injure the value of adjoining or abutting property.
7. That the project overall is consistent with the preceding findings.

**Public Notification:** A public hearing notice was published in the Needles Desert Star on May 11, 2022. Notices were sent to property owners within 300 feet of the proposed project and posted in two conspicuous locations.

- Fiscal Impact:**
1. The 10% of gross sales of cannabis business tax (voter approved (2012).
  2. Valuation of new buildings – added to city tax rolls.
  3. NPUA – electric/water/sewer usage revenue.
  4. Recurring business license and permitting fees.
  5. A 15% State tax – a portion of which will be passed to local government, will be enacted with approval of Proposition 64 in November 2016.
  6. Statewide 10% sales tax; the city's share is 1%.

**Environmental:** This project is categorically exempt under the California Environmental Quality Act (CEQA) under Section 15061(b)(3) of the State CEQA Guidelines. A project is considered to be exempt from CEQA if the activity is covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.

**Recommendation:** Approve Resolution 2022-43, Approving an Amendment to Conditional Use Permit 01-18-2017-2 PC adding a 20,000 Sq. Ft. Second Building for Cannabis Cultivation, located at 1105 Lillyhill Drive, also known as APN's 0186-191-57-0000 and 0186-191-50-0000 in the C-1 zone. Formally known as APN's 0186-191-50-0000 and 0186-191-53-0000

**Submitted By:** Patrick Martinez, Assistant City Manager/Development Services

**City Management Review:**



**Date:**



Agenda Item:



**RESOLUTION 2022-43**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NEEDLES  
APPROVING AN AMENDMENT TO RESOLUTION NO. 2017-12 ADDING A 20,000 SQ.  
FT. SECOND BUILDING FOR CANNABIS CULTIVATION, LOCATED AT 1105  
LILLYHILL DRIVE, ALSO KNOWN AS APN'S 0186-191-57-0000 AND 0186-191-50-0000  
IN THE NEIGHBORHOOD COMMERCIAL (C-1) ZONE. FORMALLY KNOWN AS  
APN'S 0186-191-50-0000 AND 0186-191-53-0000**

**WHEREAS**, the City Council wishes to assist property owners in their efforts to build in the City in a reasonable manner that does not create a hazard to health, safety, and welfare or degrade property values or create incompatibility with surrounding uses; and

**WHEREAS**, on May 26, 2020, City Council Ordinance No. 629-AC was approved allowing cannabis cultivation in zones C1, C2, C3, M1 and M2, with a Conditional Use Permit and Regulatory Permit; and

**WHEREAS**, the parcel being considered for cannabis cultivation is currently zoned C-1 "Neighborhood Commercial" for APN's 0186-191-57-0000 and 0186-191-50-0000; and

**WHEREAS**, on January 18, 2017, the Needles Planning Commission held a duly noticed and advertised public hearing to receive oral and written testimony relative to the Conditional Use Permit (CUP); and

**WHEREAS**, on January 18, 2017, the Needles Planning Commission approved RESOLUTION 01-18-2017-2 PC recommending City Council approval of a Conditional Use Permit; and

**WHEREAS**, on February 14, 2017, City Council approved Resolution 2017-12 recommending approval of a cannabis cultivation facility located within the properties known as APN 0186-191-50-0000 and APN 0186-191-53-0000 formally known as APN's 0186-191-50-0000 and 0186-191-53-0000; and

**WHEREAS**, a public hearing notice for the Needles Planning Commission meeting was published in the Needles Desert Star on April 27 2022, at least 10 days prior to said meeting, and notices were sent to property owners within a 300-foot radius of the subject property specifying the date, time and location of the public hearing; and

**WHEREAS**, on May 11, 2022, the Needles Planning Commission held a duly noticed and advertised public hearing to receive oral and written testimony relative to the Conditional Use Permit RESOLUTION 05-11-2022-1 PC; and

**WHEREAS**, on May 11, 2022, the Needles Planning Commission approved RESOLUTION 05-11-2022-1 PC recommending City Council approval of a Conditional Use Permit; and

**WHEREAS**, a public hearing notice for the Needles City Council meeting was published in the Needles Desert Star on Wednesday, May 11, 2022, at least 10 days prior to said meeting, and notices were sent to property owners within a 300-foot radius of the subject property specifying the date, time, and location of the public hearing; and

**WHEREAS**, on May 24, 2022, the Needles City Council held a duly noticed and advertised public hearing for a conditional use permit for a cannabis cultivation facility located within the properties known as APN 0186-191-50-0000 and APN 0186-191-53-0000 formally known as APN's 0186-191-50-0000 and 0186-191-53-0000; and

**WHEREAS**, Section 94.07(d) of the Needles City Code describes the findings required to approve a Conditional Use Permit; and

**WHEREAS**, the Needles City Council has sufficiently considered all testimony and any documentary evidence presented to them in order to make the following determination.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Needles as follows:

**SECTION 1.** The City Council HEREBY FINDS AND DETERMINES that this project is categorically exempt under the California Environmental Quality Act, CEQA Guidelines, Section 15061(b)(3) of the State CEQA Guidelines. A project is considered to be exempt from CEQA if the activity is covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.

**SECTION 2.** The City Council HEREBY FINDS AND DETERMINES, with reports and findings, that facts do exist to approve a Conditional Use Permit, according to the criteria specified in Section 94.07(d) of the Needles City Code:

- A. *That the requested permit is within its jurisdiction according to the table of permissible uses.*

**FINDING:** The facility is located in a Neighborhood Commercial (C-1) zoning designation, which under Ordinance No. 629 AC, permits cannabis cultivation operations to occur within the facility through approval of a Conditional Use Permit and a Regulatory Permit.

- B. *The Application is Complete*

**FINDING:** The Applicant has submitted a complete application and has provided the required Site, Floor, Elevation, Rendering and Landscape Plans for the proposed development building footprint envelope which includes the expansion of approximately 20,000 additional square feet for the purpose of cannabis cultivation, which have been incorporated into this Staff Report.

- C. *The development is in general conformity with the Needles General Plan.*

**FINDING:** The proposed project, cultivation of cannabis, is consistent with uses identified in the General Plan Neighborhood Commercial designation through the adoption of Ordinance No. 629-AC, which allows for cultivation facilities to operate within the Neighborhood Commercial (C-1) designated zone, thereby providing consistency with the General Plan. The project site is in a partially developed area of the city and is located adjacent to an existing 30,375 sq. ft. cultivation. The conditions of approval require that only cultivation may be performed inside the 20,000 square foot building. No sales will be permitted to occur at this site. Very little traffic is expected at the site, other than employees and occasional deliveries (soil, fertilizer, equipment, etc.). The project is a low intensity use with traffic mostly related to employee type vehicles, and no outside uses are permitted. Therefore, this type of project is consistent with the uses occurring in the vicinity of the project site.

- D. *The development is in harmony with the area in which it is located.*

**FINDING:** The project site is located directly south of an existing 30,375 sq. ft. cannabis cultivation facility and will be located on an undeveloped 6.64-acre parcel that will include the development of a 20,000 sq. ft. cannabis cultivation. The conditions of approval require that only cultivation may be performed inside the building which would total square feet at build-out. No manufacturing of products or sales will be permitted to occur within each building. Very little traffic is expected at the site, other than employees, material supply delivery and product shipment. The project, upon completion is anticipated to generate 50 vehicle trips per day. Therefore, this type of project is consistent with the uses occurring in the vicinity of the project site.

- E. *The development will not materially endanger the public health or safety.*

**FINDING:** The facility is located in an undeveloped area of the City. Conditions of approval have been placed on the project to ensure appropriate lighting, security systems, and ventilation systems for the 20,000 square foot building are in place for health and safety purposes.

- F. *The development will not substantially injure the value of adjoining or abutting properties.*

**FINDING:** The area to the north of the site is zoned Two Family Residential (R-2), the area to the south of both parcels is zoned Highway Commercial (C-3) and Multiple Family Residential (R-3), the area to the east is zoned and the area to the west is zoned Multiple Family Residential (R-3) and Public Facilities (P). As a condition of approval, the proposed 20,000 square foot building will be painted in earth-tone colors to the building to match with the general color of surrounding soils and topography. These improvements will provide the aesthetic integrity of the area

and not degrade the value of adjoining properties. All facilities shall operate and maintain sufficient odor absorbing ventilation and exhaust systems.

**SECTION 3.** The City Council HEREBY FINDS AND DETERMINES that facts do exist to approve the amendment to **RESOLUTION NO. 2022-43**

**SECTION 4.** The City Council HEREBY APPROVES Resolution **2022-43**, Approving an Amendment to Conditional Use Permit 01-18-2017-2 PC adding a 20,000 Sq. Ft. Second Building for Cannabis Cultivation, located at 1105 Lillyhill Drive, Also known as APN's 0186-191-57-0000 and 0186-191-50-0000 in the C-1 zone.

1. Conditional Use Permit ("CUP") No. 01-18-2017-2 PC is amended to conditionally authorizes two Marijuana Cultivation Facilities within one 30,375 square foot building and one 20,000 square foot building located 1105 Lillyhill Drive Also known as APN's 0186-191-50-0000 and 0186-191-57-0000. This CUP does not authorize the use of a Cooperative/Collective, Manufacturing, Distribution, Cannabis Retail or Testing Laboratory at this site. These Conditions of Approval shall apply to the cultivation of marijuana and the establishment of the Cultivation Facility only, whether it is classified as medical or, in the event it is legalized or otherwise provided immunity from prosecution within the State or by the Federal Government, recreational.
2. The Applicant/Owner/Operator, and his/her/its successor(s) in interest ("Applicant") shall comply with all conditions of this CUP, including the Needles Municipal Code ("Municipal Code") and Chapter 12A thereof, the City Zoning Code, including Article IV and Section 94 thereof, and all applicable laws, policies, rules and regulations of the City, County, and State; and shall comply with any requirements associated with this approval or with the issuance of any Cultivation Facility License as required by Chapter 12A of the Municipal Code.
3. This CUP is issued in accordance with the provisions of the Municipal Code, and all development subject to the CUP shall occur strictly in accordance with the CUP plans and applications approved by the City. Failure to implement and maintain all provisions of these conditions of CUP approval shall be deemed grounds for revocation.
4. The CUP is issued contingent upon the Applicant's compliance with the provisions of Municipal Code Chapter 12A, and the issuance of all applicable permits and licenses in connection therewith, including, without limitation, a Marijuana Cultivation License, prior to the issuance of a Certificate of Occupancy pursuant to this CUP.

5. The approval for CUP No. 05-11-2022-1 PC is subject to the six (6) month expiration provisions of Section 94.13(a) of the City's Zoning Code, and will expire on **11-11-22**.
6. The permit issuing authority may extend for a period of up to six (6) months, the date when the permit would otherwise expire pursuant to 94.13(a) if it concludes that: (1) the permit has not yet expired; (2) the permit recipient has proceeded with due diligence and in good faith; and (3) conditions have not changed so substantially as to warrant a new application.
7. The Applicant shall indemnify, protect, hold harmless and defend, with counsel selected by the City, the City and any agency or instrumentality thereof, and/or any of its officers, employees and agents from any and all claims, actions, or proceedings against the City to attack, set aside, void, annul, seek monetary damages resulting from an approval of the City, or any agency or instrumentality thereof, advisory agency, appeal board or legislative body including actions approved by the voter of the City, concerning the entitlement application. City shall promptly notify both the Applicant and landowner of any claim, action, or proceeding to which this condition is applicable and shall further cooperate fully in the defense of the action. The City reserves its right to take any and all action the City deems to be in the best interest of the City and its citizens in regard to such defense. As a condition of this approval, the Applicant or its authorized representative shall:
  - (a) Execute an agreement to defend (with legal counsel of the City's choice), indemnify and hold the City harmless from any and all claims, damages, legal or enforcement actions, including, but not limited to, any actions or claims associated with violation(s) of federal law associated with the permitting, licensing, approval, and/or operation of the Cultivation Facility; and
  - (b) Maintain insurance in the minimum amount of \$1 million per claim and \$2 million in the aggregate; and
  - (c) Name the City as an additional insured on all City required insurance policies; and
  - (d) Agree to defend, at its sole expense, any action against the City, its agents, officers, and employees related to the approval of the Cultivation Facility.
8. All development on the project site shall be in compliance with all applicable provisions of the City's Municipal Code and all applicable provisions of the adopted and applicable Building, Construction and Fire Codes, the Americans with Disabilities Act, and all City building, zoning, business, and health regulations. All new construction shall obtain appropriate building permits and comply with the requirements of the Planning, Building, and Fire Departments.

9. With the exception for amendments and/or modifications that are consistent with Section 94.15 of the City's Zoning Code, anything not shown on the CUP application or the Site Plan, or which is not specifically approved herein, or which is not in compliance with the CUP, is not approved. Any application and/or plans which are defective as to, but not limited to, omissions, dimensions, scale, use, colors, materials, encroachments, easements, etc., shall render any entitlements granted hereunder null and void. Construction (if any) shall cease until all requirements of this CUP are complied with, and development entitlements may be withheld until any Code violations are abated.
10. No Certificate of Occupancy shall be granted until all Conditions of Approval have been completed and approved by the City and Fire Department unless otherwise identified herein, and all offsite improvements have been completed and accepted by the City.
11. Within fifteen (15) days of final approval by the City Council, the Applicant shall submit a notarized affidavit acknowledging acceptance of the conditions of this CUP. This authorization shall become void, and any privilege, permit, or other authorization granted under these entitlements shall be deemed to have lapsed if compliance with this condition has not been undertaken within the specified time limits.
12. A scanned copy of the signed Conditions of Approval shall be included in the Building Construction Plans submitted for plan check.
13. The Applicant shall pay all established service, permit, impact, environmental, and other applicable fees required by the City as a condition of this CUP.
14. The Applicant shall at all times comply with any applicable State law, including but not limited to: the Compassionate Use Act (Proposition 215), the Medical Marijuana Program Act (Senate Bill 420), the Medical Marijuana Regulation and Safety Act (collectively Assembly Bill 266, Assembly Bill 243, and Senate Bill 643, signed into law by Governor Brown on October 9, 2015, as may be amended from time to time), and any other State or California Constitutional provision, whether now or later adopted, including any location restrictions.
15. The Applicant shall apply for and obtain a Marijuana Cultivation License prior to operating the Cultivation Facility conditionally authorized by this CUP, and shall at all times comply with the provisions of such license and applicable City Codes and regulations. The revocation or suspension of any required regulatory license shall operate to suspend all operations.
16. Applicant must comply with the recommendations and conditions of the City Manager or his/her designee prior to issuance of any building permits. All development pursuant to this CUP must be kept in full compliance with the County Fire Code to the satisfaction of the County Fire Department.



17. A Management, Operations, and Security Plan including the measures set forth in Municipal Code Chapter 12A-7(F) shall be reviewed, and approved by the City Manager (or Designee) and City Building Official prior to Building Permit Issuance. Installation of security measures, including those listed below (See Condition 42a-e) must be completed, inspected, and approved by the City Manager (or Designee) and City Building Official prior to issuance of a Certificate of Occupancy.
18. Prior to the issuance of a Certificate of Occupancy, the Applicant shall secure any change to legal access for ingress and egress to the project site. The cost of which shall be borne by Applicant.
19. Applicant shall provide adequate lighting above all entrances and exits to the proposed 20,000 square foot building, as well as all parking areas and walkways that are under the control of the Applicant.
20. All required lighting shall be of sufficient power to illuminate and make easily discernible the appearance and conduct of all persons within lighted areas during operating hours and shall be designed so as to direct light and glare onto the premises only. Said lighting and glare shall be shielded to deflect lighting away from all adjoining properties.
21. Prior to the issuance of a Conditional Use Permit, the Applicant shall obtain an electric "Will-Serve" letter, as well as a "Will-Serve" letter for Domestic Water and Sanitary Sewer Service from the Needles Public Utility Authority ("NPUA").
22. During grading activities and in the event of an accidental discovery or recognition of any human remains during project construction activities, Public Resources Code (PRC) Section 5097.98 must be followed. In this instance, once project-related earthmoving begins and if there is accidental discovery or recognition of any human remains in any location other than a dedicated cemetery, the following steps shall be taken:
  - There shall be no further excavation or disturbance of the site or any nearby area reasonably suspected to overlie adjacent human remains until the County Coroner is contacted to determine if the remains are Native American and if an investigation of the cause of death is required. If the coroner determines the remains to be Native American, then the coroner shall contact the NAHC within 24 hours, and the NAHC shall identify the person or persons it believes to be the "most likely descendant" of the deceased Native American. The most likely descendant may make recommendations to the landowner or the person responsible for the excavation work, for means of treating or disposing of, with appropriate dignity, the human remains and any associated grave goods as provided in PRC Section 5097.98, or
  - Where the following conditions occur, the landowner or his authorized representative shall rebury the Native American human remains and associated grave goods with appropriate dignity either in accordance with the

recommendations of the most likely descendant or on the property in a location not subject to further subsurface disturbance:

- The NAHC is unable to identify a most likely descendent or the most likely descendent failed to make a recommendation within 24 hours after being notified by the commission;
- The descendant identified fails to make a recommendation; or
- The landowner or his authorized representative rejects the recommendation of the descendant, and the mediation by the NAHC.

23. During construction, the Applicant shall, at all times, maintain the project site free of weeds, debris, trash or any other offensive, unhealthful and dangerous material. If after five (5) days' notice by certified mail, the Applicant does not comply with a notice of violation issued during construction, the City may either cancel building or grading permits and/or implement nuisance abatement proceedings, including placing a lien on the property for costs of abatement.
24. Applicant shall locate outside trash bin(s) or trash cans in a secured, enclosed area; not to be seen by public view and shall be locked at all times.
25. The outdoor cultivation and/or sale of marijuana and/or marijuana products are prohibited on the project site. No activity including, but not limited to, seeding, growing, or processing shall be conducted outside of the enclosed Cultivation Facility. The only time in which the product of any type is allowed to be outside of the 20,000 square foot building enclosure is for loading and/or transportation/logistic and/or disposal purposes, consistent with the approved Site Plan. Indoor Cultivation is allowed only within a fully enclosed and secure structure which has a complete roof enclosure supported by connecting walls extending from the ground to the roof, is secured against unauthorized entry, provides complete visual screening, is only accessible through doors, and is inaccessible to minors. Other types of activities or special events are prohibited on the project site unless the applicant has received an approved Temporary Use Permit subject to the provisions of the City Municipal Code.
26. All structures, building walls open to public view shall remain free of graffiti or other extraneous markings, drawing, or signage that was not approved by the City, unless directly related to the business being operated on the premises or otherwise providing pertinent information about said premises. In the event graffiti or other extraneous markings occur, the Applicant shall remove or cover said markings, drawings, or signage within 24 hours of notification of such occurrence, weather permitting. Paint utilized in covering such markings shall be of a color that matches, as closely as possible, the color of the adjacent surface.
27. Prior to occupancy, the Applicant shall prepare and file with the County Fire Department and Sheriff's Department a detailed evacuation plan in the event of an emergency that details how the building will be secured and how first responders will gain access.

28. Applicant shall comply with the National Pollutant Discharge Elimination System (NPDES) requirements per the California Regional Water Quality Control Board (RWQCB), Colorado Region.
29. Prior to construction of the building facility, the applicant shall fill out the City's Industrial Wastewater Discharge checklist and provide the City with a detailed description of the project's proposed treatment for wastewater discharge associated with cultivation.

This shall involve and require the applicant to construct a sampling manhole onsite to connect to the facility's wastewater line that will tie-in to the nearby existing sewer line, and shall be constructed large enough in diameter for test tubes to be fitted down for water capture and testing. Said manhole shall be located between the building structure and the City's sewer main with access for City Staff, and a composite sampling device to be installed in the manhole with a remote controller. The depth of the manhole will depend on the depth of the sewer.

The applicant shall also describe if:

- a) Reverse osmosis will be utilized, and if so, shall provide documentation to the City of how concentrated levels of Total Dissolved Solids (TDS) and brine solutions will be disposed and of the licensed entity that will be appointed in receiving TDS waste; or
  - b) If Hydroponic Grow Methods will be utilized, the applicant shall notify the City prior to initial discharge of hydroponic water media. Testing shall be performed at the time of discharge by a licensed wastewater testing firm. If testing reveals an exceedance in the maximum allowable threshold for dissolved solids, the facility shall halt any further discharge until appropriate filtering methods have been replaced/installed and re-tested by the wastewater testing firm until discharge levels of dissolved solids fall below the maximum allowable threshold. Failure to notify the City or detection of an unapproved discharge shall be considered "non-compliant" and is subject to sanctions up to and including discontinuance of service in accordance with Sections 9.5 and 10.7 of the City Code.
30. No nuisance water shall escape the Project Site onto public streets or adjacent properties.
  31. If hazardous substances are used and/or stored in connection with the project, that exceed 55 gallons, 500 pounds, or 200 cubic feet (compressed gas) at any one time in the course of a year, a Business Emergency/Contingency Plan shall be prepared prior to issuance of Certificate of Occupancy and shall be in compliance with California Health & Safety Code (CHSC), Division 20, Chapter 6.95, Sections 25500 – 25520, California Code of Regulations (CCR), Title 19, Division 2, Chapter 4, Article 4, Sections 2729 - 2732, Title 40, Code of Federal Regulations (CFR), and EPA (SARA, Title III). A technical opinion and report may be required, identifying and developing

methods of protection from the hazards presented by the hazardous materials. This report shall be prepared by a qualified and properly licensed person, firm, or corporation and submitted to the Fire Department. This report shall also explain the proposed Facility's intended methods of operation and list all of the proposed materials, their quantities, classifications, and the effects of any chemical (material) inter-mixing in the event of an accident or spill.

32. The Project addition shall not exceed 20,000 square feet, as authorized pursuant to the CUP. In the event that State law further restricts or limits these requirements, the Cultivation Facility shall comply with all size requirements for such facilities imposed by State law and consistent with any State issued permit or license. A decrease in Indoor Cultivation below that which is authorized shall not require a new or amended CUP.
33. Indoor Cultivation shall not adversely affect the health or safety of the nearby residents, businesses or properties by creating offensive odors, dust, glare, heat, noise, smoke, traffic, vibration, or other impacts that are disturbing to people of normal sensitivity residing or present on adjacent or nearby properties or areas open to the public and shall not be hazardous due to use or storage of materials, processes, products or wastes. All facilities shall incorporate, operate and maintain sufficient odor absorbing ventilation through the use of closed loop charcoal lined filtration and exhaust systems.
34. A temporary Certificate of Occupancy may be issued for the new 20,000 sq. ft. building 2 to replace the AC units with a closed looped system in the existing 30,375 sq. ft. cannabis cultivation building 1 to achieve the necessary odor control.
35. The Cultivation Facility shall comply fully with all applicable restrictions and mandates set forth in State law, including without limitation, the Guidelines for the Security and Non-Diversion of Marijuana Grown for Medical Use issued by the California Attorney General in August 2008, as may be amended from time to time. The Cultivation Facility shall not engage in any activities not allowed at Cultivation Facilities pursuant to State law and Chapter 12A of the Municipal Code. The Cultivation Facility shall comply with all horticultural, labeling, processing, and other standards required by State law and Chapter 12A of the Municipal Code.
36. All marijuana and marijuana products shall be stored in a secured manner within the Cultivation Facility during business and non-business hours.
37. On-site smoking, ingestion, or consumption of marijuana or alcohol shall be prohibited on the premises of the Cultivation Facility. The term "premises" includes the actual building, as well as any accessory structures and parking areas. The building entrance to the Cultivation Facility shall be clearly and legibly posted with a notice indicating that smoking, ingesting, or consuming marijuana on the premises or in the vicinity of the Facility is prohibited.

38. Alcoholic beverages shall not be sold, stored, distributed, or consumed on the premises. A Cultivation Facility shall not hold or maintain a license from the State Department of Alcohol Beverage Control to sell alcoholic beverages, or operate a business that sells alcoholic beverages. In addition, alcohol shall not be provided, stored, kept, located, sold, dispensed, or used on the premises of the Cultivation Facility.
39. With the exception of Emergency Medical Care provided in the event of an accident or injury, Physician services shall not be provided on the premises.
40. No physical change, alteration, or modification of the premises of the Cultivation Facility is allowed that materially or substantially alters the permitted use or the approved site plans. Material changes include, but are not limited to, an increase in the total square footage of the Cultivation Facility, or the addition, sealing of, or relocation of a wall, common entryway, doorway, or other means of ingress and/or egress to the Facility.
41. The Cultivation facility shall not distribute, sell, dispense, or administer marijuana out of its Facility to the public. A Cultivation facility shall not be operated as a Cooperative/Collective.
42. Applicant shall identify the on-site manager(s) of the Facility to whom notice of operational issues may be provided. The Cultivation Facility shall make every good faith effort to encourage residents, businesses, or members of the public to call this Facility Manager as a first step to resolving operating problems, if any, before calls or complaints are lodged with the Sheriff's or Planning Department.
43. A security plan shall be clearly detailed on the Site Plan and installed at the Facility, including the following measures:
  - (a) Security cameras shall be installed and maintained in good condition, and used in an on-going manner with at least 240 concurrent hours of digitally recorded documentation in a format approved by the City Manager or his/her designee. The cameras shall be in use 24 hours per day, 7 days per week. The areas to be covered by the security cameras include, but are not limited to, the storage areas, cultivation areas, all doors and corners of the building, and any other areas as determined by the City Manager or his/her designee. Recordings shall be made available to the City Manager or his/her designee upon 24 hours' notice;
  - (b) The facility shall be alarmed with an alarm system that is operated and monitored by a properly licensed security company. Any security personnel, whether armed or unarmed, employed by the Cultivation Facility shall have and possess on their person a valid, State issued, licenses (commonly known as a "Guard Card");
  - (c) Entrance to the cultivation area and any storage areas shall be locked at all times, and under the control of staff of the Cultivation Facility;

- (d) The entrance(s) shall be illuminated during evening hours. The Applicant shall comply with the City's lighting standards regarding fixture type, wattage, illumination levels, shielding, etc., and secure the necessary approvals and permits as needed.
  - (e) Entry doors to the building shall be appropriately secured and all marijuana securely stored, and a reliable, commercial alarm system shall be installed and maintained.
- 44. Applicant shall enter into an agreement with the City that fully reimburses the City for all costs incurred by the City, resulting from the existence of the Facility, and provides the City with any applicable impact or other fees, imposed now or hereafter, to offset the potential impacts of the Cultivation Facility within the City.
  - 45. The City Manager, or the City Manager's designee, shall have the right to enter the Cultivation Facility from time to time upon 24 hours' notice for the purpose of making reasonable inspections to observe and enforce compliance with these conditions of approval and all laws of the City and State of California.
  - 46. Applicant shall provide the utility department with required volume and pressure demand, including calculations that will define the total fixture units and minimum size of drainage pipes, to verify that the proposed new and existing lateral will be adequate to fulfill the demand. Applicant shall also clarify plans the rerouting of the existing lateral water line.
  - 47. Applicant shall provide the electric load calculation and specify the location of the two 1,000 KVA transformers.
  - 48. If the Applicant utilizes an average of 125 percent or more of the permitted electricity or water amount based on the electric and water Will-Serve letters, in any one (1) year without prior written approval by the NPUA, all operations must cease immediately and the same shall be grounds for revocation of the CUP. Average electricity and water usage will be monitored on a quarterly basis by NPUA and City of Needles.
  - 49. All outside ground mounted HVAC equipment shall be "caged" so as to minimize the potential for vandalism or theft of HVAC systems, wiring or copper.
  - 50. Operation of the Cultivation Facility in violation of any condition(s) of this CUP approval or requirements of Chapter 12A of the Municipal Code or other City regulation or ordinance shall constitute a violation of the CUP and shall be enforced pursuant to the provisions of thereof.
  - 51. If any condition of approval of this CUP is held or declared to be invalid by a court of competent jurisdiction, the entire Project and CUP may be reviewed and substitute and/or additional conditions may be imposed.

52. Any violation of these conditions of approval shall constitute grounds for revocation of the CUP. The CUP may be revoked by the permit-issuing authority only in accordance with the requirements of Section 118.04 of the City's Zoning Code. Any such decision is appealable by the Applicant in accordance with Section 118.05 of the City's Zoning Code.
53. The project shall be built in conformance to the site plan drawing dated February 18, 2022. Any deviation from the approved plan shall require Planning Commission approval.
54. Prior to issuance of Certificate of Occupancy, the Applicant shall have all landscaping installed per the approved Landscape Plans dated February 18, 2022. The landowner shall be responsible in maintaining the vigor and life of planted landscape species during the life of the project.
55. Landscape Plans shall identify and plant desert efficient species in accordance with the City's planting palette.
56. Applicant must use asphalt or concrete for driving and parking surfaces per City standards.
57. The project is required to be handicap accessible, with ADA compliant restrooms. The project is required to provide an ADA compliant path of travel between both cultivation buildings on site.
58. The proposed 20,000 square foot building shall be painted with earth-tone colors for the building's siding.
59. Any exposed metal surfaces to the building shall be masked with architectural treatment. At all times the building shall be maintained with appropriate paint or exterior treatment.
60. Geotechnical Report shall be generated and submitted to the City of Needles by a licensed and qualified engineer. Said report shall be completed to the satisfaction of the City Engineer and recommendations within the report shall be incorporated into the grading and building plan(s) prior to issuance of a grading or construction permit.
61. The Applicant shall install a minimum six (6) foot tall block and wrought iron fence with accessible man gate entrance. The existing six (6) foot tall chain link fence at the Site will remain.
62. Prior to issuance of Certificate of Occupancy, an electric meter and a main disconnect switch shall be installed to accommodate all operational activities.
63. Applicant must comply with the recommendations of the San Bernardino County Fire Department prior to issuance of any building permits. All development pursuant to

this permit must be kept in full compliance with the County Fire Code to the satisfaction of the County Fire Department.

64. Water and wastewater capacity fees will be paid prior to Certificate of Occupancy.
65. City of Needles Development Impact Fees will be paid prior to Certificate of Occupancy.

SECTION 5. This action shall become final and effective fifteen (15) days after this decision by the City Council, unless within such period, a written appeal is filed with the City Clerk for consideration by the City Council as provided by the Needles City Code.

PASSED, APPROVED AND ADOPTED this 24th day of May, 2022 by the roll call vote:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

\_\_\_\_\_  
Mayor

(Seal)

Attest:

\_\_\_\_\_  
City Clerk

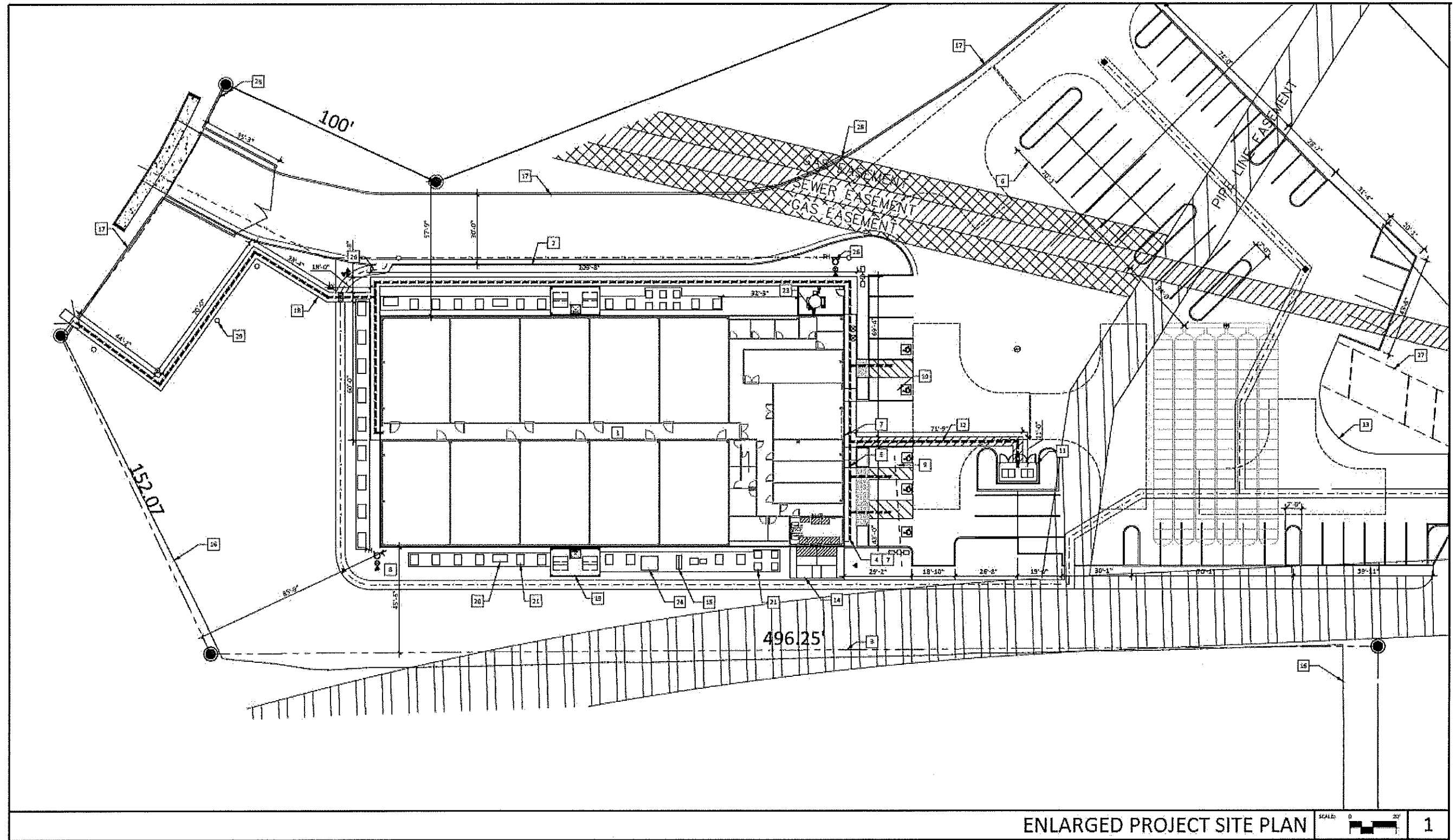
Approved as to form:

\_\_\_\_\_  
City Attorney



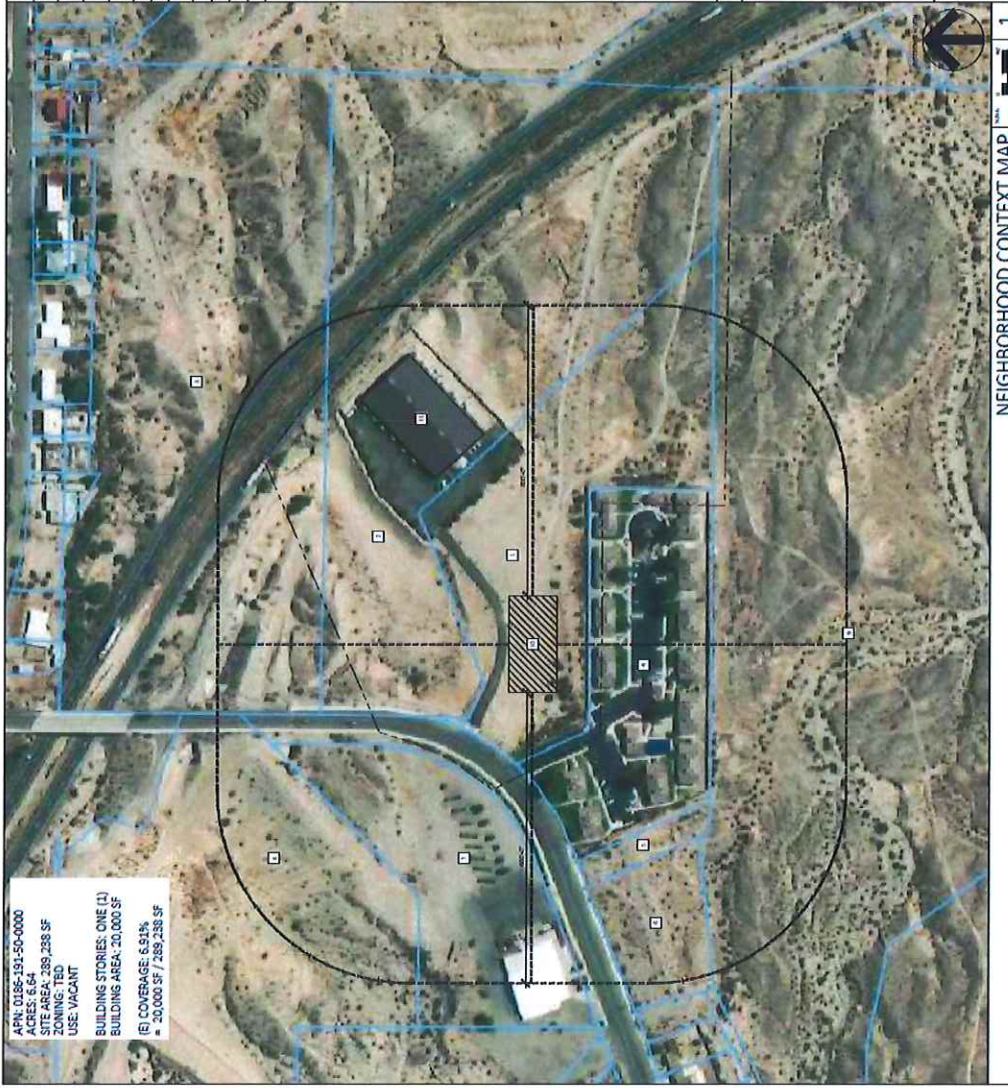


**ATTACHMENT A: Project Location**  
**APPLICANT: MSB Facilities, Inc.**  
**SITE ADDRESS: 1105 Lillyhill**



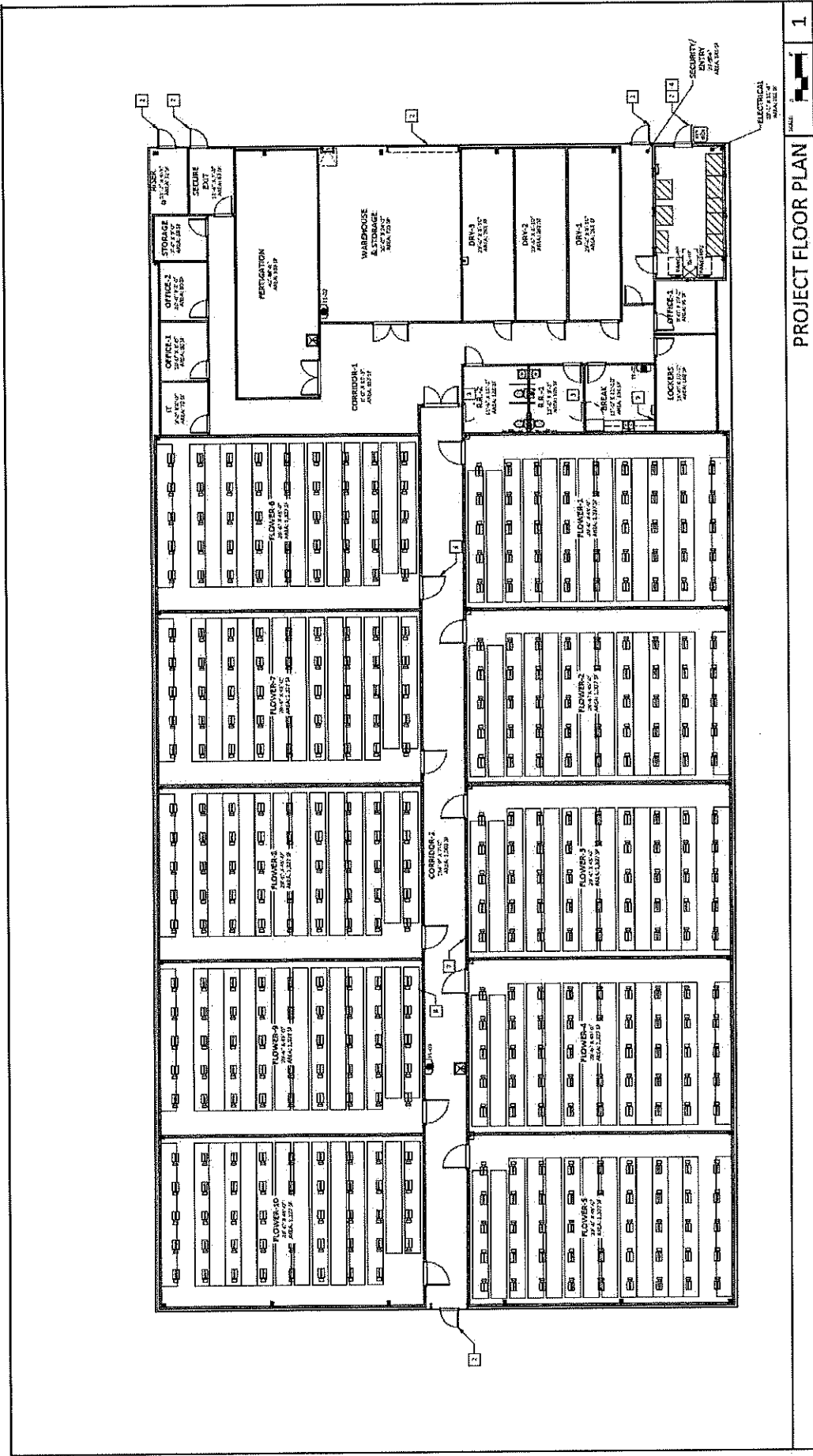
**ATTACHMENT B: Site Plan**  
**APPLICANT: MSB Facilities, Inc.**  
**SITE ADDRESS: 1105 Lillyhill**





**ATTACHMENT B-1: Existing Site**  
**APPLICANT: MSB Facilities, Inc.**  
**SITE ADDRESS: 1105 Lillyhill**

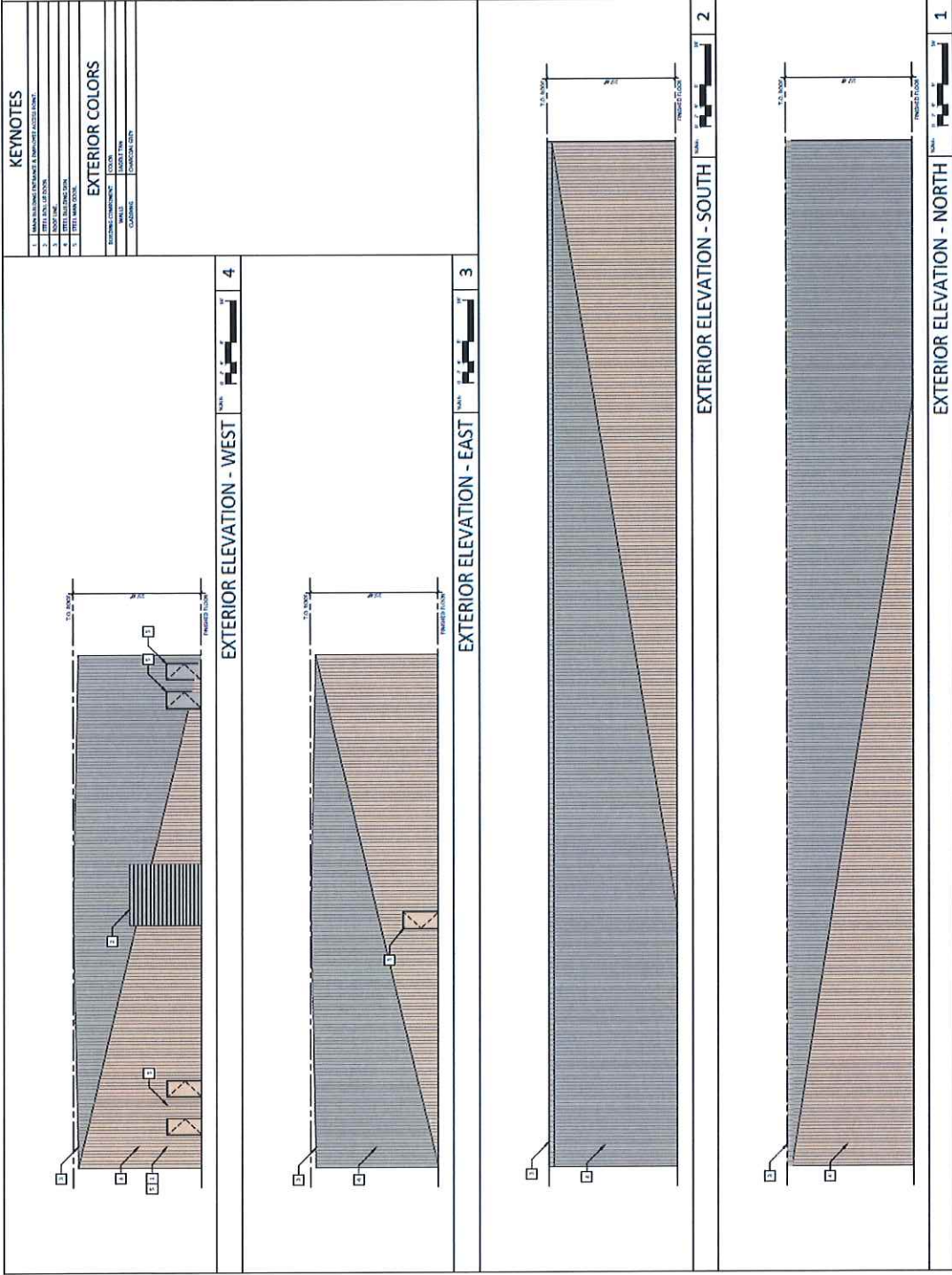




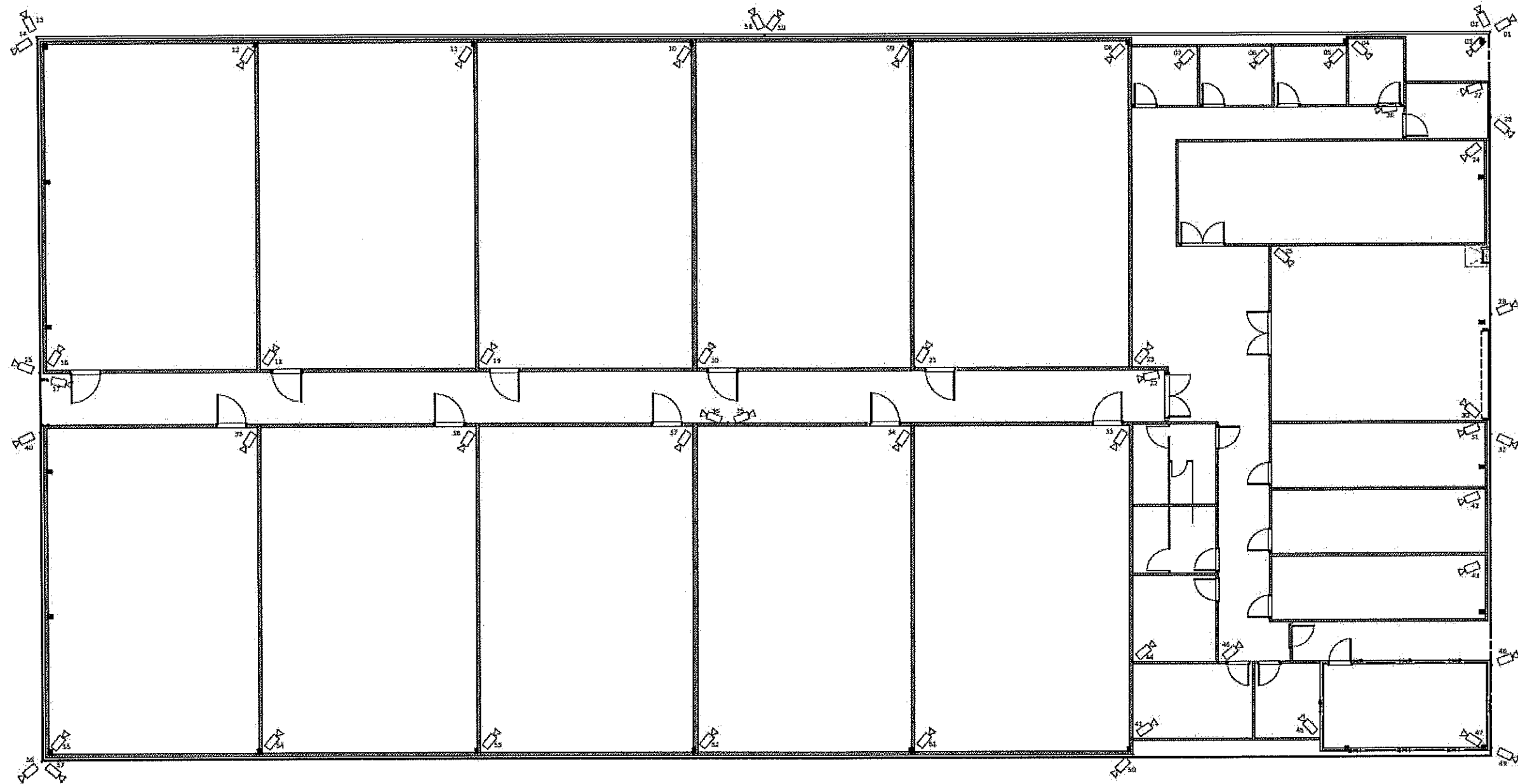
PROJECT FLOOR PLAN



ATTACHMENT C: Floor Plan  
 APPLICANT: MSB Facilities, Inc.  
 SITE ADDRESS: 1105 Lillyhill



**ATTACHMENT D: Conceptual Elevation**  
**Plans APPLICANT: MSB Facilities, Inc.**  
**SITE ADDRESS: 1105 Lillyhill**



PROJECT SECURITY PLAN



5



**ATTACHMENT E: Security Plan**  
**APPLICANT: MSB Facilities, Inc.**  
**SITE ADDRESS: 1105 Lillyhill**





CITY OF NEEDLES, CALIFORNIA  
Application For Cannabis Business — Conditional Use Permit

Name of Applicant: msb Facilities Phone: 310 710 4447 (Applicant must be the owner of the land, the lessee having a leasehold interest of not less than 5 years, or the agent of any of the foregoing duly authorized in writing)

I, (I/We) the undersigned, msb, LLC (Owner/Lessee/Agent) of the property listed below, hereby request that the following stated use be permitted to be constructed and/or operated.

Project name and address: 1105 Whythe

APN # 0186-191-50 & 0185-191-53

2. Legal Description of Parcel (attach if necessary):

3. Briefly Describe: a. Purpose and Intent of proposed project (include acres, square feet, units, etc.).  
To construct a 20,000 square foot cultivation facility. Building will be imp building with grow rooms. 2 year for construction

b. Population projection (project residents):

c. Number of persons employed during operation: full time 50 part time 0

d. Will the Project require new utility services? X yes no

i. Water Service TBD no. If so, estimated peak water demand in gallons/minutes: TBD; service requirement.

ii. Sewer Service no Any chemical wastes expelled in sewers? no  
If yes, explain:

iii. Electric Service: main size 4 mega; three phase X  
Attachment to existing electric facilities: load calculations

e. Estimated daily vehicular traffic generated by the operation: 50 Comment: employee arrival & departures.

f. List major machines — give horsepower and noise rating in decibels: ALC units

g. Will the project require a permit from the Air Pollution Control District, and if so, describe: n/a

h. What will be the hours of operation: 6am - 6pm

i. Describe materials or machinery that will be stored or parked outside: ALC units

5. Identify any other licenses you hold for cannabis in California

Type of License: California City Issuing License

Dispensary

Cultivation

Manufacturing

Testing/Lab

Distribution/Transportation

Other

X

6. Attached ☒ Site Plan ☒ Elevations ☒ Filing Fee ☐ Legal ☒ (site plans folded 8 1/2" x 11" reduction)



AUTHORIZATION

Names and signatures of all persons having an interest in the property whose consent is required (by virtue of such interest) to authorize filing of application.

Name (print or type)	Address	Capacity Owner/Lessee
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Signature \_\_\_\_\_

2. \_\_\_\_\_

Signature \_\_\_\_\_

3. \_\_\_\_\_

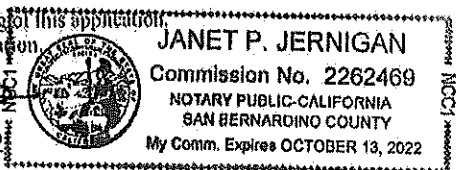
Signature \_\_\_\_\_

All signatures represent that they have full legal capacity to, and hereby do, authorize the filing of this application. Leaseholds must be for at least five years or the owner shall be required to sign this application.

Subscribed and sworn before me this 3rd day of May, 2022

Oct. 13, 2022  
My Commission Expires:

Ss: Janet P. Jernigan  
Notary Public (or City State)



CERTIFICATION

I certify that the information and exhibits herewith submitted are true and correct to the best of my knowledge and that I am to file this application and act on behalf of the signatories of the above authorization.

Name (print):	<u>Dawn Williams</u>	Signature:	<u>Dawn Williams</u>
Address:	<u>10068 S. River Terrace</u>	Telephone:	<u>310.710.4447</u>
Capacity:	<u>Mohave Valley AZ 86440</u>		
	owner: <u>—</u> lessee: <u>—</u> agent of: <u>X</u>		<u>owner</u>

Person(s) to be contacted regarding this application if other than myself:

Tony Huang Address: 1519 E. Chapman  
#56 Fullerton CA  
92831

\*\*\*\*\*

(STAFF USE ONLY)

Date filed \_\_\_\_\_ Rec'd by \_\_\_\_\_ Receipt No. \_\_\_\_\_



## City of Needles, California Request for City Council Action

☒ CITY COUNCIL ☐ NPUA ☐ RDA

☒ Regular ☐ Special

**Meeting Date:** May 24, 2022

**Title:** City Council Resolution No. 2022-42  
A Resolution of the City Council of the City of Needles Approving a Conditional Use Permit for a 25,782 sq. ft. cannabis cultivation facility in the C-2 General Commercial Zone, located at 209 I Street, Also known as APN 0186-094-51-0000 formerly known as APN's 0186-094-01-0000, 0186-094-02-0000, 0186-094-34-0000, 0186-094-35-0000

**Background:** Edward Andrade, Applicant, is proposing for the construction of a two-story, 25,782 square foot metal building for the purpose of cannabis cultivation. The project is situated on an approximate 0.52-acre property located at the southwest corner of 209 I-Street, also known as APN 0186-094-51-0000 within the General Commercial Zone (C-2) zoning designation (see Attachment A, *Project Location*). The 0.52-acre vacant lot has two existing residences abutting the southeast side of I-Street that will be demolished and removed and to then to be followed by project grading and construction of the building. The project recently received a Certificate of Compliance Lot Line Adjustment (see Attachment I) which merged the four parcels (APN's 0186-094-01-0000, 0186-094-02-0000, 0186-094-34-0000, 0186-094-35-0000) into one parcel (APN 0186-094-51-0000) which was recorded by the County San Bernardino's Assessor's Office on October 6, 2021. The Project Site is located South of the 1150 Broadway

As shown in Attachment B, *Site Plan*, the project would involve the construction of a two-story, metal building with associated parking totaling 11 spaces which would include 1 ADA space, 1 electrical vehicle space, and 9 standard stall spaces, with an additional 1 loading/unloading space. Accessibility would be provided via a driveway off I-Street. The main entrance into building will be situated on the north side of the building abutting Broadway Street.

As shown in Attachment C-1, *Lower-Level Floor Plan*, the lower level of the building would consist of six (6) cultivation flowering rooms, a vegetation room, a fertigation/water tank storage room, a trimming room, a vault room, an office, a harvest storage room, a break room, a clone room, an electrical room, a security room and two (2) restrooms. As shown in Attachment C-2, *Upper-Level Floor Plan*, the upper level of the building would consist of nine (9) cultivation flowering rooms totaling fifteen (15) cultivation flowering rooms containing a maximum of 10,080 square feet of indoor canopy cultivation, two (2) drying rooms and two (2) stairways for accessibility between the upper and lower levels of the building.

As shown in Attachment D, *Elevation Plan*, the building will be approximately 34'-4" tall with a 1 to 12 angled roof pitch. Building exterior materials will consist of metal siding (Surrey beige color), prefabricated metal awnings above the main entrance facing Broadway Street and above all doorway entries and a 4-foot wide strip of decorative stone veneer applied around the base of the building.

As shown in Attachment E-1, *Landscape Plan*, the project would apply landscaping to onsite planter areas adjacent to onsite parking and along the northeast and southwest sides of the building.

The project will operate ten (10) hours a day (10:00 am to 8:00 pm) 7 days per week with a total of six (6) full-time and four (4) part-time employee staff (10 total). The Project Site is located near two Needles Area Transit Stops within .1 miles. A total of ten (10) vehicle trips would occur daily that would include employee trips to-and-from work, deliveries of supplies and pick up of the product. Outside security cameras will be mounted on all corners of the building (See Attachment B) and indoor security cameras will be mounted in all cultivation rooms within the building.

On May 26, 2020, the City Council adopted Ordinance No. 629- AC, allowing cannabis cultivation in zones C-1, C-2, C-3, M-1 and M-2 with the approval of a Conditional Use Permit and a Regulatory Permit.

On May 11, 2022, the Planning Commission held a duly noticed and advertised public hearing for a 25,782 sq. ft. cannabis cultivation facility in the C-2 General Commercial Zone, located at 209 I Street, Also known as APN 0186-094-51-0000. Written testimony was taken from two members of the community in support of the project. Planning Commissioners discussed the closed loop system requirement for the cultivation to avoid the project emitting odors. Additionally, there was discussion regarding the project site being located along Broadway and the Planning Commissioners was excited to revitalize. The Planning Commissioner discussed the core downtown to be closer to the El Garces. Additional conditions of approval were added to include Metal artwork to be installed on the wrought iron fence on the northwest corner of Broadway and I Street along Broadway Street. The Planning Commissioners voted unanimously to recommend the Project to the City Council.

### **Conditional Use Permit Findings.**

In accordance with Section 94.07, the City Council must make the following findings for a Conditional Use Permit:

1. That the requested permit is within its jurisdiction according to the table of permissible uses.
2. The application is complete.
3. The use is consistent with the General Plan.
4. The use will be in harmony with the area in which it is to be located.
5. The use will not materially endanger the public health or safety.
6. The use will not substantially injure the value of adjoining or abutting property.
7. That the project overall is consistent with the preceding findings.

**Public Notification:** A public hearing notice was published in the Needles Desert Star on May 11, 2022. Notices were sent to property owners within 300 feet of the proposed project and posted in two conspicuous locations.

**Fiscal Impact:**

1. The 10% of gross sales of cannabis business tax (voter approved (2012)).
2. Valuation of new buildings – added to city tax rolls.

3. NPUA – electric/water/sewer usage revenue.
4. Recurring business license and permitting fees.
5. A 15% State tax – a portion of which will be passed to local government, will be enacted with approval of Proposition 64 in November 2016.
6. Statewide 10% sales tax; the city's share is 1%.

**Environmental:** This project is categorically exempt under the California Environmental Quality Act, CEQA Guidelines, Section 15332(a-e), Class 32. A project is considered exempt from CEQA under Class 32 if it is consistent with the applicable General Plan designation and policies, and applicable zoning; occurs within city limits on a project site of no more than five (5) acres in size; has no value as habitat for endangered, rare, or threatened species; does not result in significant effects relating to traffic, noise, air quality, or water quality; and can be adequately served by all required utilities and public services.

As shown in Attachment H, However, in precluding the project's concurrence with this exemption, a Historical Analysis Survey was recommended and conducted on the two existing resident homes that were built back in the 1920s. The results of the survey concluded that these structures are not eligible to be added to the California State Historic Resource list. However, there is potential for archaeological remains on the site due to the presence of a historic outhouse/privy. Condition 21 has been added to ensure that archaeological resources discovered during grading or trenching activities follow guidelines set forth in Public Resources Code (PRC) Sections 21083.2(b).

**Recommendation:** Approve Resolution 2022-42, Approving a Conditional Use Permit for a 25,782 sq. ft. cannabis cultivation facility in the C-2 General Commercial Zone, located at 209 I Street, Also known as APN 0186-094-51-0000 formerly known as APN's 0186-094-01-0000, 0186-094-02-0000, 0186-094-34-0000, 0186-094-35-0000

**Submitted By:** Patrick Martinez, Assistant City Manager/Development Services

**City Management Review:**

Rick

**Date:**

5/18/22

Agenda Item:

4



## **RESOLUTION 2022-42**

### **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NEEDLES APPROVING A CONDITIONAL USE PERMIT FOR A 25,782 SQ. FT. CANNABIS CULTIVATION FACILITY IN THE C-2 GENERAL COMMERCIAL ZONE, LOCATED AT 209 I STREET, ALSO KNOWN AS APN 0186-094-51-0000 FORMERLY KNOWN AS APN'S 0186-094-01-0000, 0186-094-02-0000, 0186-094-34-0000, 0186-094-35-0000**

**WHEREAS**, the City Council wishes to assist property owners in their efforts to build in the City in a reasonable manner that does not create a hazard to health, safety and welfare or degrade property values or create incompatibility with surrounding uses; and

**WHEREAS**, on May 26, 2020, the City Council adopted Ordinance No. 629- AC, allowing cannabis cultivation in zones C-1, C-2, C-3, M-1 and M-2 with the approval of a Conditional Use Permit and a Regulatory Permit; and

**WHEREAS**, the parcel being considered for cannabis cultivation is currently zoned C-2 "General Commercial" for APN 0186-094-51-0000; and

**WHEREAS**, a public hearing notice for the Needles Planning Commission meeting was published in the Needles Desert Star on April 27, 2022, at least 10 days prior to said meeting, and notices were sent to property owners within a 300-foot radius of the subject property specifying the date, time and location of the public hearing; and

**WHEREAS**, on May 11, 2022, the Needles Planning Commission held a duly noticed and advertised public hearing to receive oral and written testimony relative to **RESOLUTION 05-11-2022-2 PC**; and

**WHEREAS**, on May 11, 2022, the Needles Planning Commission approved **RESOLUTION 05-11-2022-2 PC** recommending City Council approval of a Conditional Use Permit; and

**WHEREAS**, a public hearing notice for the Needles City Council meeting was published in the Needles Desert Star on Wednesday, May 11, 2022, at least 10 days prior to said meeting, and notices were sent to property owners within a 300-foot radius of the subject property specifying the date, time, and location of the public hearing; and

**WHEREAS**, on May 24, 2022, the Needles City Council held a duly noticed and advertised public hearing for a cannabis cultivation in the C-2 "General Commercial" Zone also known as APN 0186-094-51-0000; and

**WHEREAS**, Section 94.07(d) of the Needles City Code describes the findings required to approve a Conditional Use Permit; and

**WHEREAS**, the Needles City Council has sufficiently considered all testimony and any documentary evidence presented to them in order to make the following determination.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Needles as follows:

**SECTION 1.** The City Council HEREBY FINDS AND DETERMINES that this project is categorically exempt under Section 15332(a-e), Class 32. A project is considered exempt from CEQA under Class 32 if it is consistent with the applicable General Plan designation and policies, and applicable zoning; occurs within city limits on a project site of no more than five acres in size; has no value as habitat for endangered, rare or threatened species; does not result in significant effects of relating to traffic, noise, air quality or water quality and can be adequately served by all required utilities and public services.

However, in precluding the project's concurrence with this exemption, a Historical Analysis Survey was recommended and conducted on the two existing resident homes that were built back in the 1920s. The results of the survey concluded that these structures are not eligible to be added to the California State Historic Resource list. However, there is potential for archaeological remains on the site due to the presence of a historic outhouse/privy. Condition 21 has been added to ensure that archaeological resources discovered during grading or trenching activities follow guidelines set forth in Public Resources Code (PRC) Sections 21083.2(b).

**SECTION 2** The City Council HEREBY FINDS AND DETERMINES, with reports and findings, that facts do exist to approve a Conditional Use Permit, according to the criteria specified in Section 94.07(d) of the Needles City Code:

- A. *That the requested permit is within its jurisdiction according to the table of permissible uses.*

**FINDING:** The facility is located in a General Commercial (C-2) zoning designation, which under Ordinance No. 629-AC, permits cannabis cultivation operations to occur within the facility through approval of a Conditional Use Permit and a Regulatory Permit.

- B. *The Application is Complete*

**FINDING:** The Applicant has submitted a complete application and has provided the required Site, Floor, Elevation, Rendering and Landscape Plans for the proposed demolition and removal of two existing buildings and for the proposed construction of a two-story, 25,782 square foot building for the purpose of cannabis cultivation, which has been incorporated into this Staff Report.

- C. *The development is in general conformity with the Needles General Plan.*

**FINDING:** The proposed project, cultivation of -cannabis, is consistent with uses identified in the General Plan General Commercial (CG) designation through the adoption of Ordinance No. 629-AC, which allows for cultivation facilities to operate within the General Commercial (C-2) designated zone, thereby providing consistency with the General Plan.

D. *The development is in harmony with the area in which it is located.*

**FINDING:** The project site is located on a developed 0.52-acre parcel that will involve demolition and removal of two existing buildings for the proposed construction of a two-story, 25,782 square foot building for the purpose of cannabis cultivation. The Project Site is located directly South of a permitted 15,758 sq. ft. cultivation and distribution facility, North of an existing 4,000 sq. ft. cultivation, East of residential housing and commercial businesses, and West of Needles Point Liquor and a permitted 11,460 sq. ft. Dispensary. The conditions of approval require that only cultivation may be performed inside the building. No manufacturing of products or sales will be permitted to occur within the building. Very little traffic is expected at the site, other than employee, material supply delivery and product shipment and anticipated to be 10 vehicle trips per working day. Therefore, this type of project is consistent with the uses occurring in the vicinity of the project site.

E. *The development will not materially endanger the public health or safety.*

**FINDING:** The project site is located in a commercially developed area of the City. Conditions of approval have been placed on the project to ensure appropriate lighting, security systems, and ventilation systems are in place for health and safety purposes.

F. *The development will not substantially injure the value of adjoining or abutting properties.*

**FINDING:** The project site is zoned General Commercial (C-2). It is surrounded on all sides (north, south, east and west) by other General Commercial uses. The project has been conditioned to install landscaping with plant species in accordance with the City's adopted planting palette. These requirements would assist in maintaining the value of adjoining or abutting properties.

**SECTION 3.** The City Council HEREBY FINDS AND DETERMINES that facts do exist to approve **RESOLUTION 2022-42**

**SECTION 4.** The City Council HEREBY APPROVES Resolution **2022-42**, Approving Conditional Use Permit 05-11-2022-1 adding a 25,782 Sq. Ft. cannabis cultivation building, located at 209 I Street in the C-2 General Commercial Zone. Also known as APN 0186-094-51-0000 with the following conditions:

1. Conditional Use Permit ("CUP") No. 05-11-2022-2 PC conditionally authorizes one Cannabis Cultivation Facility to operate within a 25,782 square foot building upon completion. This CUP allows for a total grow canopy of 10,080 square feet within the allowable limits for a State license for cannabis cultivation. The project is located at 209 I Street, also known as APN 0186-094-51-0000. This CUP does not authorize the use of a Distribution, Cooperative/Collective, Manufacturing, Retail Cannabis or Testing Laboratory at this site within the 25,782 square foot building. These Conditions of

Approval shall apply to the cultivation of cannabis and the establishment of the Cultivation Facility only, whether it is classified as or, in the event it is legalized or otherwise provided immunity from prosecution within the State or by the Federal Government, recreational.

2. The Applicant/Owner/Operator, and his/her/its successor(s) in interest ("Applicant") shall comply with all conditions of this CUP, including the Needles Municipal Code ("Municipal Code") and Chapter 12A thereof, the City Zoning Code, including Article IV and Section 94 thereof, and all applicable laws, policies, rules and regulations of the City, County, and State; and shall comply with any requirements associated with this approval or with the issuance of any Cultivation Facility License as required by Chapter 12A of the Municipal Code.
3. This CUP is issued in accordance with the provisions of the Municipal Code, and all development subject to the CUP shall occur strictly in accordance with the CUP plans and applications approved by the City. Failure to implement and maintain all provisions of these conditions of CUP approval shall be deemed grounds for revocation.
4. The CUP is issued contingent upon the Applicant's compliance with the provisions of Municipal Code Chapter 12A, and the issuance of all applicable permits and licenses in connection therewith, including, without limitation, a Cannabis Cultivation License, prior to the issuance of a Certificate of Occupancy pursuant to this CUP.
5. The approval for CUP No. 05-11-2022-2 PC is subject to the six (6) month expiration provisions of Section 94.13(a) of the City's Zoning Code, and will expire on **11-11-2022**.
6. The permit issuing authority may extend for a period of up to six (6) months, the date when the permit would otherwise expire pursuant to 94.13(a) if it concludes that: (1) the permit has not yet expired; (2) the permit recipient has proceeded with due diligence and in good faith; and (3) conditions have not changed so substantially as to warrant a new application.
7. The Developer shall indemnify, protect, hold harmless and defend, with counsel selected by the City, the City and any agency or instrumentality thereof, and/or any of its officers, employees and agents from any and all claims, actions, or proceedings against the City to attack, set aside, void, annul and/or seek monetary damages resulting from an approval of the City; or any agency or instrumentality thereof, advisory commission; appeal board or legislative body including actions approved by the voters of the City, concerning Applicant's project. The City shall promptly notify the Applicant of any claim, action; or proceeding to which this condition is applicable and shall reasonably cooperate in the defense of the action. The City reserves its right to take any and all action the City deems to be in the best interest of the City and its citizens in regard to such defense. As a condition of this approval, the Developer or its authorized representative shall:
  - (a) Execute an agreement to defend (with legal counsel of the City's choice), indemnify and hold the City harmless from any and all claims, damages, legal or enforcement actions, including, but not limited to, any actions or claims associated with violation(s) of federal law associated with the permitting, licensing, approval, and/or operation of the Cultivation Facility; and



- (b) Maintain insurance in the minimum amount of \$1 million per claim and \$2 million in the aggregate; and
  - (c) Name the City as an additional insured on all City required insurance policies; and
  - (d) Agree to defend, at its sole expense, any action against the City, its agents, officers, and employees related to the approval of the Cultivation Facility.
8. All development on the project site shall be in compliance with all applicable provisions of the City's Municipal Code and all applicable provisions of the adopted and applicable Building, Construction and Fire Codes, the Americans with Disabilities Act, and all City building, zoning, business, and health regulations. All new construction shall obtain appropriate building permits and comply with the requirements of the Planning, Building, and Fire Departments.
  9. With the exception for amendments and/or modifications that are consistent with Section 94.15 of the City's Zoning Code, anything not shown on the CUP application or the Site Plan, or which is not specifically approved herein, or which is not in compliance with the CUP, is not approved. Any application and/or plans which are defective as to, but not limited to, omissions, dimensions, scale, use, colors, materials, encroachments, easements, etc., shall render any entitlements granted hereunder null and void. Construction (if any) shall cease until all requirements of this CUP are complied with, and development entitlements may be withheld until any Code violations are abated.
  10. No Certificate of Occupancy shall be granted until all Conditions of Approval have been completed and approved by the City and Fire Department unless otherwise identified herein, and all offsite improvements have been completed and accepted by the City.
  11. Within fifteen (15) days of final approval by the City Council, the Applicant shall submit a notarized affidavit acknowledging acceptance of the conditions of this CUP. This authorization shall become void, and any privilege, permit, or other authorization granted under these entitlements shall be deemed to have lapsed if compliance with this condition has not been undertaken within the specified time limits.
  12. A scanned copy of the signed Conditions of Approval shall be included in the Building Construction Plans submitted for plan check.
  13. The Applicant shall pay all established service, permit, impact, environmental, and other applicable fees required by the City as a condition of this CUP.
  14. The Applicant shall at all times comply with any applicable State law, including but not limited to: the Compassionate Use Act (Proposition 215), the –Cannabis Program Act (Senate Bill 420), the Medicinal and Adult-Use Cannabis Regulation and Safety Act, and any other State or California Constitutional provision, whether now or later adopted, including any location restrictions.

15. The Applicant shall apply for and obtain a Cannabis Cultivation License prior to operating the Cultivation Facility conditionally authorized by this CUP, and shall at all times comply with the provisions of such license and applicable City Codes and regulations. The revocation or suspension of any required regulatory license shall operate to suspend all operations.
16. The Applicant must comply with the recommendations and conditions of the City Manager or his/her designee prior to issuance of any building permits. All development pursuant to this CUP must be kept in full compliance with the County Fire Code to the satisfaction of the County Fire Department.
17. A Management, Operations, and Security Plan shall be reviewed, and approved by the City Manager (or Designee) and City Building Official prior to Building Permit Issuance. Installation of security measures, including those listed below (See Condition 42 a-e) must be completed, inspected, and approved by the City Manager (or Designee) and City Building Official prior to issuance of a Certificate of Occupancy.
18. Applicant shall provide adequate lighting above all entrances and exits to the proposed buildings, as well as all parking areas and walkways that are under the control of the Applicant.
19. All required lighting shall be of sufficient power to illuminate and make easily discernible the appearance and conduct of all persons within lighted areas during operating hours and shall be designed so as to direct light and glare onto the premises only. Said lighting and glare shall be shielded to deflect lighting away from all adjoining properties.
20. Prior to the issuance of a Conditional Use Permit, the Applicant shall obtain an electric "Will-Serve" letter, as well as a "Will-Serve" letter for Domestic Water and Sanitary Sewer Service from the Needles Public Utility Authority ("NPUA").
21. If accidental discovery or recognition of any archaeological resources occurs during grading or from trenching activities during construction, development shall adhere to the following protocol contained in Public Resources Code (PRC) Sections 21083.2(b). If it can be demonstrated that a project will cause damage to a unique archaeological resource, the lead agency may require reasonable efforts to be made to permit any or all of these resources to be preserved in place or left in an undisturbed state. Examples of that treatment, in no order of preference, may include, but are not limited to, any of the following:
  - Planning construction to avoid archaeological sites.
  - Deeding archaeological sites into permanent conservation easements.
  - Capping or covering archaeological sites with a layer of soil before building on the sites.
  - Planning parks, greenspace, or other open space to incorporate archaeological sites.
22. If accidental discovery or recognition of any human remains occurs during grading or from trenching activities during construction, development shall adhere to the following protocol contained in Public Resources Code (PRC) Section 5097.98. In this instance, once project-related earthmoving begins and if there is accidental discovery or recognition of any

archaeological resources or human remains in any location other than a dedicated cemetery, the following steps shall be taken:

- There shall be no further excavation or disturbance of the site or any nearby area reasonably suspected to overlie adjacent human remains until the County Coroner is contacted to determine if the remains are Native American and if an investigation of the cause of death is required. If the coroner determines the remains to be Native American, then the coroner shall contact the NAHC within 24 hours, and the NAHC shall identify the person or persons it believes to be the "most likely descendant" of the deceased Native American. The most likely descendent may make recommendations to the landowner or the person responsible for the excavation work, for means of treating or disposing of, with appropriate dignity, the human remains and any associated grave goods as provided in PRC Section 5097.98, or
  - Where the following conditions occur, the landowner or his authorized representative shall rebury the Native American human remains and associated grave goods with appropriate dignity either in accordance with the recommendations of the most likely descendant or on the property in a location not subject to further subsurface disturbance:
    - The NAHC is unable to identify a most likely descendent or the most likely descendent failed to make a recommendation within 24 hours after being notified by the commission;
    - The descendant identified fails to make a recommendation; or
    - The landowner or his authorized representative rejects the recommendation of the descendant, and the mediation by the NAHC.
23. During construction, the Applicant shall, at all times, maintain the project site free of weeds, debris, trash or any other offensive, unhealthful and dangerous material. If after ten (10) days' notice by certified mail, the Applicant does not comply with a notice of violation issued during construction, the City may either cancel building or grading permits and/or implement nuisance abatement proceedings, including placing a lien on the property for costs of abatement.
24. Applicant shall locate outside trash bins or trash cans in a secured, enclosed area; not to be seen by public view and shall be locked at all times.
25. The outdoor cultivation and/or sale of cannabis and/or cannabis products are prohibited on the project site. No activity including, but not limited to, seeding, growing, or processing shall be conducted outside of the enclosed Cultivation Facility. The only time in which the product of any type is allowed to be outside of the 25,782 square foot building would be for loading and/or transportation/logistic and/or disposal purposes, consistent with the approved Site Plans. Indoor Cultivation is allowed only within a fully enclosed and secure structure which has a complete roof enclosure supported by connecting walls extending from the ground to the roof, is secured against unauthorized entry, provides complete visual screening, is only accessible through doors, and is inaccessible to minors. Other types of activities or special events are prohibited on the project site unless the applicant has

received an approved Temporary Use Permit subject to the provisions of the City Municipal Code.

26. All structures, building walls open to public view shall remain free of graffiti or other extraneous markings, drawing, or signage that was not approved by the City, unless directly related to the business being operated on the premises or otherwise providing pertinent information about said premises. In the event graffiti or other extraneous markings occur, the Applicant shall remove or cover said markings, drawings, or signage within 24 hours of notification of such occurrence, weather permitting. Paint utilized in covering such markings shall be of a color that matches, as closely as possible, the color of the adjacent surface.
27. Prior to occupancy, the Applicant shall prepare and file with the County Fire Department and Sheriff's Department a detailed evacuation plan in the event of an emergency that details how the buildings will be secured and how first responders will gain access to the project site and buildings.
28. Applicant shall comply with the National Pollutant Discharge Elimination System (NPDES) requirements per the California Regional Water Quality Control Board (RWQCB), Colorado Region.
29. Prior to construction of the building facility, the applicant shall fill out the City's Industrial Wastewater Discharge checklist and provide the City with a detailed description of the project's proposed treatment for wastewater discharge associated with cultivation.

This shall involve and require the applicant to construct a sampling manhole onsite to connect to the facility's wastewater line that will tie-in to the nearby existing sewer line, and shall be constructed large enough in diameter for test tubes to be fitted down for water capture and testing. Said manhole shall be located between the building structures and the City's sewer main (on Columbus Drive) with access for City Staff, and a composite sampling device to be installed in the manhole with a remote controller. The depth of the manhole will depend on the depth of the sewer.

The applicant shall also describe if:

- a) Reverse osmosis will be utilized, and if so, shall provide documentation to the City of how concentrated levels of Total Dissolved Solids (TDS) and brine solutions will be disposed and of the licensed entity that will be appointed in receiving TDS waste; or
- b) If Hydroponic Grow Methods will be utilized, the applicant shall notify the City prior to initial discharge of hydroponic water media. Testing shall be performed at the time of discharge by a licensed wastewater testing firm. If testing reveals an exceedance in the maximum allowable threshold for dissolved solids, the facility shall halt any further discharge until appropriate filtering methods have been replaced/installed and re-tested by the wastewater testing firm until discharge levels of dissolved solids fall below the maximum allowable threshold. Failure to notify the City or detection of an unapproved discharge shall be considered "non-compliant" and is subject to sanctions up to and including

discontinuance of service in accordance with Sections 9.5 and 10.7 of the City Code.

30. No nuisance water shall escape the Project Site onto public streets or adjacent properties.
31. If hazardous substances are used and/or stored in connection with the project, that exceed 55 gallons, 500 pounds, or 200 cubic feet (compressed gas) at any one time in the course of a year, a Business Emergency/Contingency Plan shall be prepared prior to issuance of Certificate of Occupancy and shall be in compliance with California Health & Safety Code (CHSC), Division 20, Chapter 6.95, Sections 25500 – 25520, California Code of Regulations (CCR), Title 19, Division 2, Chapter 4, Article 4, Sections 2729 - 2732, Title 40, Code of Federal Regulations (CFR), and EPA (SARA, Title III). A technical opinion and report may be required, identifying and developing methods of protection from the hazards presented by the hazardous materials. This report shall be prepared by a qualified and properly licensed person, firm, or corporation and submitted to the Fire Department. This report shall also explain the proposed Facility's intended methods of operation and list all of the proposed materials, their quantities, classifications, and the effects of any chemical (material) inter-mixing in the event of an accident or spill.
32. Indoor Canopy Cultivation shall not exceed 10,080 square feet as authorized pursuant to the CUP. If the projects total canopy space coverage exceeds from 10,080 square feet under this CUP, a separate CUP shall be required. In the event that State law further restricts or limits these requirements, the Cultivation Facility shall comply with all size requirements for such facilities imposed by State law and consistent with any State issued permit or license. A decrease in Indoor Cultivation below that which is authorized shall not require a new or amended CUP.
33. Indoor Cultivation shall not adversely affect the health or safety of the nearby residents, businesses or properties by creating offensive odors, dust, glare, heat, noise, smoke, traffic, vibration, or other impacts that are disturbing to people of normal sensitivity residing or present on adjacent or nearby properties or areas open to the public, and shall not be hazardous due to use or storage of materials, processes, products or wastes. The building shall incorporate, operate and maintain sufficient odor absorbing ventilation through the use of closed loop charcoal lined filtration and exhaust systems.
34. The Cultivation Facility shall comply fully with all applicable restrictions and mandates set forth in State law, including without limitation, the Guidelines for the Security and Non-Diversion of Cannabis Grown for Use issued by the California Attorney General in August 2008, as may be amended from time to time. The Cultivation Facility shall not engage in any activities not allowed at Cultivation Facilities pursuant to State law and Chapter 12A of the Municipal Code. The Cultivation Facility shall comply with all horticultural, labeling, processing, and other standards required by State law and Chapter 12A of the Municipal Code.
35. All cannabis and cannabis products shall be stored in a secured manner within the Cultivation Facility during business and non-business hours.

36. On-site smoking, ingestion, or consumption of cannabis or alcohol shall be prohibited on the premises of the Cultivation Facility. The term "premises" includes the actual building and parking areas. The building entrances to the Cultivation Facility shall be clearly and legibly posted with a notice indicating that smoking, ingesting, or consuming cannabis on the premises or in the vicinity of the Facility is prohibited.
37. Alcoholic beverages shall not be sold, stored, distributed, or consumed on the premises. A Cultivation Facility shall not hold or maintain a license from the State Department of Alcohol Beverage Control to sell alcoholic beverages, or operate a business that sells alcoholic beverages. In addition, alcohol shall not be provided, stored, kept, located, sold, dispensed, or used on the premises of the Cultivation Facility.
38. With the exception of Emergency Care provided in the event of an accident or injury, Physician services shall not be provided on the premises.
39. No physical change, alteration, or modification of the premises of the Cultivation Facility is allowed that materially or substantially alters the permitted use or the approved site plans. Material changes include, but are not limited to, an increase or decrease in the total square footage of the Cultivation Facility, canopy space coverage exceeding 10,080 square feet, or the addition, sealing of, or relocation of a wall, common entryway, doorway, or other means of ingress and/or egress to the Facility.
40. The Cultivation facility shall not distribute, sell, dispense, or administer cannabis out of its Facility to the public. A Cultivation facility shall not be operated as a Cooperative/Collective.
41. The Applicant shall identify the on-site manager(s) of the Facility to whom notice of operational issues may be provided. The Cultivation Facility shall make every good faith effort to encourage residents, businesses, or members of the public to call this Facility Manager as a first step to resolving operating problems, if any, before calls or complaints are lodged with the Sheriff's or Planning Department.
42. A security plan shall be clearly detailed on the Site Plan and installed at the Facility, including the following measures:
  - (a) Security cameras shall be installed and maintained in good condition, and used in an on-going manner with at least 240 concurrent hours of digitally recorded documentation in a format approved by the City Manager or his/her designee. The cameras shall be in use 24 hours per day, 7 days per week. The areas to be covered by the security cameras include, but are not limited to, the storage areas, cultivation areas, all doors and corners of the building, and any other areas as determined by the City Manager or his/her designee. Recordings shall be made available to the City Manager or his/her designee upon 24 hours' notice;
  - (b) The facility shall be alarmed with an alarm system that is operated and monitored by a properly licensed security company. Any security personnel, whether armed or

unarmed, employed by the Cultivation Facility shall have and possess on their person a valid, State issued, licenses (commonly known as a "Guard Card");

- (c) Entrance to the cultivation area and any storage areas shall be locked at all times, and under the control of staff of the Cultivation Facility;
  - (d) The entrance(s) shall be illuminated during evening hours. The Applicant shall comply with the City's lighting standards regarding fixture type, wattage, illumination levels, shielding, etc., and secure the necessary approvals and permits as needed.
  - (e) Entry doors shall be appropriately secured and all cannabis securely stored, and a reliable, commercial alarm system shall be installed and maintained.
- 43. Applicant shall enter into an agreement with the City that fully reimburses the City for all costs incurred by the City, resulting from the existence of the Facility, and provides the City with any applicable impact or other fees, imposed now or hereafter, to offset the potential impacts of the Cultivation Facility within the City.
  - 44. The City Manager, or the City Manager's designee, shall have the right to enter the Cultivation Facility from time to time for the purpose of making reasonable inspections to observe and enforce compliance with these conditions of approval and all laws of the City and State of California.
  - 45. If the Applicant utilizes an average of 125 percent or more of the permitted electricity or water amount based on the electric and water Will-Serve letters, in any one (1) year without prior written approval by the NPUA, all operations must cease immediately and the same shall be grounds for revocation of the CUP. Average electricity and water usage will be monitored on a quarterly basis by NPUA and City of Needles.
  - 46. Operation of the Cultivation Facility in violation of any condition(s) of this CUP approval or requirements of Chapter 12A of the Municipal Code or other City regulation or ordinance shall constitute a violation of the CUP and shall be enforced pursuant to the provisions of thereof.
  - 47. If any condition of approval of this CUP is held or declared to be invalid by a court of competent jurisdiction, the entire Project and CUP may be reviewed and substitute and/or additional conditions may be imposed.
  - 48. Any violation of these conditions of approval shall constitute grounds for revocation of the CUP. The CUP may be revoked by the permit-issuing authority only in accordance with the requirements of Section 118.04 of the City's Zoning Code. Any such decision is appealable by the Applicant in accordance with Section 118.05 of the City's Zoning Code.
  - 49. The project shall be built in conformance to the site plan drawing dated February 28, 2022. Any deviation from the approved plan shall require Planning Commission approval.
  - 50. Applicant must use asphalt or concrete for driving and parking surfaces per City standards.

51. The project is required to be handicap accessible, with ADA compliant restrooms for the building under completion.
52. Any exposed metal surfaces to the building shall be masked with architectural treatment. At all times the building shall be maintained with appropriate paint or exterior treatment.
53. Prior to building permit release, the Applicant shall submit street improvement plans showing installation of sidewalk, curb and gutter and driveways that shows accessibility per City Standards. Said street improvements, shall be installed prior to Certificate of Occupancy.
54. Prior to building permit release, Applicant shall submit building plans demonstrating full compliance with 2019 California Building Codes.
55. The Applicant shall install a minimum eight (8) foot tall wrought iron with pilasters, or wrought iron fencing (without pilasters), or a combination of both around the property perimeter prior to Certificate of Occupancy.
56. All building structure walls shall incorporate 25 percent architectural enhancements.
57. Landscape Plans shall identify and plant desert efficient species in accordance with the City's planting palette.
58. Prior to issuance of Certificate of Occupancy, the Applicant shall have all landscaping installed per the approved Landscape Plans dated February 28, 2022. The landowner shall be responsible in maintaining the vigor and life of planted landscape species during the life of the project.
59. Prior to issuance of Certificate of Occupancy, an electric meter and a main disconnect switch shall be installed to accommodate all operational activities.
60. Applicant must comply with the recommendations of the San Bernardino County Fire Department prior to issuance of any building permits. All development pursuant to this permit must be kept in full compliance with the County Fire Code to the satisfaction of the County Fire Department.
61. Metal artwork to be installed on the wrought iron fence on the northwest corner of Broadway and I Street along Broadway Street.

SECTION 5. This action shall become final and effective fifteen (15) days after this decision by the City Council, unless within such period, a written appeal is filed with the City Clerk for consideration by the City Council as provided by the Needles City Code.



PASSED, APPROVED AND ADOPTED this 24th day of May, 2022 by the roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

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Mayor

(Seal)

Attest:

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City Clerk

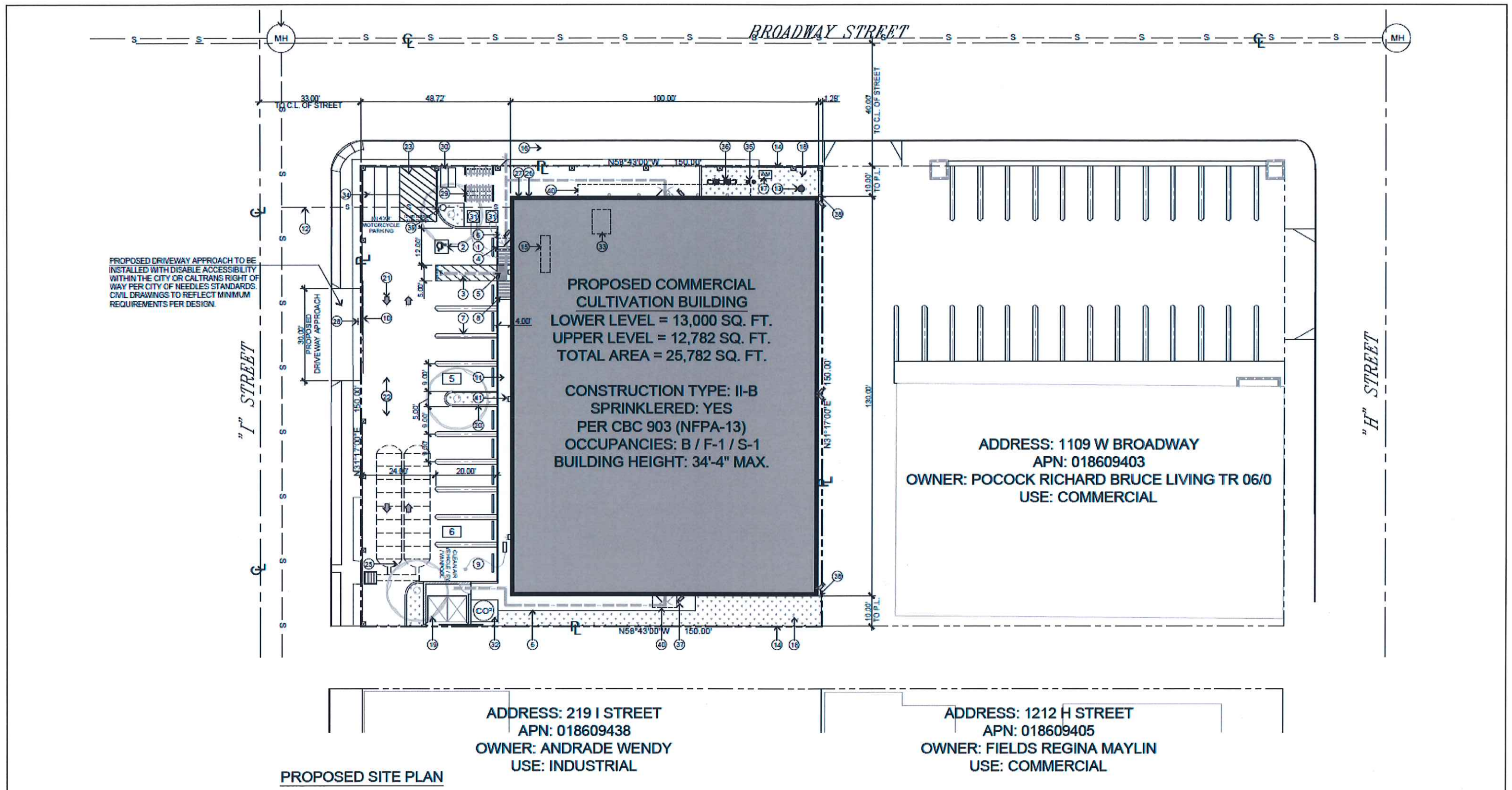
Approved as to form:

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City Attorney

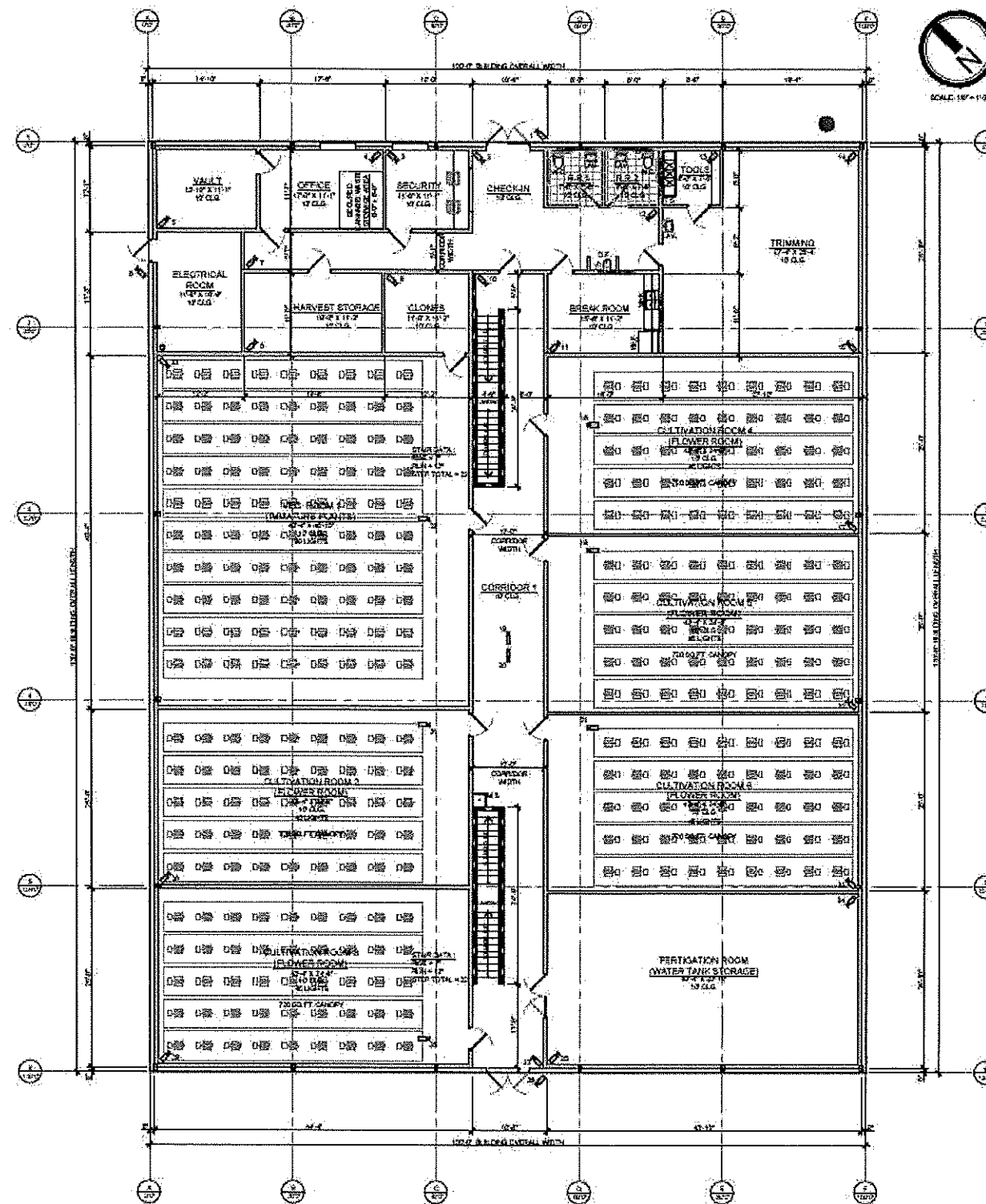


**ATTACHMENT A: Project Location**  
**APPLICANT: Edward Andrade**  
**SITE ADDRESS: 209 I-Street**

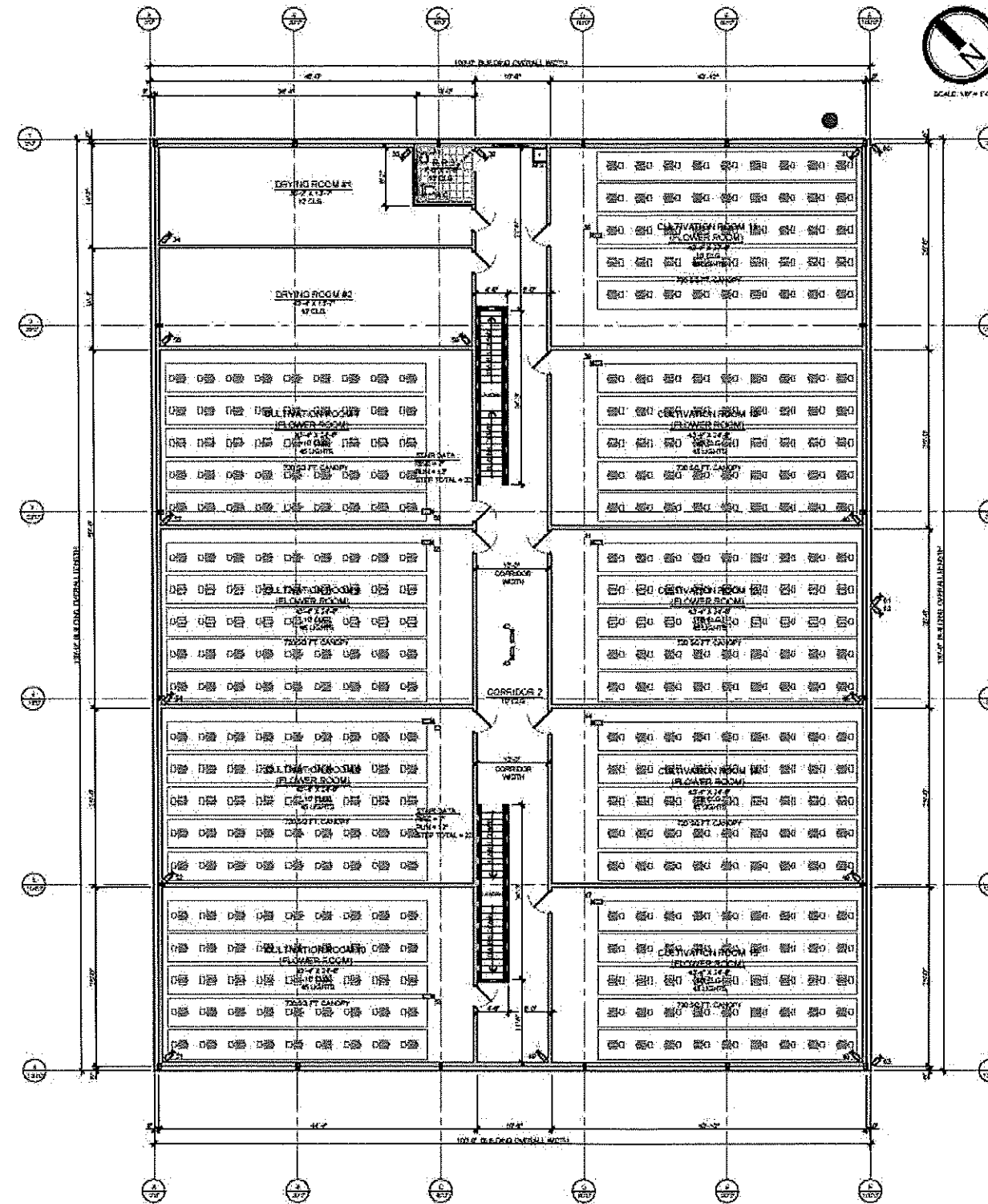


**ATTACHMENT B: Site Plan**  
**APPLICANT: Edward Andrade**  
**SITE ADDRESS: 209 I-Street**





**ATTACHMENT C-1: First Floor Plan**  
**APPLICANT: Edward Andrade**  
**SITE ADDRESS: 209 I-Street**



## ATTACHMENT C-2: Second Floor Plan

APPLICANT: Edward Andrade

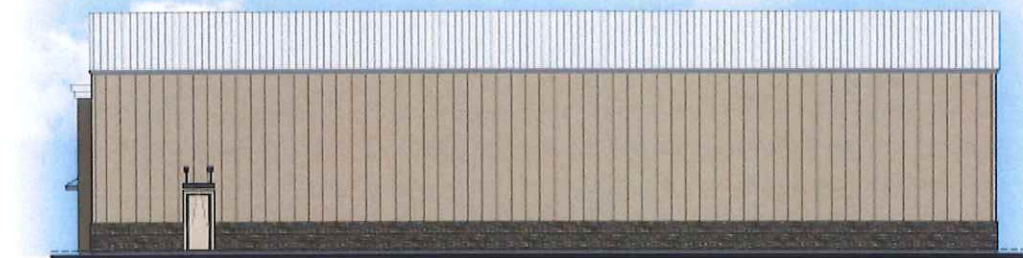
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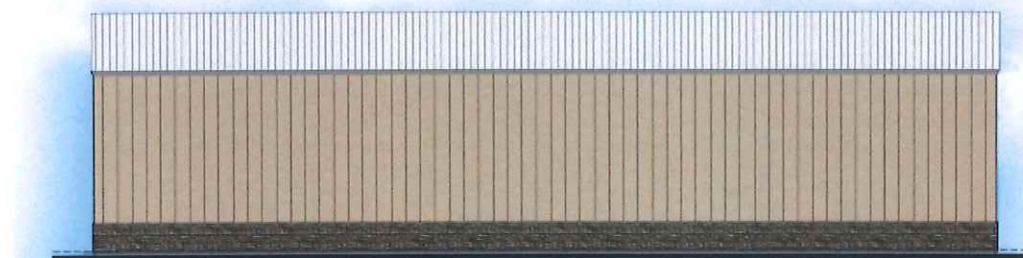
PROPOSED SIDE ELEVATION - FACING BROADWAY  
SCALE: 1/8" = 1'-0"



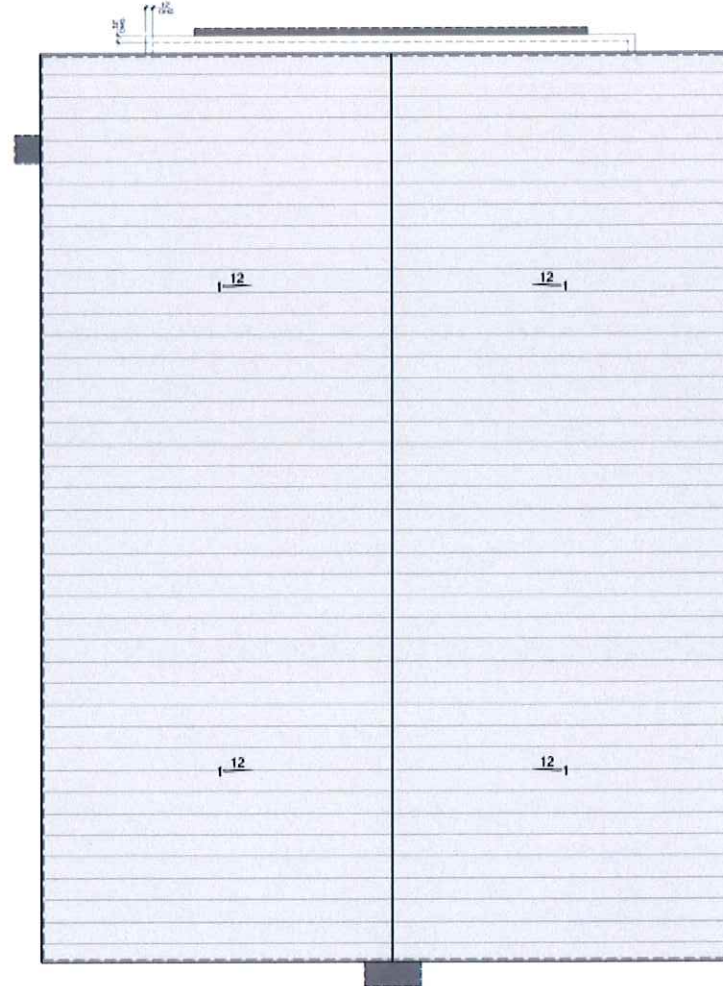
PROPOSED SIDE ELEVATION - FACING ALLEY  
SCALE: 1/8" = 1'-0"



PROPOSED FRONT ELEVATION - FACING I ST  
SCALE: 1/8" = 1'-0"



PROPOSED REAR ELEVATION - FACING LIQUOR STORE  
SCALE: 1/8" = 1'-0"



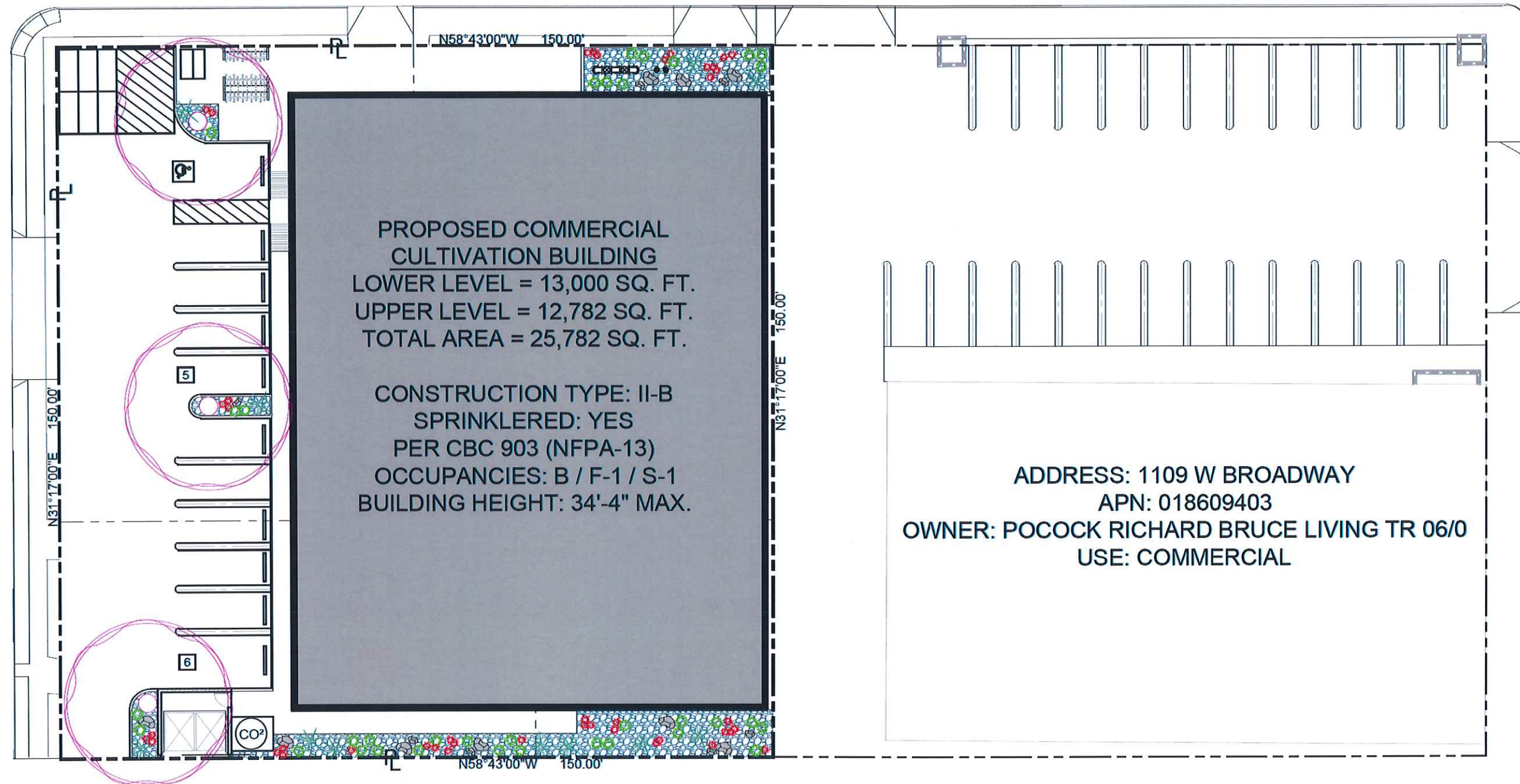
PROPOSED BLDG. ROOF PLAN  
SCALE: 1/8" = 1'-0"



**ATTACHMENT D: Elevation Plan**  
**APPLICANT: Edward Andrade**  
**SITE ADDRESS: 209 I-Street**










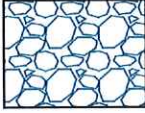
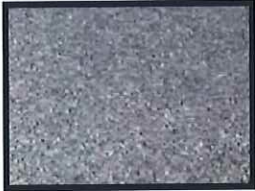







BROADWAY STREET



ATTACHMENT E-1: Landscape Plan  
APPLICANT: Edward Andrade  
SITE ADDRESS: 209 I-Street



PLANTING LEGEND - GROUND COVERS							PLANTING LEGEND - SHRUBS						
IMAGE	SYMBOL	BOTANICAL NAME	COMMON NAME	QTY.	WATER USAGE	SIZE	IMAGE	SYMBOL	BOTANICAL NAME	COMMON NAME	QTY.	WATER USAGE	SIZE
		LIGUSTRUM SINENSE	SUNSHINE LIGUSTRUM		MODERATE	5 GALLONS 1 X 1.0 GPH EMITTER REQ.			LEUCOPHYLLUM LANGMANIAE	TEXAS RANGER		LOW	5 GALLONS 1 X 1.0 GPH EMITTER REQ.
		ARTIFICIAL SOD	ASTRO-TURF		NONE				HESPERALOE	RED YUCCA		LOW	5 GALLONS 1 X 1.0 GPH EMITTER REQ.
		RIVER ROCK: 4" MINIMUM & 6" MAXIMUM RIVER ROCKS, FILL GAPES WITH 3/4" THK. RIVER ROCK AS NECESSARY.					PLANTING LEGEND - TREES						
		GRAVEL: 3/4" MAXIMUM SIZE DECORATIVE ROCK. WITH 3" MINIMUM DEPTH. OVER GRADED NATIVE SOIL.							QUERCUS LOBATA	VALLEY OAK		35'-0"      LOW	24" BOX 1 X 1.0 GPH EMITTER REQ.
		BOULDER: RED / TAN TONES, WITH IRREGULAR SHAPE. SIZED VARIES PER CLIENT PREFERENCES.											



ATTACHMENT E-2: Landscape Plan: Plant Palette

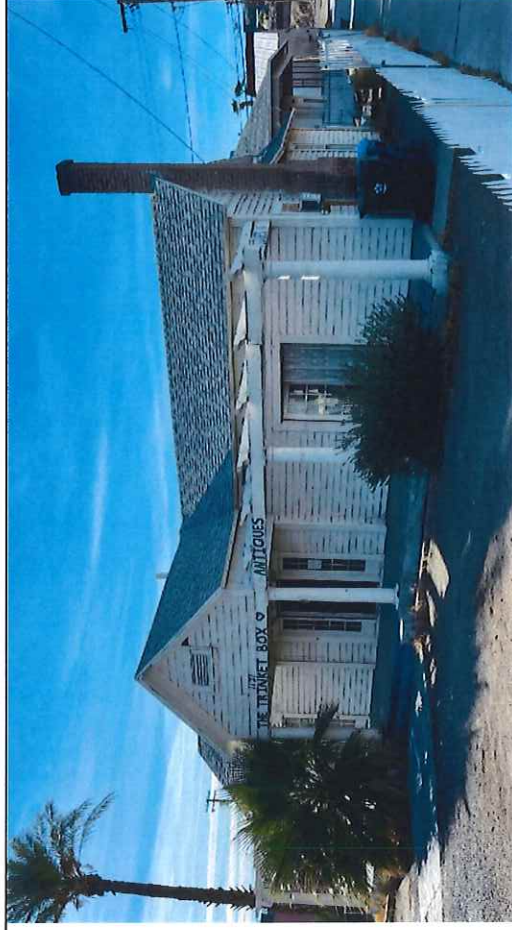
APPLICANT: Edward Andrade

SITE ADDRESS: 209 I-Street





Facing North



Facing West



Facing West



Facing South



ATTACHMENT G: Project Site Existing Conditions  
 APPLICANT: Edward Andrade  
 SITE ADDRESS: 209 I-Street



January 31, 2022

Meliena Price  
|MO+RE| Design Solutions  
14176 Amargosa Rd Ste C  
Victorville, CA 92392

Subject: Cultural/Historical Resources Assessment for 209 I Street and 1121 West Broadway Street Project, City of Needles, San Bernardino County, California (Project Number C-0391)

Dear Ms. Price:

At the request of |MO+RE| Design Solutions (CLIENT), Duke Cultural Resources Management, LLC (DUKE CRM) has prepared a cultural and historical resources assessment for the 209 I Street and 1121 West Broadway Street (Project), located in the City of Needles, San Bernardino County, California. The Project is 0.5 acres in size. The City of Needles is the lead agency for California Environmental Quality Act (CEQA).

The Project is located in the Mojave Desert within APNs 0186-094-34 and 0186-094-010. The Project is located in Section 29, Township 9 North, Range 23 East San Bernardino Baseline & Meridian, as shown on the USGS *Needles, Calif.* 7.5 quadrangle map (see Attachment 1 for Project Maps). The Project will construct a two story 25,782 square foot cannabis cultivation facility with a maximum depth of excavation of approximately 36-inches.

This report includes the result of our research and field survey for cultural and historical resources.

## Research

On December 15, 2021, DUKE CRM submitted a request for a records search to the South Central Coastal Information Center (SCCIC). The SCCIC located at the California State University, Fullerton is part of the California Historical Resources Information System (CHRIS). The records search will include a review of all recorded cultural resources within a ½-mile radius of the Project, as well as a review of known cultural resource survey and excavation reports. Due to COVID protocols, processing of requests has been delayed. As of January 28, 2022, results are pending.

DUKE CRM conducted a review of online historical Sanborn Fire Insurance maps, aerial photographs, and historic USGS quad maps utilizing UCSB FrameFinder, [historicaerials.com](http://historicaerials.com), and USGS Historical Topographic Map Explorer. Sanborn Fire Insurance Maps from 1910-1933 show the two buildings, a possible privy or outhouse on the property. The underground privy may still be present. Privies were often used to dump trash and, therefore, often contain large numbers of historic artifacts that can be used to interpret and understand such things as the historic behaviors of the inhabitants, resources available to the inhabitants, and the environment at the time. The earliest *San Bernardino* 1:125,000 scale map is from 1947 and shows the two buildings on the property. The *San Bernardino* 1:125,000 scale map from 1994 shows little has changed on the property since 1947 ([historicaerials.com](http://historicaerials.com)).

### Field Survey

DUKE CRM Archaeologist Lauren Biltonen conducted an intensive pedestrian survey of the Project on January 14, 2022. The survey area included the entirety of the 0.5 acre proposed Project. Transects were spaced no more than 15 meters apart. The surface visibility was good, ranging from 90-100 percent. The area has sparsely scattered small bushes and debris with a mean elevation of approximately 495 feet above sea level (Attachment 2). The two buildings on the property were documented and evaluated for eligibility on the California Register of Historical Resources (CRHR).

### Historic Evaluation

CEQA is legislation that requires a Lead Agency to evaluate if a proposed project would have a significant adverse effect on the environment, including historical resources (defined above). CEQA Guidelines pertaining to historical resources (Section 15064.5(b)(1)) state that "A substantial adverse change in the significance of a historical resource means physical demolition, destruction, relocation, or alteration of the resource or its immediate surroundings such that the significance of an historical resource would be materially impaired".

The CRHR is the state-maintained list of cultural resources found to be historically significant. The CRHR is maintained by the California Department of Parks and Recreation. The CRHR was created much like the National Register of Historic Places (NRHP), the CRHR has four major criteria that a cultural resource must meet to be eligible for inclusion on the list:

- Is associated with events that have made a significant contribution to the broad patterns of California's history and cultural heritage;
- Is associated with the lives of persons important in our past;
- Embodies the distinctive characteristics of a type, period, region, or method of construction, or represents the work of an important creative individual or possesses high artistic values; or,
- Has yielded, or may be likely to yield, information important in prehistory or history.

To be considered eligible for the CRHR a historical resource should also retain all or some of the aspects of integrity: location, design, setting, materials, workmanship, feeling and association. As used here, integrity is defined as the ability of a historical resource to convey its significance. To determine which of these factors are most important will depend on the property being evaluated and which particular CRHR criterion under which the resource is considered eligible for listing. The period of significance is the period of time in which significant events or themes occurred. Alterations and impacts that affect the period of significance affect the overall integrity of the resource and its eligibility for the CRHR.

Furthermore, CEQA necessitates that the lead agency considers whether the project will significantly affect unique archaeological resources that may be ineligible for listing in the CRHR and to avoid these unique archaeological resources when possible or mitigate effects to less than significant levels (PRC 21083.2). As stated by CEQA, a unique archaeological resource means an archaeological artifact, object, or site which clearly demonstrates with a high probability that it meets-without merely adding to the current body of knowledge-any of the following criteria:

- Contains information needed to answer important scientific research questions and that there is a demonstrable public interest in that information.

- Has a special and particular quality such as being the oldest of its type or the best available example of its type.
- Is directly associated with a scientifically recognized important prehistoric or historic event or person.

According to the state guidelines, a project with an effect that may cause a substantial adverse change in the significance of a historical resource, or a unique archaeological resource is a project that may have a significant effect on the environment (14 CCR 15064.5[b]). CEQA further states that a substantial adverse change in the significance of a resource means the physical demolition, destruction, relocation, or alteration of the resource or its immediate surroundings such that the significance of a historical resource would be materially impaired. Actions that would materially impair the significance of a historical resource are any actions that would demolish or adversely alter those physical characteristics of a historical resource that convey its significance and qualify it for inclusion in the CRHR or in a local register or survey that meet the requirements of PRC 5020.1(k) and 5024.1(g).

### ***CRHR Evaluation: 209 I Street***

The subject parcel is developed with a single-story pyramidal-roof, wood-frame residence built between 1900 and 1910. The house is listed at 1,366 square feet, having 2 bedrooms and 2 bathrooms, and sited on a 5,000 square foot parcel. Character defining architecture features of the residence include a mud-sill foundation, moderately sloping hip or pyramidal-roof clad with asphalt shingles, stucco exterior siding, a bay window added to the north elevation, and a full front porch facing I Street that is braced by contemporary narrow steel columns with steel railing, and a wooden handicapped ramp leading to the front entry door. All the original windows in the house appear to have been replaced with contemporary metal and steel sash multi-pane windows, and a few older fixed wood-sash windows. The front door has been replaced with a modern door with a top light. The stucco siding appears to have been applied in the past few decades. Access to the front of the house is via concrete stairs with concrete stoop. The rear of the house features a shed roof addition also clad with stucco and replaced windows, two sets of concrete steps dressed with stone that continues above the foundation line as a skirt, and on the far-right side a contemporary entry door leading into the residence. The yard lacks landscaping.

In applying the seven aspects of integrity to the subject property, the following findings are made below:

**Location** - The subject property retains its original location. The residence has not been moved; however, the parcel appears to have been split at some point with the residence to the north 1121 W. Broadway allocated as a separate parcel.

**Design** - The design of the original house has been compromised by extensive exterior remodeling.

**Setting** - The setting of the property is largely intact, but the parcel appears to have been split after 1933.

**Materials** - The majority of the materials on the house appear to be either post-1933 or contemporary. The materials of the original house have been compromised by extensive exterior remodeling including the addition of stucco siding and aluminum window frames.

**Workmanship** - The original workmanship of the building has been compromised by extensive exterior remodeling.

**Feeling** - The original feeling of the house has been compromised by extensive remodeling.

**Association** - The property has no known association to historic events or persons of interest in California, San Bernardino County or the City of Needles.

The subject property at 209 I Street is recommended not eligible for the CRHR under Criteria 1 through 3.

- Criterion 1, the subject property is not associated with an event or events of significance in the history of Needles.
- Criterion 2, the subject property does not appear to be associated with a person or persons of significance in history of Needles.
- Criterion 3, the subject property lacks architectural integrity due to extensive exterior remodeling.
- Criterion 4 typically applies to archaeological resources. Because the residence was built long before indoor plumbing was installed, and Sanborn Fire Insurance Maps depict a possible privy or outhouse that appears to have been shared with 1121 W. Broadway. As such there may be data potential to better interpret the age, occupants, and social habits of its residents since its construction in the early 1900s.

In summary, the subject property at 209 I Street does not appear to be an eligible resource per the CRHR under Criteria 1-3 largely due to diminished architectural integrity. In regard to CRHR Criterion 4, the property may have data potential as a result of an outhouse or privy designated on the original parcel on Sanborn Fire Insurance Maps between 1910-1933.

### ***CRHR Evaluation: 1121 West Broadway Street***

The subject parcel is developed with a single-story cross-gable wood-frame residence built in 1900 and 1910. The house is listed at 1,360 square feet, having 1 bedroom and 2 bathrooms, and sited on a 7,492 square foot parcel. Character defining architecture features of the residence include a mud-sill foundation, moderately sloping asphalt shingle roof, horizontal beveled clapboard wood siding, a wood pergola that runs the full length of the residence supported by Doric columns. The front of the residence exhibits symmetrical fenestration that includes a pair of wooden French doors on either side of the front facing gable, and a wooden front door flanked by two side-lights with eight panes of glass per side. At the top of the gable is a wooden vent set horizontally. The I Street elevation features a forward-facing gable filled with wood shingles, a large brick chimney that runs vertically well-above the roofline, two square fixed nine-light windows that flank the chimney, and a 1 over 1 light wood-sash window near the center of the rear cross-gable. On the rear of the residence are two cross-gables, the one closest to the I Street is somewhat shorter than the one further to the east.

The rear of the wing closest to I Street includes two fixed wood-sash windows, and the larger wing further east features a vertically-oriented wood-sash 1 over 1 light window. The sides of each wing feature two opposing vertically-oriented 1 over 1 light wood-sash windows, and a horizontally-oriented 1/1 light window, and a fixed wood-sash window in the inner-side of the easternmost wing. The east elevation of the residence features one 12-light horizontally-oriented fixed wood-sash window and the use of contemporary plywood to cover what was once an open porch. Two large palm trees grace the entrance to the house from W. Broadway flanked along the sidewalk with a white wooden picket fence. The home is accessed via a concrete walkway leading to the concrete porch. To the left of the front of the house is a paved driveway.

**Location** - The subject property retains its original location. The residence has not been moved; however, the parcel appears to have been split at some point with the residence to the south at 209 I Street allocated as a separate parcel.

**Design** - The design of the original house has been compromised by later additions and alterations after 1933 as depicted on Sanborn Fire Insurance Maps and evidenced by recent photographs.

**Setting** - The setting of the property is largely intact, but the parcel appears to have been split after 1933.

**Materials** - The majority of the materials on the house appear to be original, however, modifications after 1933 have been added, such as the front pergola and fireplace on the west elevation of the residence.

**Workmanship** - The original workmanship of the building has been compromised by additions and alterations after 1933.

**Feeling** - The original feeling of the house has been compromised by later additions and alterations.

**Association** - The property has no known association to historic events or persons of interest in California, San Bernardino County or the City of Needles, as previously described.

The subject property at 1121 W. Broadway is recommended not eligible for the CRHR under Criteria 1-3.

- Criterion 1, the subject property is not associated with an event or events of significance in the history of Needles.
- Criterion 2, the subject property does not appear to be associated with a person or persons of significance in history of Needles.
- Criterion 3, the subject property lacks architectural integrity due to additions and alterations that occurred after 1933.
- Criterion 4 typically applies to archaeological resources. Because the residence was built long before indoor plumbing was installed, and Sanborn Fire Insurance Maps depict a possible privy or outhouse along the current southern lot line, there may be data potential to better interpret the age, occupants, and social habits of its residents since its construction in the early 1900s.

In summary, the subject property at 1121 W. Broadway does not appear to be an eligible resource per the CRHR under Criteria 1-3 largely due to diminished architectural integrity. In regard to CRHR Criterion 4, the property may have data potential as a result of an outhouse or privy designated on the parcel on Sanborn Fire Insurance Maps between 1910-1933.

### Conclusions

DUKE CRM evaluated the proposed project for impacts to cultural resources according to CEQA. The field survey did not yield any cultural resources; however, the record search results remain pending. DUKE CRM evaluated both historic-era properties for eligibility under CRHR and found that both properties are not eligible for the CRHR under criteria 1-3. However, there is a potential for eligibility on the CRHR under Criterion 4, specifically, the likelihood of discovering important historic archaeological deposits related to the presence of a historic outhouse or privy. Therefore, our assessment is that the Project has a potential to impact historical resources/unique archaeological resources and additional measures are recommended to ensure that potential impacts associated with the Project are addressed through the application of mitigation measures for historical resources. We recommend archaeological monitoring during any ground disturbance including the removal of building foundations and other structures, as well as clearing, grubbing, grading, trenching, etc.

## DUKE CULTURAL RESOURCES MANAGEMENT

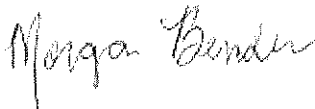
If previously unidentified cultural materials are unearthed during construction, work shall be halted in that area until a qualified archaeologist can assess the significance of the find.

If human remains are encountered, State Health and Safety Code Section 7050.5 states that no further disturbance shall occur until the County Coroner has made a determination of origin and disposition pursuant to Public Resources Code Section 5097.98. The County Coroner must be notified of the find immediately. If the remains are determined to be prehistoric, the Coroner will notify the Native American Heritage Commission (NAHC), which will determine and notify a Most Likely Descendant (MLD). With the permission of the landowner or his/her authorized representative, the MLD may inspect the site of the discovery. The MLD shall complete the inspection within 48 hours of notification by the NAHC. The MLD may recommend scientific removal and nondestructive analysis of human remains and items associated with Native American burials.

Thank you for contacting DUKE CRM on this interesting project. If you have any questions or comments, you can contact me at (949) 356-6660, or by e-mail at [morganbender@dukecrm.com](mailto:morganbender@dukecrm.com).

Sincerely,

**DUKE CULTURAL RESOURCES MANAGEMENT, LLC**



Morgan Bender, M.A., RPA  
Archaeologist

### Attachments

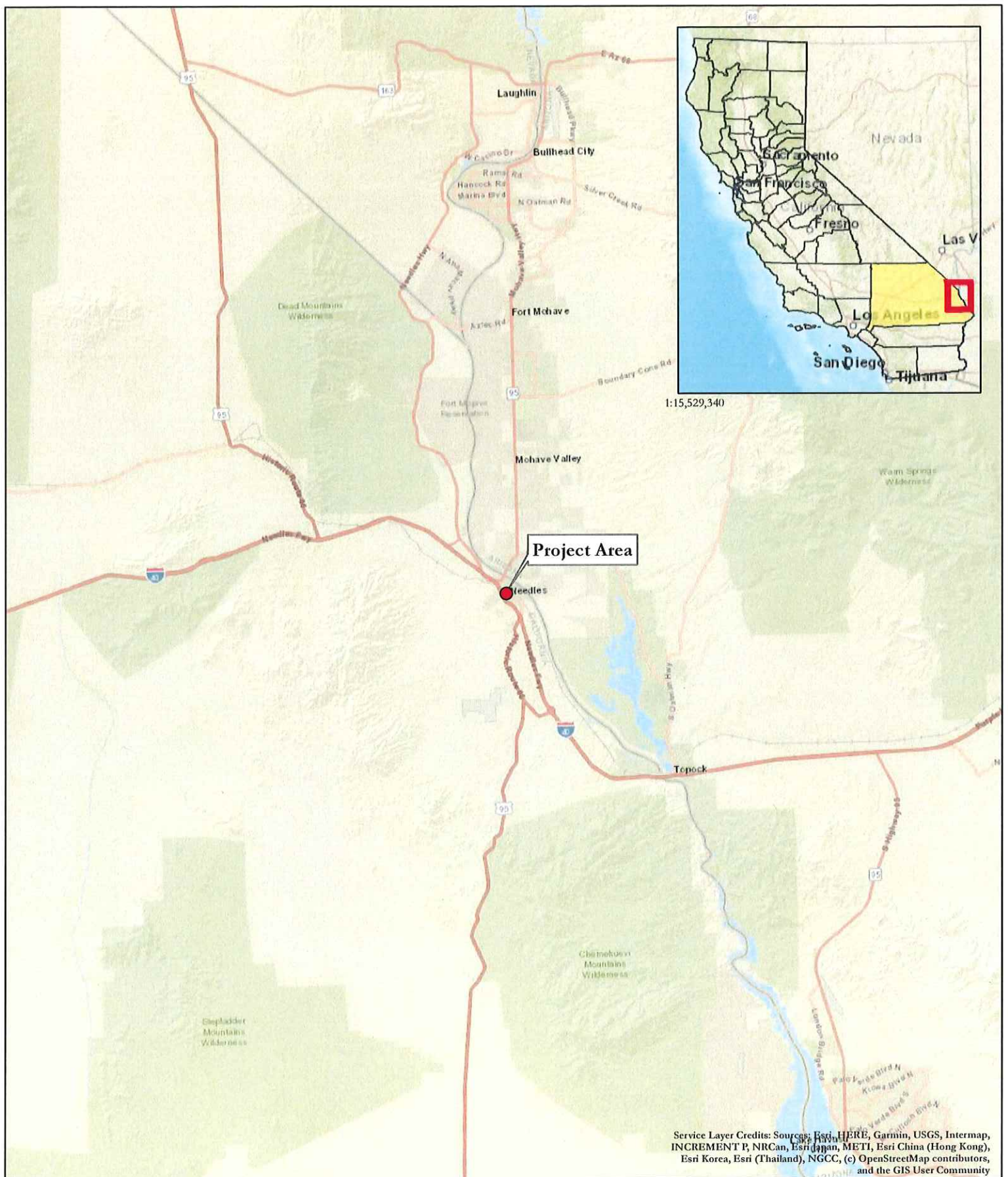
- 1: Project Maps
- 2: Project Photographs
- 3: Department of Parks and Recreation (DPR) 523 Record



# **ATTACHMENT 1**

## **PROJECT MAPS**

PRELIMINARY

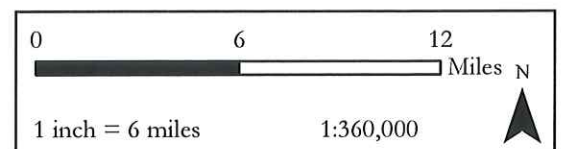


## Map 1 - Project Vicinity

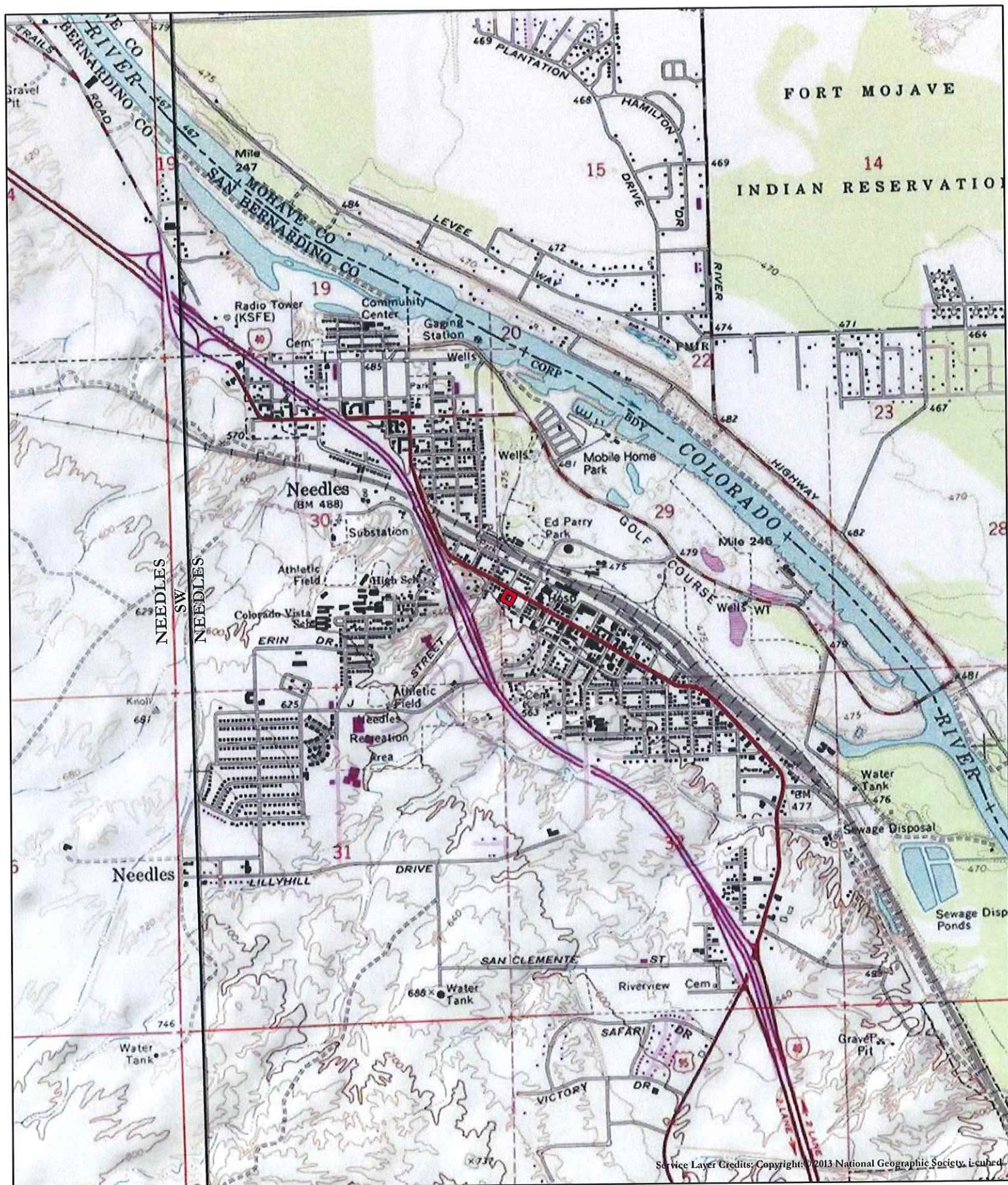
209 I St Needles, C-0391



● Project Area





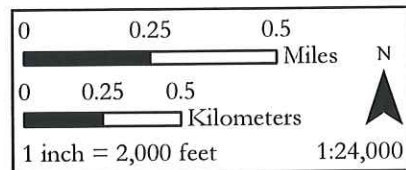


**Map 2 - Project Location**  
209 I St Needles, C-0391



Needles, Calif USGS 7.5-Minute Quadrangle  
T9N, R23E, Section 29  
Date of Map: 1950 / Photorevised: 1975

- Project Area
- USGS 7.5' Quads



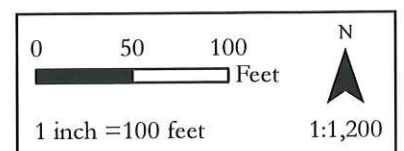




**Map 3 - Project Aerial**  
 209 I St Needles, C-0391



 Project Area



## **ATTACHMENT 2**

### **PROJECT PHOTOGRAPHS**

PRELIMINARY





Overview of 209 I Street. View to northeast/southwest.



Site overview. View to southeast.





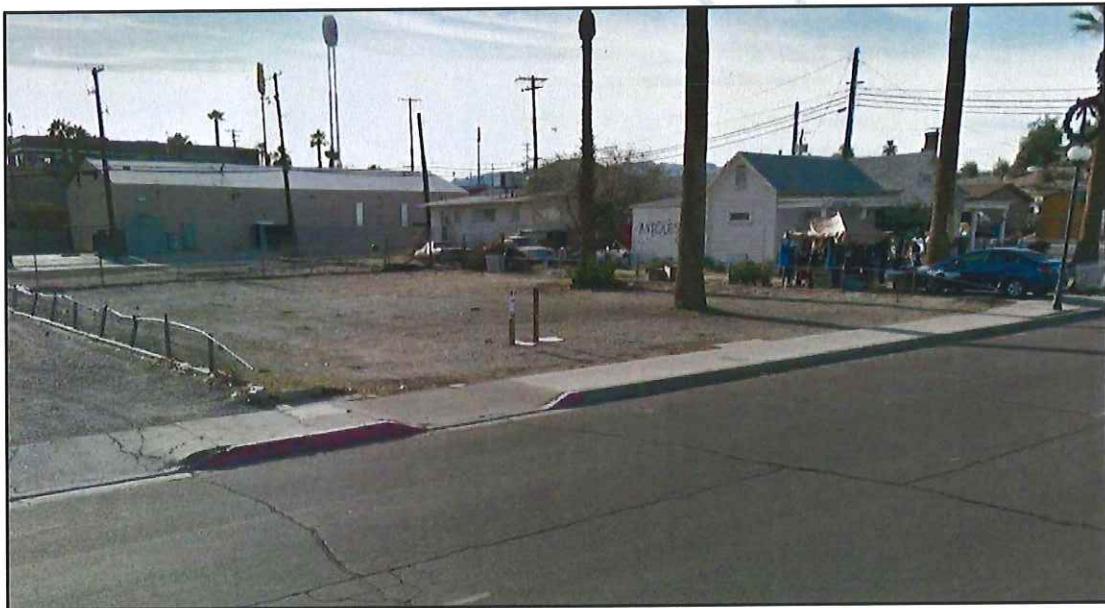
Overview of 1121 West Broadway Street. View to south.



Closeup of ground cover/exposed sediment. View to northwest.

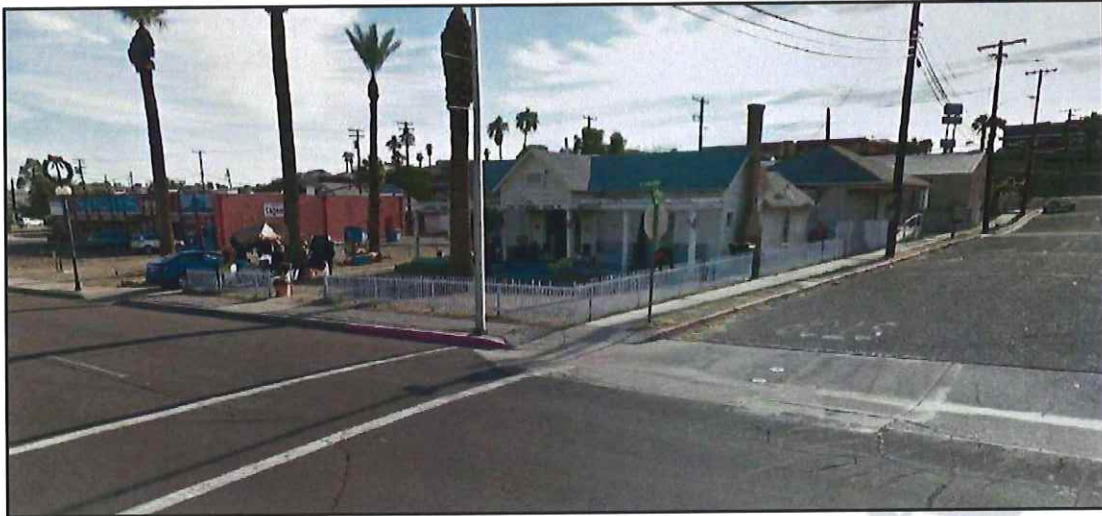


Site overview. View to northwest.



Site overview. View to southeast.





Site overview. View to south.



Site overview. View to west.

## **ATTACHMENT 3**

### **DEPARTMENT OF PARKS AND RECREATION (DPR) 523 RECORD FORMS**

PRELIMINARY

State of California — The Resources Agency  
DEPARTMENT OF PARKS AND RECREATION  
**PRIMARY RECORD**

Primary # \_\_\_\_\_  
HRI # \_\_\_\_\_  
Trinomial \_\_\_\_\_  
NRHP Status Code \_\_\_\_\_

Other Listings \_\_\_\_\_  
Review Code \_\_\_\_\_ Reviewer \_\_\_\_\_ Date \_\_\_\_\_

Page 1 of 13

\*Resource Name or #: 209 I Street

P1. Other Identifier:

\*P2. Location: ☐ Not for Publication ☒ Unrestricted

\*a. County: San Bernardino

\*b. USGS 7.5' Quad: Needles, California

c. Address: City: Needles Zip: 92363

d. UTM: N/A

e. Other Locational Data: (e.g., parcel #, directions to resource, elevation, etc., as appropriate): The subject property occupies a rectangular parcel encompassing 5,000 square feet identified as APN 186-094-34 fronting I Street on the west and 2<sup>nd</sup> Street on the south.

\*P3a. Description:

The subject parcel is developed with a single-story pyramidal-roof, wood-frame residence built between 1900 and 1910. The house is listed at 1,366 square feet, having 2 bedrooms and 2 bathrooms, and sited on a 5,000 square foot parcel. Character defining architecture features of the residence include a mud-sill foundation, moderately sloping hip or pyramidal-roof clad with asphalt shingles, stucco exterior siding, a bay window added to the north elevation, and a full front porch facing I Street that is braced by contemporary narrow steel columns with steel railing, and a wooden handicapped ramp leading to the front entry door. All the original windows in the house appear to have been replaced with contemporary metal and steel sash multi-pane windows, and a few older fixed wood-sash windows. The front door has been replaced with a modern door with a top light. The stucco siding appears to have been applied in the past few decades. Access to the front of the house is via concrete stairs with concrete stoop. The rear of the house features a shed roof addition also clad with stucco and replaced windows, two sets of concrete steps dressed with stone that continues above the foundation line as a skirt, and on the far-right side a contemporary entry door leading into the residence. The yard lacks landscaping.

\*P3b. Resource Attributes: HP-2 (single-family residence)

\*P4. Resources Present: ☒ Building ☐ Structure ☐ Object ☐ Site ☐ District ☐ Element of District

P5a. Photograph or Drawing (Photograph required for Buildings and objects.)



P5b. Description of Photo: View looking northeast at the front of the residence.

\*P6. Date Constructed/Age and Sources: ☒ Historic  
Circa 1905-1910, with numerous alterations, a minor addition to the rear after 1933 along with a bay window on the north elevation, and partitioning of the interior spaces based upon Sanborn Fire Insurance Maps, Needles, California.

\*P7. Owner and Address:.

\*P8. Recorded by: Dana E. Supernowicz, Architectural Historian, Historic Resource Associates, 3142 Bird Rock Road, Pebble Beach, CA 93953

P9. Date Recorded: January 2022

\*P10. Type of Survey: ☒ Architectural

Describe: Architectural Recordation and Evaluation per CEQA, California Register of Historic Resources (CRHR)

\*P11. Report Citation: Historical Resource Analysis Study of 209 I Street, W. Broadway, Needles, California. Prepared for Duke Cultural Resources Management, LLC, 18 Technology Drive, Suite 103, Irvine, CA 92618. Prepared by Historic Resource Associates, 3142 Bird Rock Road, Pebble Beach, CA 90731. January 2022.

\*Attachments: Building, Structure, and Object Record; Photograph Record

State of California — The Resources Agency  
DEPARTMENT OF PARKS AND RECREATION  
**BUILDING, STRUCTURE & OBJECT RECORD**

Primary #  
HRI #

Page 2 of 13

\*Resource Name or #: 209 I Street

NRHP Status Code: 6Z

**B1. Historic Name:** Bagley Residence (1940s)

**B2. Common Name:** 209 I Street

**B3. Original Use:** Residence

**B4. Present Use:** Rental

\***B5. Architectural Style:** Late Victorian Pyramidal Roof

\***B6. Construction History:** Based upon Sanborn Fire Insurance Maps dating from 1910-1933, the residence was constructed prior to 1910 with a slight "L" in the rear that was later filled. The entire house appears to have been remodeled in the past few decades with stucco cladding and new windows.

\***B7. Moved?** ☒ No ☐ Yes ☐ Unknown

**Date:** N/A

**Original Location:**

\***B8. Related Features:** The subject property fronts I Street and is flanked on the north by 1121 W. Broadway, a residence of similar age.

**B9a. Architect:** Undetermined

**B9b. Builder:** Undetermined

\***B10. Significance:** **Theme:** Late Victorian Pyramidal Roof Architecture **Area:** Needles **Period of Significance:** circa 1905-1910 **Property Type:** Residential Property **Applicable Criteria:** CRHR 1-4

The subject property is located within the western end of the historic community of Needles, situated in the Mojave Desert on the west banks of the Colorado River in the far eastern edge of San Bernardino County. Needles, founded in 1883, is one of the earliest communities on the west banks of the Colorado River. Its history is linked to the influences of the Colorado River, the Mohave people, the railroad, Old Trails Highway (later Route 66), and the hot summer climate. In the late 1850s, Lt. Edward F. Beale recommended that a fort be established in the area for the protection of travelers. Fort Mojave was constructed in 1859 and was soon a route along the old Mojave Road, traveled extensively by the military and emigrants to the California gold fields (Gudde 1969:218; McShan 2012; City of Needles Website January 2022; Needles Chamber of Commerce Website January 2022). Arrival of the Atchison, Topeka and Santa Fe Railway at the Colorado River in 1883 created a new settlement named "The Needles," a namesake of the sharp peaks at the southerly end of the valley. The peaks themselves had been named by Lt. Amiel Weeks Whipple when he headed the government survey for a railroad in 1854. The first bridge across that part of the Colorado River was built about 1883, and often washed away. The railroad was rerouted to Topock, and the Old Red Rock Cantilever Bridge was built in 1890. When the original depot was destroyed by fire, it was replaced by the elegant Neoclassical and Beau-Arts style El Garces Harvey House and Santa Fe Train Depot, which was completed in 1908. The building was named in honor of Father Francisco Garces, a missionary who visited the area in 1776. The El Garces was part of the Fred Harvey chain of hotel restaurants that extended along the Santa Fe Railroad to provide meals and lodging (Gudde 1969:218; McShan 2012; City of Needles Website January 2022; Needles Chamber of Commerce Website January 2022) (refer to BSO, Page 2 of 23).

**B11. Additional Resource Attributes:**

**B12. References:** Adams, Steven. *The Arts and Crafts Movement*. London: Quintet Publishing limited. 1987; Ames, David L. "Draft Guidelines for Evaluating America's Historic Suburbs for the National Register of Historic Places." Unpublished manuscript. Washington D.C.: U.S. Department of the Interior, National Park Service. 1998; Anderson, Timothy, Eudorah M. Moore, and Robert W. Winter, eds. *California Design 1910*. Salt Lake City: Peregrine Smith Books. 1980;

**B13. Remarks:** None.

**B14. Evaluator:** Dana E. Supernowicz, Architectural Historian, Historic Resource Associates, 2001 Sheffield Drive, El Dorado Hills, CA 95762.

**Date of Evaluation:** January 2022

(This space reserved for official comments.)



**\*B10. Significance: (Continued):**

At first immigrants primarily traveled to and from Needles by rail, then by the Old Trails Highway, later called Route 66. The approximate route is now followed by Interstate 40. The town of Needles was incorporated on October 30, 1913. Needles was a major stop on the historic U.S. Route 66 highway from the 1920s through the 1960s. For Dust Bowl immigrants in the 1930s, Needles was the first town marking the arrival into California. Some of the significant events affecting the town have been the building of the dams along the Colorado River in the 1930s and dredging of the river by the Bureau of Reclamation in the early 1950s, ending the long history of flooding each spring. Dredging drained the valley lands so they became suitable for agriculture and housing. Thereafter, two new industries came to the valley, agriculture and recreation. Needles was also the location of two major military maneuvers, General Patton's Army during World War II and Desert Strike maneuvers in the mid-1960s (McShan 2012; City of Needles Website January 2022; Needles Chamber of Commerce Website January 2022).



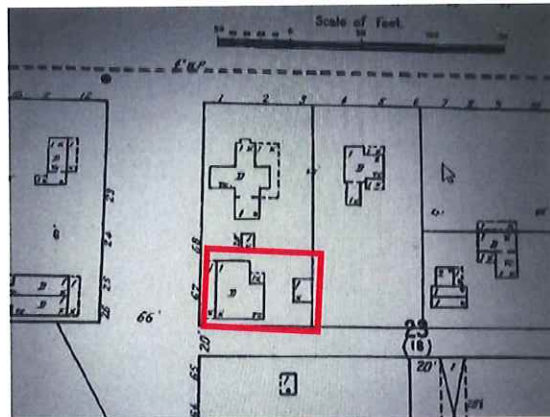
*Figure 1: Aerial Photograph, 2021. The red rectangle represents the subject parcel (Google Earth).*



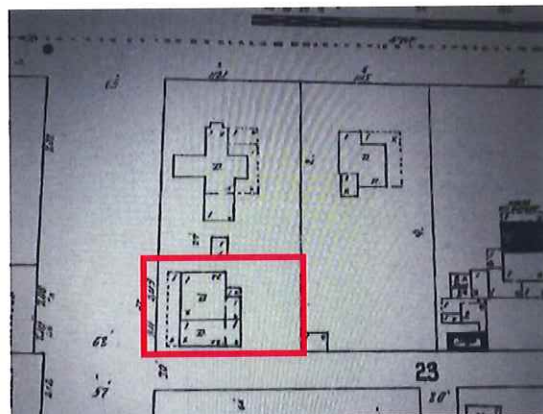
*Figure 2: 3D Aerial Photograph, 2021. The red rectangle represents the subject parcel (Google Earth).*

**\*B10. Significance: (Continued):**

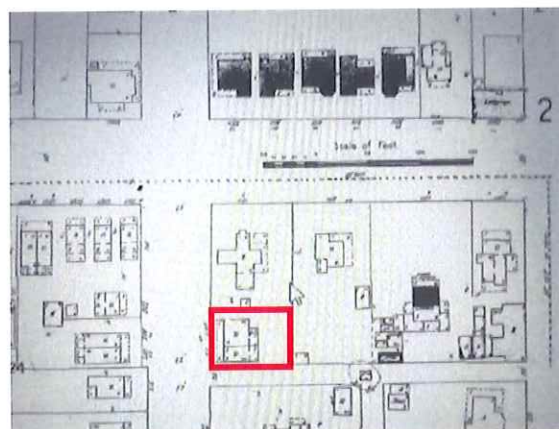
Figures 3-5 illustrate Sanborn Fire Insurance Maps of the subject property from 1910 through 1933. Note that the original parcel appears to have been developed with two residential homes, the other enumerated as 1121 W. Broadway.



**Figure 3: Sanborn Fire Insurance Map 1910**



**Figure 4: Sanborn Insurance Map 1916**



**Figure 5: Sanborn Fire Insurance Map Mar 1916-updated Jan. 1933**

**\*B10. Significance: (Continued):**

Historic documents, particularly Sanborn Fire Insurance Maps, indicate that the residence appears to have retained most of its original massing with the exception of a slight "L" in the northeast corner that was later filled-in. The house has undergone extensive remodeling to its exterior in the past few decades. Historic newspapers indicate that in 1940, the residence was occupied by Paul Bagley, although its unclear if Bagley was the owner of record or a tenant (*Needles Desert Star*, newspaper, April 19, 1940). By the 1950, the residence was occupied by Harry Pearson, but again its unclear if Pearson was the owner of record (*Needles Desert Star*, newspaper, January 19, 1950). By 1958, the residence was being advertised as a one bedroom furnished apartment for rent, and in 1960 as a two bedroom apartment for rent.

A review of U.S. Census data did not reveal the owner of the residence however, census data did portray a highly transient city of laborers that shuttled between states, many hopping aboard freight cars parked along the railroad tracks that ran through the community. Another demographic aspect of Needles was that it had disproportionate number of Dust Bowl migrants during the 1930s through the early 1940s. Newspaper accounts of the property from the 1940s-1960s confirm the interior partitioning of the residence into separate units that could be rented. The subject property lies one-half block from old Route 66 and the National Old Trails Highway. As such, residential homes built in the early 1900s were often converted to multi-unit homes many as boarding houses for migrant laborers.

## **REGULATORY FRAMEWORK**

### **California Environmental Quality Act (CEQA) and California Register of Historic Resources (CRHR) Criteria**

The regulatory framework for this historic resource study and the evaluation lies within the guidelines imposed for the California Environmental Quality Act (CEQA) and the California Register of Historic Resources (CRHR) under Public Resources Code section 5024.1. CEQA guidelines define a significant cultural resource as "a resource listed in or eligible for listing on the CRHR. A historical resource may be eligible for inclusion in the CRHR if it:

1. Is associated with events that have made a significant contribution to the broad patterns of California's history and cultural heritage;
2. Is associated with the lives of persons important in our past;
3. Embodies the distinctive characteristics of a type, period, region, or method of construction, represents the work of an important creative individual, or possesses high artistic values; or
4. Has yielded, or may be likely to yield, information important to prehistory or history.

Even if a resource is not listed in, or determined eligible for listing in, the CRHR, the lead agency may consider the resource to be an "historical resource" for the purposes of CEQA provided that the lead agency determination is supported by substantial evidence (CEQA Guidelines 14 CCR 15064.5).

According to the state guidelines, a project with an effect that may cause a substantial adverse change in the significance of a historical resource or a unique archaeological resource is a project that may have a significant effect on the environment (14 CCR 15064.5[b]). CEQA further states that a substantial adverse change in the significance of a resource means the physical demolition, destruction, relocation, or alteration of the resource or its immediate surroundings such that the significance of a historical resource would be materially impaired. Actions that would materially impair the significance of a historical resource are any actions that would demolish or adversely alter those physical characteristics of a historical resource that convey its significance and qualify it for inclusion in the CRHR or in a local register or survey that meet the requirements of PRC 5020.1(k) and 5024.1(g).



**\*B10. Significance: (Continued):**

**INTEGRITY CRITERIA**

Determining the significance of 209 I Street is predicated on the property retaining a sufficient level of integrity in order to convey its historic significance. Integrity is defined by the National Park Service as follows:

**Location**

**Location is the place where the historic property was constructed or the place where the historic event occurred.** The relationship between the property and its location is often important to understanding why the property was created or why something happened. The actual location of a historic property, complemented by its setting, is particularly important in recapturing the sense of historic events and persons. Except in rare cases, the relationship between a property and its historic associations is destroyed if the property is moved.

**Design**

**Design is the combination of elements that create the form, plan, space, structure, and style of a property.** It results from conscious decisions made during the original conception and planning of a property (or its significant alteration) and applies to activities as diverse as community planning, engineering, architecture, and landscape architecture. Design includes such elements as organization of space, proportion, scale, technology, ornamentation, and materials. A property's design reflects historic functions and technologies as well as aesthetics. It includes such considerations as the structural system; massing; arrangement of spaces; pattern of fenestration; textures and colors of surface materials; type, amount, and style of ornamental detailing; and arrangement and type of plantings in a designed landscape. Design can also apply to districts, whether they are important primarily for historic association, architectural value, information potential, or a combination thereof. For districts significant primarily for historic association or architectural value, design concerns more than just the individual buildings or structures located within the boundaries. It also applies to the way in which buildings, sites, or structures are related: for example, spatial relationships between major features; visual rhythms in a streetscape or landscape plantings; the layout and materials of walkways and roads; and the relationship of other features, such as statues, water fountains, and archeological sites.

**Setting**

**Setting is the physical environment of a historic property.** Whereas location refers to the specific place where a property was built or an event occurred, setting refers to the *character* of the place in which the property played its historical role. It involves *how*, not just *where*, the property is situated and its relationship to surrounding features and open space.

Setting often reflects the basic physical conditions under which a property was built and the functions it was intended to serve. In addition, the way in which a property is positioned in its environment can reflect the designer's concept of nature and aesthetic preferences.

The physical features that constitute the setting of a historic property can be either natural or manmade, including such elements as:

- Topographic features (a gorge or the crest of a hill);
- Vegetation;
- Simple manmade features (paths or fences); and
- Relationships between buildings and other features or open space.

These features and their relationships should be examined not only within the exact boundaries of the property, but also between the property and its *surroundings*. This is particularly important for districts.



**\*B10. Significance: (Continued):**

**Materials**

**Materials are the physical elements that were combined or deposited during a particular period of time and in a particular pattern or configuration to form a historic property.** The choice and combination of materials reveal the preferences of those who created the property and indicate the availability of particular types of materials and technologies. Indigenous materials are often the focus of regional building traditions and thereby help define an area's sense of time and place.

A property must retain the key exterior materials dating from the period of its historic significance. If the property has been rehabilitated, the historic materials and significant features must have been preserved. The property must also be an actual historic resource, not a recreation; a recent structure fabricated to look historic is not eligible. Likewise, a property whose historic features and materials have been lost and then reconstructed is usually not eligible (refer to Criteria Consideration E in Part VII: *How to Apply the Criteria Considerations* for the conditions under which a reconstructed property can be eligible.)

**Workmanship**

**Workmanship is the physical evidence of the crafts of a particular culture or people during any given period in history or prehistory.** It is the evidence of artisans' labor and skill in constructing or altering a building, structure, object, or site. Workmanship can apply to the property as a whole or to its individual components. It can be expressed in vernacular methods of construction and plain finishes or in highly sophisticated configurations and ornamental detailing. It can be based on common traditions or innovative period techniques. Workmanship is important because it can furnish evidence of the technology of a craft, illustrate the aesthetic principles of a historic or prehistoric period, and reveal individual, local, regional, or national applications of both technological practices and aesthetic principles. Examples of workmanship in historic buildings include tooling, carving, painting, graining, turning, and joinery.

**Feeling**

**Feeling is a property's expression of the aesthetic or historic sense of a particular period of time.** It results from the presence of physical features that, taken together, convey the property's historic character. For example, a rural historic district retaining original design, materials, workmanship, and setting will relate the feeling of agricultural life in the 19th century. A grouping of prehistoric petroglyphs, unmarred by graffiti and intrusions and located on its original isolated bluff, can evoke a sense of tribal spiritual life.

**Association**

**Association is the direct link between an important historic event or person and a historic property.** A property retains association if it is the place where the event or activity occurred and is sufficiently intact to convey that relationship to an observer. Like feeling, association requires the presence of physical features that convey a property's historic character. For example, a Revolutionary War battlefield whose natural and manmade elements have remained intact since the 18th century will retain its quality of association with the battle. Because feeling and association depend on individual perceptions, their retention *alone* is never sufficient to support eligibility of a property for the National Register.

**\*B10. Significance: (Continued):**

**DETERMINATION OF INTEGRITY AND SIGNIFICANCE**

**Location** - The subject property retains its original location. The residence has not been moved; however the parcel appears to have been split at some point with the residence now on a separate parcel.

**Design** - The design of the original house has been compromised by extensive exterior remodeling.

**Setting** - The setting of the property is largely intact, but the parcel appears to have been split after 1933.

**Materials** - The majority of the materials on the house appear to be either post-1933 or contemporary.

**Workmanship** - The original workmanship of the building has been compromised by extensive exterior remodeling.

**Feeling** - The original feeling of the house has been compromised by extensive remodeling.

**Association** - The original association of the residence has been compromised by extensive remodeling.

**EVALUATION CRITERIA**

**Is the property located at 209 I Street eligible for the CRHR under Criterion 1-4:**

The subject property at 209 I Street is not eligible for the CRHR under Criteria 1-3. Under Criterion 1, the subject property is not associated with an event or events of significance in the history of Needles. Under Criterion 2, the subject property does not appear to be associated with a person or persons of significance in history of Needles, and under Criterion 3, the subject property lacks architectural integrity due to extensive exterior remodeling. Under Criterion 4, because the residence was built long before indoor plumbing was installed, and Sanborn Fire Insurance Maps depict a possible privy or outhouse that appears to have been shared with 1121 W. Broadway. As such there may be data potential to better interpret the age, occupants, and social habits of its residents since its construction in the early 1900s.

In summary, the subject property does not appear to be a significant resource per the CRHR under Criteria 1-3 largely due to diminished architectural integrity. In regards to CRHR Criterion 4, the property has data potential as a result of an outhouse or privy designated on the original parcel on Sanborn Fire Insurance Maps between 1910-1933.

**B12. References (Continued):**

City of Needles Website. "About the City of Needles." [www.cityofneedles.com](http://www.cityofneedles.com). Accessed January 2012.

Digital Desert – Needles Photos. [Needles, Ca Historic Photos \(digital-desert.com\)](http://Needles.Ca.Historic.Photos(digital-desert.com)), accessed January 19, 2022.

Gudde, Erwin G. *California Place Names: The Origin and Etymology of Current Geographical Names*. Berkeley: University of California Press. 1969.

Hamin, Elisabeth M. *Mojave Lands: Interpretive Planning and the National Preserve*. John Hopkins University Press. 2003.

State of California — The Resources Agency  
DEPARTMENT OF PARKS AND RECREATION  
**BUILDING, STRUCTURE & OBJECT RECORD**

Primary #  
HRI #

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\*Resource Name or #: 209 I Street

NRHP Status Code: 6Z

**\*B10. Significance: (Continued):**

McShan, Maggie. "Needles History." Route 66 California Website.  
[www.route66ca.org/traveler/towns/01needle/history.html](http://www.route66ca.org/traveler/towns/01needle/history.html). Accessed January 2012.

Needles Chamber of Commerce Website. "History of Needles." [www.needleschamber.com/history.htm](http://www.needleschamber.com/history.htm). Accessed January 2012.

Sherer, Lorraine M. et al. *Bitterness Road*. Menlo Park: Ballena Press. Anthropological Papers, No. 41. 1994.

State of California. *California Historical Landmarks*. Department of Parks and Recreation. Sacramento, California. 1979.

State of California. *California Inventory of Historic Resources*. Department of Parks and Recreation. Sacramento, California. 1976.

Sutton, Mark Q. et al. "Advances in Understanding Mohave Desert Prehistory" in *California Prehistory: Colonization, Culture, and Complexity* by Terry L. Jones and Kathryn A. Klar. Alta Mira Press, 2007: 229-243.

USDI, Bureau of Reclamation. Coachella Canal Area, Resource Management Plan/Environmental Assessment. Unpublished report. 2006.

USDI, National Parks Service. National Register Bulletin 15: How to Apply the National Register Criteria for Evaluation. n.d.

Vredenburg, Larry M. et al. *Desert Fever: An Overview of Mining in the California Desert*. Canoga Park, CA: Living West Press. 1981.

Worcester, Donald Emmet. *A Visit from Father and Other Tales of the Mojave*. Texas A & M University Press. 1990.

## Maps

USGS 7.5' *Needles, California* Topographic Quadrangle, 1904; 1950; 1970; 2021.

## Primary Records

*Needles Desert Star*, newspaper, 1910-1985.

Sanborn Fire Insurance Map Company. Sanborn Fire Insurance Maps. Davis, California. 1911-1945.

United States Federal Census. 1910-1940, Needles, San Bernardino County, California.



\*B10. Significance: (Continued):

**PHOTOGRAPHS**



**Photograph 1: View looking east at the front or west elevation of the residence.**



**Photograph 2: Another view of bay window added to the north elevation of the residence.**

State of California — The Resources Agency  
DEPARTMENT OF PARKS AND RECREATION  
**BUILDING, STRUCTURE & OBJECT RECORD**

Primary #  
HRI #

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\*Resource Name or #: 209 I Street

NRHP Status Code: 6Z

\*B10. Significance: (Continued):



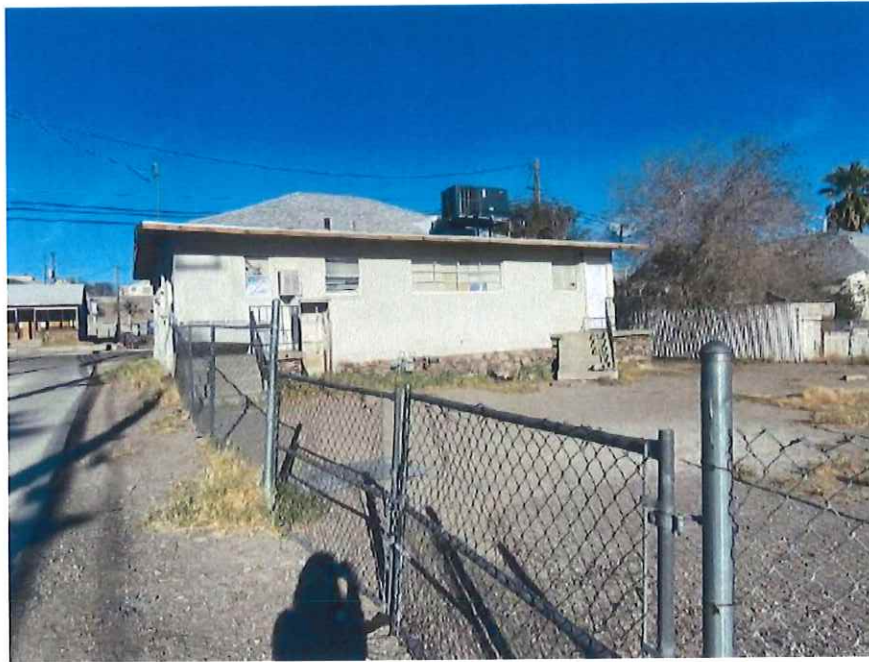
**Photograph 3: View of the northwest elevation of the residence.**



**Photograph 4: View of the south elevation of the residence.**



\*B10. Significance: (Continued):



Photograph 5: View west at the east or rear elevation of the residence depicting the rear shed-roof addition.



Photograph 6: Another view of the east elevation of the residence looking slightly to the west.

\*B10. Significance: (Continued):



Photograph 7: View looking south down I Street with the subject property on the left.



Photograph 8: View looking north up I Street towards the residence on the right side of the photo.



State of California — The Resources Agency  
DEPARTMENT OF PARKS AND RECREATION  
**PRIMARY RECORD**

Primary # \_\_\_\_\_  
HRI # \_\_\_\_\_  
Trinomial \_\_\_\_\_  
NRHP Status Code \_\_\_\_\_

Other Listings \_\_\_\_\_

Review Code \_\_\_\_\_ Reviewer \_\_\_\_\_ Date \_\_\_\_\_

Page 1 of 14

\*Resource Name or #: 1121 W. Broadway

P1. Other Identifier:

\*P2. Location: ☐ Not for Publication ☒ Unrestricted

\*a. County: San Bernardino

\*b. USGS 7.5' Quad: Needles, California

c. Address: 1121 W. Broadway

City: Needles

Zip: 92363

d. UTM: N/A

e. Other Locational Data: (e.g., parcel #, directions to resource, elevation, etc., as appropriate): The subject property occupies a rectangular parcel encompassing 7,492 square feet identified as APN 186-094-010.

\*P3a. Description:

The subject parcel is developed with a single-story cross-gable wood-frame residence built in 1900 and 1910. The house is listed at 1,360 square feet, having 1 bedroom and 2 bathrooms, and sited on a 7,492 square foot parcel. Character defining architecture features of the residence include a mud-sill foundation, moderately sloping asphalt shingle roof, horizontal beveled clapboard wood siding, a wood pergola that runs the full length of the residence supported by Doric columns. The front of the residence symmetrical fenestration that includes a pair of wooden French doors on either side of the front facing gable, and a wooden front door flanked by two side-lights with eight panes of glass per side. At the top of the gable is a wooden vent set horizontally. The I Street elevation features a forward-facing gable filled with wood shingles, a large brick chimney that runs vertically well-above the roofline, two square fixed nine-light windows that flank the chimney, and a 1 over 1 light wood-sash window near the center of the rear cross-gable. On the rear of the residence are two cross-gables, the one closest to the I Street is somewhat shorter than the one further to the east. The rear of the wing closest to I Street includes two fixed wood-sash windows and the larger wing further east features a vertically-oriented wood-sash 1 over 1 light window. The sides of each wing feature two opposing vertically-oriented 1 over 1 light wood-sash windows, and a horizontally-oriented 1/1 light window, and a fixed wood-sash window in the inner-side of the easternmost wing. The east elevation of the residence features 1 12-light horizontally-oriented fixed wood-sash window and the use of contemporary plywood to cover what was once an open porch. Two large palm trees grace the entrance to the house from W. Broadway flanked along the sidewalk with a wooden white picket fence. The home is accessed via a concrete walkway leading to the concrete porch. To the left of the front of the house is a paved driveway.

\*P3b. Resource Attributes: HP-2 (single-family residence)

\*P4. Resources Present: ☒ Building ☐ Structure

☐ Object

☐ Site

☐ District

☐ Element of District

P5a. Photograph or Drawing (Photograph required for buildings, structures, and objects.)



P5b. Description of Photo: View looking southwest at the front elevation of the residence from W. Broadway.

\*P6. Date Constructed/Age and Sources: ☒ Historic  
Circa 1905-1910, with later alterations and additions after 1933 based upon Sanborn Fire Insurance Maps, Needles, California.

\*P7. Owner and Address:

\*P8. Recorded by: Dana E. Supernowicz, Architectural Historian, Historic Resource Associates, 3142 Bird Rock Road, Pebble Beach, CA 93953

P9. Date Recorded: January 2022

\*P10. Type of Survey: ☒ Architectural

Describe: Architectural Recordation and Evaluation per CEQA, California Register of Historic Resources (CRHR).

\*P11. Report Citation: Historical Resource Analysis Study of 1121 W. Broadway, Needles, California. Prepared for Duke Cultural Resources Management, LLC, 18 Technology Drive, Suite 103, Irvine, CA 92618. Prepared by Historic Resource Associates, 3142 Bird Rock Road, Pebble Beach, CA 90731. January 2022.

\*Attachments: Building, Structure, and Object Record; Photograph Record

State of California — The Resources Agency  
DEPARTMENT OF PARKS AND RECREATION  
**BUILDING, STRUCTURE & OBJECT RECORD**

Primary #  
HRI #

Page 2 of 14

\*Resource Name or #: 1121 W. Broadway

NRHP Status Code: 6Z

- B1. **Historic Name:** Undetermined  
B2. **Common Name:** Formerly the Trinket Box  
B3. **Original Use:** Residence      B4. **Present Use:** Abandoned  
\*B5. **Architectural Style:** Late Victorian Eclectic  
\*B6. **Construction History:** Based upon Sanborn Fire Insurance Maps dating from 1910-1933, the residence was constructed prior to 1910 in a cruciform design with the main entrance along the east side of the house, and a porch that wrapped the side of the house extending to the easternmost wing. After 1933, a parallel wing was added to the front of the house along I Street and the formally open porch along the east of the house was filled creating indoor living space. After 1933, the front of the house was remodeled with a central door, sidelights, two French doors, and a full pergola supported by Doric columns.  
\*B7. **Moved?** ☒ No ☐ Yes ☐ Unknown      **Date:** N/A      **Original Location:**  
\*B8. **Related Features:** The subject property fronts W. Broadway on the north and I Street on the west, surrounded by residential homes and businesses that date from the early 1900s through the 1950s.  
B9a. **Architect:** Undetermined      B9b. **Builder:** Undetermined  
\*B10. **Significance: Theme:** Late Victorian Architecture      **Area:** Needles      **Period of Significance:** circa 1905-1910  
     **Property Type:** Residential Property      **Applicable Criteria:** CRHR 1-4

The subject property is located within the western end of the historic community of Needles, situated in the Mojave Desert on the west banks of the Colorado River in the far eastern edge of San Bernardino County. Needles, founded in 1883, is one of the earliest communities on the west banks of the Colorado River. Its history is linked to the influences of the Colorado River, the Mohave people, the railroad, Old Trails Highway (later Route 66), and the hot summer climate. In the late 1850s, Lt. Edward F. Beale recommended that a fort be established in the area for the protection of travelers. Fort Mojave was constructed in 1859 and was soon a route along the old Mojave Road, traveled extensively by the military and emigrants to the California gold fields (Gudde 1969:218; McShan 2012; City of Needles Website January 2022; Needles Chamber of Commerce Website January 2022). Arrival of the Atchison, Topeka and Santa Fe Railway at the Colorado River in 1883 created a new settlement named "The Needles," a namesake of the sharp peaks at the southerly end of the valley. The peaks themselves had been named by Lt. Amiel Weeks Whipple when he headed the government survey for a railroad in 1854. The first bridge across that part of the Colorado River was built about 1883, and often washed away. The railroad was rerouted to Topock, and the Old Red Rock Cantilever Bridge was built in 1890. When the original depot was destroyed by fire, it was replaced by the elegant Neoclassical and Beau-Arts style El Garces Harvey House and Santa Fe Train Depot, which was completed in 1908. The building was named in honor of Father Francisco Garces, a missionary who visited the area in 1776. The El Garces was part of the Fred Harvey chain of hotel restaurants that extended along the Santa Fe Railroad to provide meals and lodging (Gudde 1969:218; McShan 2012; City of Needles Website January 2022; Needles Chamber of Commerce Website January 2022) (refer to BSO, Page 2 of 23).

- B11. **Additional Resource Attributes:**  
B12. **References:** Adams, Steven. *The Arts and Crafts Movement*. London: Quintet Publishing limited. 1987; Ames, David L. "Draft Guidelines for Evaluating America's Historic Suburbs for the National Register of Historic Places." Unpublished manuscript. Washington D.C.: U.S. Department of the Interior, National Park Service. 1998; Anderson, Timothy, Eudorah M. Moore, and Robert W. Winter, eds. *California Design 1910*. Salt Lake City: Peregrine Smith Books. 1980;  
B13. **Remarks:** None.  
B14. **Evaluator:** Dana E. Supernowicz, Architectural Historian, Historic Resource Associates, 3142 Bird Rock Road, Pebble Beach, CA 93953.  
**Date of Evaluation:** January 2022

(This space reserved for official comments.)

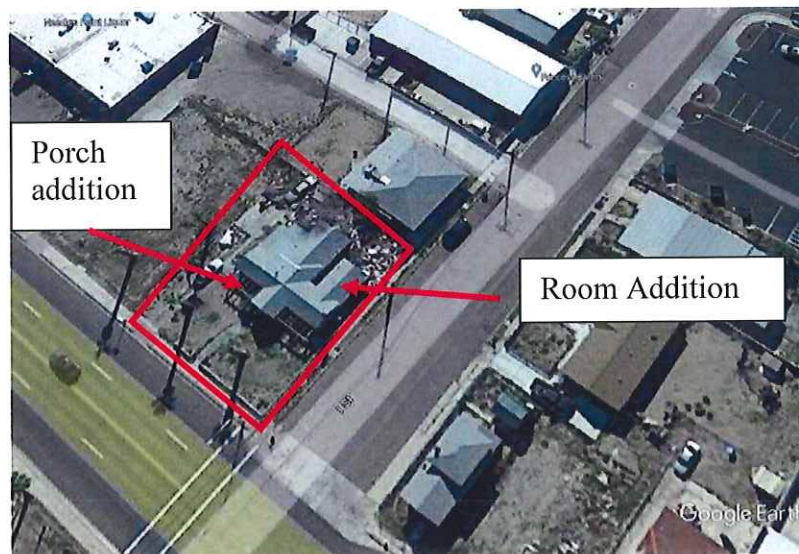


**\*B10. Significance: (Continued):**

At first immigrants primarily traveled to and from Needles by rail, then by the Old Trails Highway, later called Route 66. The approximate route is now followed by Interstate 40. The town of Needles was incorporated on October 30, 1913. Needles was a major stop on the historic U.S. Route 66 highway from the 1920s through the 1960s. For Dust Bowl immigrants in the 1930s, Needles was the first town marking the arrival into California. Some of the significant events affecting the town have been the building of the dams along the Colorado River in the 1930s and dredging of the river by the Bureau of Reclamation in the early 1950s, ending the long history of flooding each spring. Dredging drained the valley lands so they became suitable for agriculture and housing. Thereafter, two new industries came to the valley, agriculture and recreation. Needles was also the location of two major military maneuvers, General Patton's Army during World War II and Desert Strike maneuvers in the mid-1960s (McShan 2012; City of Needles Website January 2022; Needles Chamber of Commerce Website January 2022).



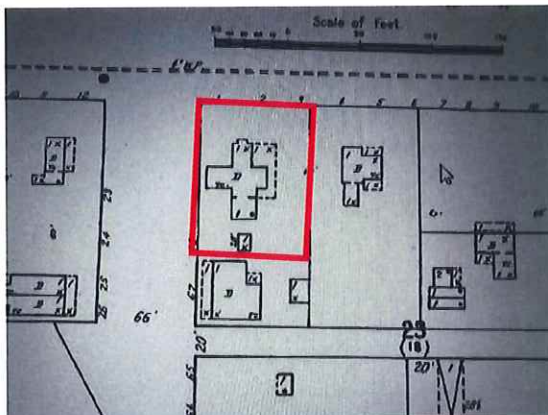
*Figure 1: Aerial Photograph, 2021. The red rectangle represents the subject parcel (Google Earth).*



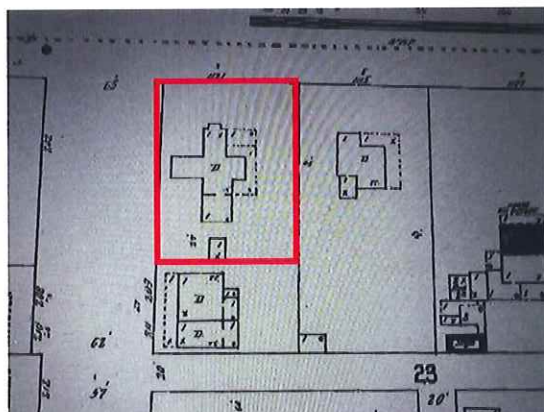
*Figure 2: 3D Aerial Photograph, 2021. The red rectangle represents the subject parcel (Google Earth).*

**\*B10. Significance: (Continued):**

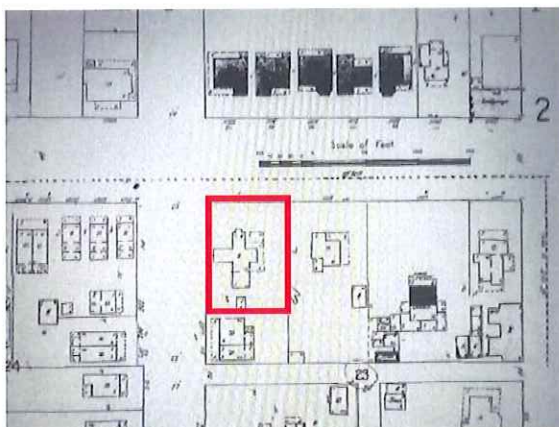
Figures 3-5 illustrate Sanborn Fire Insurance Maps of the subject property from 1910 through 1933. Note that the original parcel appears to have been developed with two residential homes, the other enumerated as 209 I Street.



**Figure 3: Sanborn Fire Insurance Map 1910**



**Figure 4: Sanborn Insurance Map 1916**



**Figure 5: Sanborn Fire Insurance Map Mar 1916-updated Jan. 1933**

**\*B10. Significance: (Continued):**

Historic documents, particularly Sanborn Fire Insurance Maps, indicate that the residence witnessed the greatest change after 1933 with additions and alterations. Its also likely its use changed during the 1930s, perhaps to rentals, which were in high demand in Needles during the Great Depression of the 1930s. During the late 1940s and 1950s, according to historic newspapers (*Needles Desert Star*), the residence or at least part of the residence was converted to commercial use. By 1956, part of the residence was being used as a "radio shop," by 1981 a "real estate office," by 1984 a "floral shop," and by 1985, "Needles House of Health." In more recent years, before abandonment, the residence was being used as an antique store.

A review of U.S. Census data did not reveal the owner of the residence however, census data did portray a highly transient city of laborers that shuttled between states, many hopping aboard freight cars parked along the railroad tracks that ran through the community. Another demographic aspect of Needles was that it had disproportionate number of Dust Bowl migrants during the 1930s through the early 1940s.

The subject property faces W. Broadway Avenue, which was formally designated Route 66 and the National Old Trails Highway. As such, residential homes built in the early 1900s were often converted to multi-unit homes many as boarding houses for migrant laborers. In the case of 1121 W. Broadway, the home was converted to a combination commercial use with rooms that were rented.

## **REGULATORY FRAMEWORK**

### **California Environmental Quality Act (CEQA) and California Register of Historic Resources (CRHR) Criteria**

The regulatory framework for this historic resource study and the evaluation lies within the guidelines imposed for the California Environmental Quality Act (CEQA) and the California Register of Historic Resources (CRHR) under Public Resources Code section 5024.1. CEQA guidelines define a significant cultural resource as "a resource listed in or eligible for listing on the CRHR. A historical resource may be eligible for inclusion in the CRHR if it:

1. Is associated with events that have made a significant contribution to the broad patterns of California's history and cultural heritage;
2. Is associated with the lives of persons important in our past;
3. Embodies the distinctive characteristics of a type, period, region, or method of construction, represents the work of an important creative individual, or possesses high artistic values; or
4. Has yielded, or may be likely to yield, information important to prehistory or history.

Even if a resource is not listed in, or determined eligible for listing in, the CRHR, the lead agency may consider the resource to be an "historical resource" for the purposes of CEQA provided that the lead agency determination is supported by substantial evidence (CEQA Guidelines 14 CCR 15064.5).

According to the state guidelines, a project with an effect that may cause a substantial adverse change in the significance of a historical resource or a unique archaeological resource is a project that may have a significant effect on the environment (14 CCR 15064.5[b]). CEQA further states that a substantial adverse change in the significance of a resource means the physical demolition, destruction, relocation, or alteration of the resource or its immediate surroundings such that the significance of a historical resource would be materially impaired. Actions that would materially impair the significance of a historical resource are any actions that would demolish or adversely alter those physical characteristics of a historical resource that convey its significance and qualify it for inclusion in the CRHR or in a local register or survey that meet the requirements of PRC 5020.1(k) and 5024.1(g).



**\*B10. Significance: (Continued):**

**INTEGRITY CRITERIA**

Determining the significance of 1121 W. Broadway is predicated on the property retaining a sufficient level of integrity in order to convey its historic significance. Integrity is defined by the National Park Service as follows:

**Location**

**Location is the place where the historic property was constructed or the place where the historic event occurred.** The relationship between the property and its location is often important to understanding why the property was created or why something happened. The actual location of a historic property, complemented by its setting, is particularly important in recapturing the sense of historic events and persons. Except in rare cases, the relationship between a property and its historic associations is destroyed if the property is moved.

**Design**

**Design is the combination of elements that create the form, plan, space, structure, and style of a property.** It results from conscious decisions made during the original conception and planning of a property (or its significant alteration) and applies to activities as diverse as community planning, engineering, architecture, and landscape architecture. Design includes such elements as organization of space, proportion, scale, technology, ornamentation, and materials. A property's design reflects historic functions and technologies as well as aesthetics. It includes such considerations as the structural system; massing; arrangement of spaces; pattern of fenestration; textures and colors of surface materials; type, amount, and style of ornamental detailing; and arrangement and type of plantings in a designed landscape. Design can also apply to districts, whether they are important primarily for historic association, architectural value, information potential, or a combination thereof. For districts significant primarily for historic association or architectural value, design concerns more than just the individual buildings or structures located within the boundaries. It also applies to the way in which buildings, sites, or structures are related: for example, spatial relationships between major features; visual rhythms in a streetscape or landscape plantings; the layout and materials of walkways and roads; and the relationship of other features, such as statues, water fountains, and archeological sites.

**Setting**

**Setting is the physical environment of a historic property.** Whereas location refers to the specific place where a property was built or an event occurred, setting refers to the *character* of the place in which the property played its historical role. It involves *how*, not just *where*, the property is situated and its relationship to surrounding features and open space.

Setting often reflects the basic physical conditions under which a property was built and the functions it was intended to serve. In addition, the way in which a property is positioned in its environment can reflect the designer's concept of nature and aesthetic preferences.

The physical features that constitute the setting of a historic property can be either natural or manmade, including such elements as:

- Topographic features (a gorge or the crest of a hill);
- Vegetation;
- Simple manmade features (paths or fences); and
- Relationships between buildings and other features or open space.

These features and their relationships should be examined not only within the exact boundaries of the property, but also between the property and its *surroundings*. This is particularly important for districts.

**\*B10. Significance: (Continued):**

**Materials**

**Materials are the physical elements that were combined or deposited during a particular period of time and in a particular pattern or configuration to form a historic property.** The choice and combination of materials reveal the preferences of those who created the property and indicate the availability of particular types of materials and technologies. Indigenous materials are often the focus of regional building traditions and thereby help define an area's sense of time and place.

A property must retain the key exterior materials dating from the period of its historic significance. If the property has been rehabilitated, the historic materials and significant features must have been preserved. The property must also be an actual historic resource, not a recreation; a recent structure fabricated to look historic is not eligible. Likewise, a property whose historic features and materials have been lost and then reconstructed is usually not eligible (refer to Criteria Consideration E in Part VII: *How to Apply the Criteria Considerations* for the conditions under which a reconstructed property can be eligible.)

**Workmanship**

**Workmanship is the physical evidence of the crafts of a particular culture or people during any given period in history or prehistory.** It is the evidence of artisans' labor and skill in constructing or altering a building, structure, object, or site. Workmanship can apply to the property as a whole or to its individual components. It can be expressed in vernacular methods of construction and plain finishes or in highly sophisticated configurations and ornamental detailing. It can be based on common traditions or innovative period techniques. Workmanship is important because it can furnish evidence of the technology of a craft, illustrate the aesthetic principles of a historic or prehistoric period, and reveal individual, local, regional, or national applications of both technological practices and aesthetic principles. Examples of workmanship in historic buildings include tooling, carving, painting, graining, turning, and joinery.

**Feeling**

**Feeling is a property's expression of the aesthetic or historic sense of a particular period of time.** It results from the presence of physical features that, taken together, convey the property's historic character. For example, a rural historic district retaining original design, materials, workmanship, and setting will relate the feeling of agricultural life in the 19th century. A grouping of prehistoric petroglyphs, unmarred by graffiti and intrusions and located on its original isolated bluff, can evoke a sense of tribal spiritual life.

**Association**

**Association is the direct link between an important historic event or person and a historic property.** A property retains association if it is the place where the event or activity occurred and is sufficiently intact to convey that relationship to an observer. Like feeling, association requires the presence of physical features that convey a property's historic character. For example, a Revolutionary War battlefield whose natural and manmade elements have remained intact since the 18th century will retain its quality of association with the battle. Because feeling and association depend on individual perceptions, their retention *alone* is never sufficient to support eligibility of a property for the National Register.

**\*B10. Significance: (Continued):**

**DETERMINATION OF INTEGRITY AND SIGNIFICANCE**

**Location** - The subject property retains its original location. The residence has not been moved; however the parcel appears to have been split at some point with the residence to the south at 209 I Street allocated as a separate parcel.

**Design** - The design of the original house has been compromised by later additions and alterations after 1933 as depicted on Sanborn Fire Insurance Maps and evidenced by recent photographs.

**Setting** - The setting of the property is largely intact, but the parcel appears to have been split after 1933.

**Materials** - The majority of the materials on the house appear to be original, however, modifications after 1933 have been added, such as the front pergola and fireplace on the west elevation of the residence.

**Workmanship** - The original workmanship of the building has been compromised by additions and alterations after 1933.

**Feeling** - The original feeling of the house has been compromised by later additions and alterations.

**Association** - The original association of the residence has been compromised with later additions and modifications, as previously described.

**EVALUATION CRITERIA**

**Is the property located at 1121 W. Broadway eligible for the CRHR under Criterion 1-4:**

The subject property at 1121 W. Broadway is not eligible for the CRHR under Criteria 1-3. Under Criterion 1, the subject property is not associated with an event or events of significance in the history of Needles. Under Criterion 2, the subject property does not appear to be associated with a person or persons of significance in history of Needles, and under Criterion 3, the subject property lacks architectural integrity due to additions and alterations that occurred after 1933. Under Criterion 4, because the residence was built long before indoor plumbing was installed, and Sanborn Fire Insurance Maps depict a possible privy or outhouse along the current southern lot line, there may be data potential to better interpret the age, occupants, and social habits of its residents since its construction in the early 1900s.

In summary, the subject property does not appear to be a significant resource per the CRHR under Criteria 1-3 largely due to diminished architectural integrity. In regards to CRHR Criterion 4, the property has data potential as a result of an outhouse or privy designated on the parcel on Sanborn Fire Insurance Maps between 1910-1933.

**B12. References (Continued):**

City of Needles Website. "About the City of Needles." [www.cityofneedles.com](http://www.cityofneedles.com). Accessed January 19, 2012.

Digital Desert – Needles Photos. [Needles, Ca Historic Photos \(digital-desert.com\)](http://Needles.Ca.Historic.Photos(digital-desert.com)), accessed January 19, 2022.

Gudde, Erwin G. *California Place Names: The Origin and Etymology of Current Geographical Names*. Berkeley: University of California Press. 1969.

Hamin, Elisabeth M. *Mojave Lands: Interpretive Planning and the National Preserve*. John Hopkins University Press. 2003.

State of California — The Resources Agency  
DEPARTMENT OF PARKS AND RECREATION  
**BUILDING, STRUCTURE & OBJECT RECORD**

Primary #  
HRI #

Page 9 of 14

\*Resource Name or #: 1121 W. Broadway

NRHP Status Code: 6Z

**\*B10. Significance: (Continued):**

McShan, Maggie. "Needles History." Route 66 California Website.  
[www.route66ca.org/traveler/towns/01needle/history.html](http://www.route66ca.org/traveler/towns/01needle/history.html). Accessed January 2012.

Needles Chamber of Commerce Website. "History of Needles." [www.needleschamber.com/history.htm](http://www.needleschamber.com/history.htm). Accessed January 2012.

Sherer, Lorraine M. et al. *Bitterness Road*. Menlo Park: Ballena Press. Anthropological Papers, No. 41. 1994.

State of California. *California Historical Landmarks*. Department of Parks and Recreation. Sacramento, California. 1979.

State of California. *California Inventory of Historic Resources*. Department of Parks and Recreation. Sacramento, California. 1976.

Sutton, Mark Q. et al. "Advances in Understanding Mohave Desert Prehistory" in *California Prehistory: Colonization, Culture, and Complexity* by Terry L. Jones and Kathryn A. Klar. Alta Mira Press, 2007: 229-243.

USDI, Bureau of Reclamation. Coachella Canal Area, Resource Management Plan/Environmental Assessment. Unpublished report. 2006.

USDI, National Parks Service. National Register Bulletin 15: How to Apply the National Register Criteria for Evaluation. n.d.

Vredenburg, Larry M. et al. *Desert Fever: An Overview of Mining in the California Desert*. Canoga Park, CA: Living West Press. 1981.

Worcester, Donald Emmet. *A Visit from Father and Other Tales of the Mojave*. Texas A & M University Press. 1990.

## Maps

USGS 7.5' *Needles, California* Topographic Quadrangle, 1904; 1950; 1970; 2021.

## Primary Records

*Needles Desert Star*, newspaper, 1910-1985.

Sanborn Fire Insurance Map Company. Sanborn Fire Insurance Maps. Davis, California. 1911-1945.

United States Federal Census. 1910-1940, Needles, San Bernardino County, California.



\*B10. Significance: (Continued):

**PHOTOGRAPHS**



**Photograph 1: View looking northeast at the rear of the former residence.**



**Photograph 2: Another view of the rear of the residence depicting the post-1933 addition on the left.**



\*B10. Significance: (Continued):



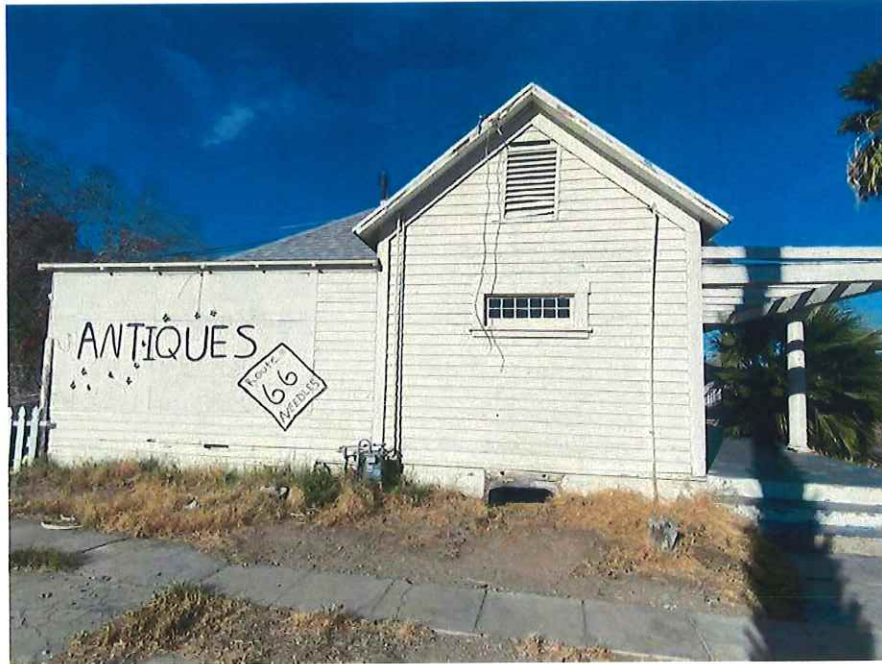
Photograph 3: View of the west elevation of the residence looking east from I Street.



Photograph 4: Another view of the west elevation of the residence looking east across I Street.



\*B10. Significance: (Continued):



Photograph 5: East elevation of the residence looking west.  
The wall with the Antiques printed on it was formally an open porch and enclosed after 1933.



Photograph 6: View looking south at the northeast elevation of the building and the partial concrete driveway.

\*B10. Significance: (Continued):



Photograph 7: Close-up of the front door and sidelights that were added after 1933.



Photograph 8: Close-up of the entry porch and Doric column added after 1933.



**\*B10. Significance: (Continued):**



**Photograph 9: Close-up of the rear east elevation illustrating the use of plywood to enclose a former open porch.**



**Photograph 10: Close-up a small shed-roof addition on the southeast corner of the residence.**





Facing North



Facing West



Facing West



Facing South



ATTACHMENT G: Project Site Existing Conditions  
 APPLICANT: Edward Andrade  
 SITE ADDRESS: 209 I-Street

CITY OF NEEDLES, CALIFORNIA  
Application For Cannabis Business — Conditional Use Permit

Name of Applicant: 2091 STREET, INC Phone: 951-640-4925 (Applicant must be the owner of the land, the lessee having a lease-hold interest of not less than 5 years, or the agent of any of the foregoing duly authorized in writing)

1, (I/We) the undersigned, EDWARD ANDRADE (Owner/Lessee/Agent) of the property listed below, hereby request that the following stated use be permitted to be constructed and/or operated.

Project name and address: 2091 STREET, INC  
2091 STREET, NEEDLES, CA 92363

2. Legal Description of Parcel (attach if necessary): SEE ATTACHED
3. Briefly Describe: a. Purpose and Intent of proposed project (include acres, square feet, units, etc.)  
CONSTRUCT A STATE LICENSED MARIJUANA CULTIVATION FACILITY

b. Population projection (project residents):

c. Number of persons employed during operation: full time 6 part time 4

d. Will the Project require new utility services? ☒ yes ☐ no

i. Water Service ☐ no. If so, estimated peak water demand in gallons/minutes: \_\_\_\_\_  
\_\_\_\_\_ service requirement.

ii. Sewer Service ☐ no. Any chemical wastes expelled in sewers? \_\_\_\_\_  
If yes, explain: \_\_\_\_\_

iii. Electric Service: main size \_\_\_\_\_; single phase \_\_\_\_\_; three phase \_\_\_\_\_  
Attachment to existing electric facilities: load calculations \_\_\_\_\_

e. Estimated daily vehicular traffic generated by the operation: 6-8 Comment: AM PLACES ONLY

f. List major machines — give horsepower and noise rating in decibels: N/A

g. Will the project require a permit from the Air Pollution Control District, and if so, describe: N/A

h. What will be the hours of operation: 10 AM - 8 PM

i. Describe materials or machinery that will be stored or parked outside: N/A

5. Identify any other licenses you hold for cannabis in California

Type of License	California City Issuing License
Dispensary	_____
Cultivation	_____
Manufacturing	_____
Testing/Lab	_____
Distribution/Transportation	_____
Other	_____

6. Attached ( ): Site Plan ( ); Elevations ( ); Filing Fee ( ); Legal ( ); (site plans folded 8 1/2" x 11" reduction)

**AUTHORIZATION**

Names and signatures of all persons having an interest in the property whose consent is required (by virtue of such interest) to authorize filing of application.

Name (print or type)	Address	Capacity Owner/Lessee
EDWARD ANDRADE	8616 CHIFNEYLANE RIV CA 92509	
Signature: <u>[Signature]</u>		OWNER CEO
2. Mukesh K Patel	102 S. Eucalyptus Dr Anaheim CA 92808	
Signature: <u>[Signature]</u>		
3. _____		
Signature: _____		

All signatures represent that they have full legal capacity to, and hereby do, authorize the filing of this application. Leaseholds must be for at least five years or the owner shall be required to sign this application.

Subscribed and sworn before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_

\_\_\_\_\_, Ss: \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_ Notary Public (or City Staff)

**CERTIFICATION**

I certify that the information and exhibits herewith submitted are true and correct to the best of my knowledge and that I am to file this application and act on behalf of the signatories of the above authorization.

Name (print): Edward Andrade Signature: [Signature]  
Address: 8616 CHIFNEY LN. RIVERSIDE CA 92509 Telephone: 951 640-4925  
Capacity: owner: X lessee: \_\_\_\_\_ agent of 209 I St. NEEDLES, CA

Person(s) to be contacted regarding this application if other than myself:

MUKESH PATEL Address: 102 S. EUCALYPTUS DR.  
ANAHEIM, CA 92808

[Signature] Address: \_\_\_\_\_

\*\*\*\*\*  
**(STAFF USE ONLY)**

Date filed: \_\_\_\_\_ Rec'd by: \_\_\_\_\_ Receipt No. \_\_\_\_\_

**PLEASE SEE ATTACHED  
NOTARY DOCUMENTS**

**CIVIL CODE § 1189**

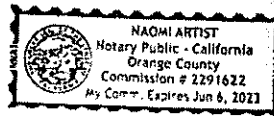
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

On APRIL 19, 2022 before me, Naomi Artist, Notary Public

Personally appeared MUKESH PATEL

I certify under PENALTY OF PERJURY under the laws  
Of the State of California that the foregoing paragraph  
is true and correct.

Signature Naomi Artist  
Naomi Artist, Notary Public



## OPTIONAL

Title of Document: APPLICATION FOR CANNABIS BUSINESS

Date of Document: APR 19 2022

Name of Signer(s): MUKESH PATEL





## City of Needles, California Request for City Council Action

☒ CITY COUNCIL ☐ NPUA ☐ SARDA

☒ Regular ☐ Special

**Meeting Date:** MAY 24, 2022

**Title:** Warrants

**Background:** n/a

**Fiscal Impact:** n/a

**Recommended Action:** **APPROVE**, the Warrants Register through May 24, 2022.

**Submitted By:** Sylvia Miledi, Director of Finance

**City Management Review:** Rick

**Date:** 5/17/22

Approved: ☐

Not Approved: ☐

Tabled: ☐

Other: ☐

Agenda Item: 5

**CITY OF NEEDLES CITY COUNCIL  
WARRANT SUMMARY TOTALS FOR MAY 24, 2022**

FUND 101	GENERAL FUND	DEPT. AMT.	FUND AMT.	5/24/2022 (2)	21-22 BUDGET
101.1015.412	CITY ATTORNEY	\$ -		\$ 52,326.75	\$80,000
101.1020.413	CITY MANAGER	\$ -		\$ 164,614.16	\$205,293
101.1025.415	FINANCE DEPT.	\$ -		\$ 394,583.24	\$425,654
101.1030.414	CITY CLERK/COUNCIL/MAYOR	\$ -		\$ 133,432.54	\$201,933
101.1035.416	PLANNING /ZONING	\$ -		\$ 149,922.02	\$304,327
101.1040.417	ENGINEERING	\$ -		\$ 155,761.14	\$269,415
101.1060.410	COMMUNITY PROMOTIONS	\$ -		\$ 44,344.61	\$69,770
101.1070.410	SENIOR CENTER	\$ -		\$ 37,205.56	\$55,404
101.2010.421	SHERIFF	\$ -		\$ 2,569,503.21	\$3,216,842
101.2020.423	ANIMAL SHELTER/CONTROL	\$ -		\$ 139,482.45	\$236,591
101.2025.424	BULDING & SAFETY	\$ -		\$ 332,378.45	\$454,386
101.2030.423	CODE ENFORCEMENT	\$ -		\$ 449,777.37	\$629,675
101.3010.431	PUBLIC WORKS	\$ -		\$ 1,246,635.28	\$4,318,920
101.4730.472	SANITATION	\$ -		\$ 119,655.86	\$156,217
101.5770.452	AQUATICS	\$ -		\$ 107,839.25	\$180,845
101.5772.452	PARKS	\$ -		\$ 392,445.44	\$637,633
101.5773.452	JACK SMITH PARK MARINA	\$ -		\$ 93,955.49	\$139,888
101.5774.452	RECREATION	\$ -		\$ 239,698.52	\$353,231
GENERAL FUND TOTAL ALL GF DEPARTMENTS			\$ -		\$11,936,024
FUND 205	CDBG		\$ -	\$ 34,479.16	\$27,243
FUND 206	CEMETERY		\$ -	\$ 149,718.36	\$209,276
FUND 208	CALTRANS GRANTS		\$ -	\$ 1,291,477.24	\$183,750
FUND 209	NARCOTICS FORFEITURE		\$ -	\$ -	\$0
FUND 210	SPECIAL GAS TAX		\$ -	\$ 124,443.00	\$235,135
FUND 213	DEPT OF HOUSE. & COMM DEVL		\$ -	\$ 42,563.74	\$168,149
FUND 214	SANBAG NEW LOCAL MEAS I		\$ -	\$ 1,539.86	\$93,300
FUND 225	COPS-AB 3229 SUPPLEMENTAL		\$ -	\$ 158,290.68	\$283,431
FUND 235	INTERSTATE COMM/I40 J ST.		\$ -	\$ -	\$0
FUND 238	STATE RECREATION GRANTS		\$ -	\$ 3,692.61	
FUND 239	CA.CONSERV RECYLING GRANT		\$ -	\$ 64,799.60	\$80,500
FUND 240	EL GARCES INTERMODAL		\$ -	\$ -	\$0
FUND 241	SAFE RTS TO SCHOOL (SR2S)		\$ -	\$ -	\$12,885
FUND 243	ACTIVE TRANSPORT PROGRAM		\$ -	\$ -	\$0
FUND 270	REDEVELOPMENT AGENCY		\$ -	\$ 165,340.30	\$204,500
FUND 470	RDA CAP PROJ.LOW & MOD.		\$ -	\$ 1,725.42	\$300,000
FUND 501	NPUA		\$ -	\$ 2,456,502.44	\$2,687,194
FUND 502	WATER DEPARTMENT		\$ 95.02	\$ 1,591,625.16	\$2,006,995
FUND 503	WASTEWATER DEPARTMENT		\$ -	\$ 1,027,572.22	\$1,297,932
FUND 505	SANITATION		\$ -	\$ 1,089,948.81	\$1,419,900
FUND 506	ALL AMERICAN CANAL PROJ.		\$ -	\$ 875,554.45	\$1,014,815
FUND 507	GOLF FUND	\$ -			
FUND 507-5761-453	GOLF MAINTENANCE DEPARTMENT	\$ -		\$ 527,356.21	\$724,775
FUND 507-5762-454	GOLF PRO SHOP DEPARTMENT	\$ -		\$ 282,498.19	\$368,468
FUND 507	GOLF FUND TOTAL		\$ -		
FUND 508	CUST.SVC/UT BUSINESS OFFICE	\$ -		\$ 257,250.94	\$395,926
FUND 509	MIS		\$ -	\$ 218,741.59	\$252,370
FUND 510	ADMIN. FACILITY		\$ -	\$ 140,864.14	\$395,203
FUND 511	FLEET MANAGEMENT		\$ -	\$ 167,108.01	\$270,933
FUND 512	VEHICLE REPLACEMENT		\$ -	\$ 3,671.45	\$0
FUND 520	SR DIAL A RIDE		\$ -	\$ 168,030.82	\$229,711
FUND 521	DIAL-A-RIDE MEDICAL TRANS.		\$ -	\$ 21,455.49	\$40,458
FUND 525	NEEDLES AREA TRANSIT (NAT)		\$ -	\$ 361,415.04	\$494,264
FUND 580	ELECTRIC		\$ -	\$ 9,134,606.45	\$12,526,973
FUND 581	NPUA CAPITAL ELECTRIC		\$ -	\$ 95,507.66	\$2,384,611
FUND 582	NPUA CAPITAL WATER		\$ -	\$ 1,283,208.20	\$4,672,036
FUND 583	NPUA CAPITAL WASTEWATER		\$ -	\$ 98,768.00	\$104,468
FUND 650	IMPACT FEES NORTH NEEDLES		\$ -	\$ 30.16	\$88
FUND 651	IMPACT FEES SOUTH AREAS		\$ -	\$ 22.62	\$24
TOTAL ALL FUNDS & DEPARTMENTS			\$ 95.02	\$ 28,663,369.36	\$45,021,337

I certify that the expenditures/purchases to be paid by the warrants on this list have complied with § 8, Article II, Purchasing; and further, the funds to cover these purchases/expenditures, as City Audited, are included within the City

Rick Daniels, City Manager

Date

Kippy Poulson, City Treasurer

Date

Sylvia Miledi, Director of Finance

Date

CHECK NUMBER	VENDOR NUMBER	SEQ#	VENDOR NAME	CHECK DATE	CHECK AMOUNT	DISCOUNTS/RETAINAGE TAKEN
15482	218	00	NEWS WEST PUBLISHING CO.	05/24/2022	95.02	.00
NUMBER OF CHECKS				1	GRAND TOTAL	95.02

ACCOUNTS PAYABLE CHECK REGISTER BY BANK NUMBER

CHECK NO	VENDOR NO	VENDOR NAME	VOUCHER NO	P.O. NO	DATE	ACCOUNT	REMITTANCE AMOUNT (NET OF DISC/RETAIN)	CHECK TOTAL
15482	218	NEWS WEST PUBLISHING CO.	008097		05/24/2022	502-4710-471.53-00	95.02 95.02 *	95.02
							BANK/CHECK TOTAL	95.02
							ALL BANKS/CHECKS TOTAL	95.02



**CITY OF NEEDLES CITY COUNCIL  
WARRANT SUMMARY TOTALS FOR MAY 24, 2022**

FUND 101	GENERAL FUND	DEPT. AMT.	FUND AMT.	24-May	21-22 BUDGET
101.1015.412	CITY ATTORNEY	\$ 5,306.90		\$ 52,326.75	\$80,000
101.1020.413	CITY MANAGER	\$ 40.75		\$ 164,614.16	\$205,293
101.1025.415	FINANCE DEPT.	\$ 179.75		\$ 394,583.24	\$425,654
101.1030.414	CITY CLERK/COUNCIL/MAYOR	\$ 2,814.58		\$ 133,432.54	\$201,933
101.1035.416	PLANNING /ZONING	\$ 3,876.73		\$ 149,922.02	\$304,327
101.1040.417	ENGINEERING	\$ 385.09		\$ 155,761.14	\$269,415
101.1060.410	COMMUNITY PROMOTIONS	\$ -		\$ 44,344.61	\$69,770
101.1070.410	SENIOR CENTER	\$ 3,342.67		\$ 37,205.56	\$55,404
101.2010.421	SHERIFF	\$ 40,796.92		\$ 2,569,503.21	\$3,216,842
101.2020.423	ANIMAL SHELTER/CONTROL	\$ 82.15		\$ 139,482.45	\$236,591
101.2025.424	BULDING & SAFETY	\$ 458.63		\$ 332,378.45	\$454,386
101.2030.423	CODE ENFORCEMENT	\$ 2,626.25		\$ 449,777.37	\$629,675
101.3010.431	PUBLIC WORKS	\$ 29,875.39		\$ 1,246,635.28	\$4,318,920
101.4730.472	SANITATION	\$ -		\$ 119,655.86	\$156,217
101.5770.452	AQUATICS	\$ 665.17		\$ 107,839.25	\$180,845
101.5772.452	PARKS	\$ 930.77		\$ 392,445.44	\$637,633
101.5773.452	JACK SMITH PARK MARINA	\$ 41.54		\$ 93,955.49	\$139,888
101.5774.452	RECREATION	\$ 376.51		\$ 239,698.52	\$353,231
GENERAL FUND	TOTAL ALL GF DEPARTMENTS		\$ 91,799.80		\$11,936,024
FUND 205	CDBG		\$ -	\$ 34,479.16	\$27,243
FUND 206	CEMETERY		\$ 47,289.73	\$ 149,718.36	\$209,276
FUND 208	CALTRANS GRANTS		\$ -	\$ 1,291,477.24	\$183,750
FUND 209	NARCOTICS FORFEITURE		\$ -	\$ -	\$0
FUND 210	SPECIAL GAS TAX		\$ -	\$ 124,443.00	\$235,135
FUND 213	DEPT OF HOUSE. & COMM DEVL		\$ -	\$ 42,563.74	\$168,149
FUND 214	SANBAG NEW LOCAL MEAS I		\$ -	\$ 1,539.86	\$93,300
FUND 225	COPS-AB 3229 SUPPLEMENTAL		\$ 16,614.42	\$ 158,290.68	\$283,431
FUND 235	INTERSTATE COMM/140 J ST.		\$ -	\$ -	\$0
FUND 238	STATE RECREATION GRANTS		\$ 3,692.61	\$ 3,692.61	
FUND 239	CA.CONSERV RECYLING GRANT		\$ 62.00	\$ 64,799.60	\$80,500
FUND 240	EL GARCES INTERMODAL		\$ -	\$ -	\$0
FUND 241	SAFE RTS TO SCHOOL (SR2S)		\$ -	\$ -	\$12,885
FUND 243	ACTIVE TRANSPORT PROGRAM		\$ -	\$ -	\$0
FUND 270	REDEVELOPMENT AGENCY		\$ -	\$ 165,340.30	\$204,500
FUND 470	RDA CAP PROJ.LOW & MOD.		\$ 1,183.68	\$ 1,725.42	\$300,000
FUND 501	NPUA		\$ 52,096.02	\$ 2,456,502.44	\$2,687,194
FUND 502	WATER DEPARTMENT		\$ 9,665.47	\$ 1,591,530.14	\$2,006,995
FUND 503	WASTEWATER DEPARTMENT		\$ 1,102.55	\$ 1,027,572.22	\$1,297,932
FUND 505	SANITATION		\$ -	\$ 1,089,948.81	\$1,419,900
FUND 506	ALL AMERICAN CANAL PROJ.		\$ -	\$ 875,554.45	\$1,014,815
FUND 507	GOLF FUND	\$ 165.25			
FUND 507-5761-453	GOLF MAINTENANCE DEPARTMENT	\$ 23,362.42		\$ 527,356.21	\$724,775
FUND 507-5762-454	GOLF PRO SHOP DEPARTMENT	\$ 8,546.32		\$ 282,498.19	\$368,468
FUND 507	GOLF FUND TOTAL		\$ 32,073.99		
FUND 508	CUST.SVC/UT BUSINESS OFFICE	\$ -	\$ 218.27	\$ 257,250.94	\$395,926
FUND 509	MIS		\$ 7,073.00	\$ 218,741.59	\$252,370
FUND 510	ADMIN. FACILITY		\$ 996.71	\$ 140,864.14	\$395,203
FUND 511	FLEET MANAGEMENT		\$ 7,078.90	\$ 167,108.01	\$270,933
FUND 512	VEHICLE REPLACEMENT		\$ 3,671.45	\$ 3,671.45	\$0
FUND 520	SR DIAL A RIDE		\$ 5,800.67	\$ 168,030.82	\$229,711
FUND 521	DIAL-A-RIDE MEDICAL TRANS.		\$ 1,928.12	\$ 21,455.49	\$40,458
FUND 525	NEEDLES AREA TRANSIT (NAT)		\$ 33,871.88	\$ 361,415.04	\$494,264
FUND 580	ELECTRIC		\$ 90,329.75	\$ 9,134,606.45	\$12,526,973
FUND 581	NPUA CAPITAL ELECTRIC		\$ 55,500.66	\$ 95,507.66	\$2,384,611
FUND 582	NPUA CAPITAL WATER		\$ -	\$ 1,283,208.20	\$4,672,036
FUND 583	NPUA CAPITAL WASTEWATER		\$ -	\$ 98,768.00	\$104,468
FUND 650	IMPACT FEES NORTH NEEDLES		\$ -	\$ 30.16	\$88
FUND 651	IMPACT FEES SOUTH AREAS		\$ -	\$ 22.62	\$24
TOTAL	ALL FUNDS & DEPARTMENTS		\$ 462,049.68	\$ 28,663,274.34	\$45,021,337

I certify that the expenditures/purchases to be paid by the warrants on this list have complied with

8, Article II, Purchasing; and further, the funds to cover these purchases/expenditures, as City Audited, are included within the City

Rick Daniels, City Manager

Date

Kippy Foulson, City Treasurer

Date

Sylvia Miledi, Director of Finance

Date

CHECK NUMBER	VENDOR NUMBER	SEQ#	VENDOR NAME	CHECK DATE	CHECK AMOUNT	DISCOUNTS/RETAINAGE TAKEN
15410	3305	00	AGUA CALIENTE	05/24/2022	25,064.00	.00
15411	1924	00	AHA MACAV POWER SERVICE	05/24/2022	221.78	.00
15412	4033	00	AMERICAN FENCE COMPANY, INC	05/24/2022	3,692.61	.00
15413	4034	00	ANGEL'S MOBILE VETERINARY SERVICES	05/24/2022	1,201.00	.00
15414	370	00	ANIMAL CARE EQUIP. & SERVICES INC.	05/24/2022	289.38	.00
15415	2629	00	BARON PEST SOLUTIONS	05/24/2022	96.00	.00
15416	178	00	BIG O TIRES & NAPA AUTO PARTS	05/24/2022	1,915.01	.00
15417	3946	00	BLACK CLOVER ENTERPRISES, LLC	05/24/2022	771.75	.00
15418	7	00	BORDER STATES INDUSTRIES, INC.	05/24/2022	1,331.71	.00
15419	3819	00	BULLHEAD AUTO & MARINE	05/24/2022	27.58	.00
15420	1213	00	CALIF. DEPT. OF TAX & FEE ADMIN.	05/24/2022	581.00	.00
15421	4021	00	CANDACE MARTINEZ	05/24/2022	385.11	.00
15422	455	00	CULLIGAN WATER COND.	05/24/2022	44.80	.00
15423	2934	00	DANA KEPNER COMPANY INC.	05/24/2022	349.14	.00
15424	3809	00	DATA TICKET INC.	05/24/2022	105.50	.00
15425	440	00	DECO FOODSERVICE INCCORP.	05/24/2022	222.78	.00
15426	428	00	DEPT. OF CONSERVATION	05/24/2022	144.40	.00
15427	3580	00	DIAMOND PURE WATER	05/24/2022	92.50	.00
15428	501	00	DOI-BOR-REGION: LOWER COLORADO	05/24/2022	13,782.99	.00
15429	3943	00	ELLEN CAMPBELL	05/24/2022	715.86	.00
15430	3913	00	ENTERPRISE FM TRUST	05/24/2022	3,671.45	.00
15431	1296	00	FRONTIER	05/24/2022	230.63	.00
15432	1	00	GEORGE BRYANT CONSTRUCTION	05/24/2022	117.70	.00
15433	4025	00	GOLF MAINTENANCE SOLUTIONS	05/24/2022	5,000.00	.00
15434	4012	00	GOLFSNOW	05/24/2022	295.00	.00
15435	324	00	GRAINGER PART OPERATIONS INC.	05/24/2022	2,525.52	.00
15436	2612	00	HARDWARE EXPRESS INCCORP.	05/24/2022	849.40	.00
15437	1	00	HERNANDEZ, MONIQUE	05/24/2022	371.39	.00
15438	2489	00	HOME DEPOT CREDIT SERVICES	05/24/2022	1,134.38	.00
15439	3864	00	HORIZON TECHNOLOGIES INC.	05/24/2022	980.00	.00
15440	3949	00	JANET JERNIGAN	05/24/2022	75.00	.00
15441	4000	00	JARROD DELEON	05/24/2022	442.29	.00
15442	3942	00	KIRSTEN MERRITT	05/24/2022	473.41	.00
15443	88	00	LINCOLN AQUATICS	05/24/2022	432.44	.00
15444	2932	00	LINDE GAS & EQUIPMENT INC	05/24/2022	195.14	.00
15445	3283	00	LOWE'S	05/24/2022	13.89	.00
15446	3783	00	MARK MARNATI	05/24/2022	510.00	.00
15447	3998	00	MICHAEL BAKER INTERNATIONAL, INC	05/24/2022	5,080.00	.00
15448	139	00	MOHAVE VALLEY LANDFILL-4522	05/24/2022	12.15	.00
15449	218	00	NEWS WEST PUBLISHING CO.	05/24/2022	446.24	.00
15450	1786	00	NPUA	05/24/2022	25,186.47	.00
15451	3315	00	ONLINE INFORMATION SERVICE	05/24/2022	100.37	.00
15452	3767	00	PATRICK MARTINEZ	05/24/2022	923.34	.00
15453	4027	00	PETRELLI ELECTRIC, INC	05/24/2022	106,786.08	.00
15454	239	00	PHILLIPS EXCAVATING INC.	05/24/2022	1,900.00	.00
15455	15	00	QUILL CORP.	05/24/2022	450.20	.00
15456	818	00	R & R PRODUCTS INC.	05/24/2022	1,742.90	.00
15457	644	00	RDO EQUIPMENT COMPANY	05/24/2022	115.17	.00
15458	2861	00	REINKE A/C CORP.	05/24/2022	10,344.86	.00
15459	2068	00	RICOH USA, INC.	05/24/2022	323.80	.00
15460	2468	00	RON'S TIRE & AUTO	05/24/2022	4,857.41	.00

CHECK NUMBER	VENDOR NUMBER	SEQ#	VENDOR NAME	CHECK DATE	CHECK AMOUNT	DISCOUNTS/RETAINAGE TAKEN
15461	2687	00	S.B. COUNTY FIRE DEPARTMENT	05/24/2022	909.00	.00
15462	3361	00	S.B. COUNTY SHERIFF'S DEPARTMENT	05/24/2022	57,411.34	.00
15463	4001	00	SIMPLLOT TURF & HORTICULTURE	05/24/2022	2,571.46	.00
15464	1	00	SITTER, JACK	05/24/2022	321.51	.00
15465	281	00	SMART & FINAL	05/24/2022	298.23	.00
15466	3577	00	SONSRAY MACHINERY LLC	05/24/2022	72,722.38	.00
15467	3605	00	STATEWIDE TRAFFIC SAFETY & SIGNS	05/24/2022	3,272.61	.00
15468	4008	00	THE PRINTER GUYS, LLC	05/24/2022	139.00	.00
15469	3950	00	TKE ENGINEERING INC	05/24/2022	925.00	.00
15470	3917	00	TOUCHSTONE GOLF LLC	05/24/2022	7,063.14	.00
15471	3873	00	TRANSPORTATION CONCEPTS	05/24/2022	41,600.67	.00
15472	3266	00	TRI STATE TOOL REPAIR	05/24/2022	181.59	.00
15473	772	00	TRI-STATE ACE HARDWARE	05/24/2022	190.74	.00
15474	2798	00	U.S. DEPARTMENT OF ENERGY	05/24/2022	36,825.69	.00
15475	3825	00	ULTRA PEST CONTROL, LLC	05/24/2022	45.00	.00
15476	315	00	UNDERGROUND SERVICE ALERT OF SO CAL	05/24/2022	67.75	.00
15477	3830	00	UNIFIRST CORPORATION	05/24/2022	645.99	.00
15478	3528	00	WESTERN ENVIRONMENTAL TESTING LAB.	05/24/2022	719.00	.00
15479	1023	00	XEROX	05/24/2022	407.48	.00
15480	3780	00	ZIA ELECTRICAL PRODUCTS	05/24/2022	862.57	.00
15481	3828	00	3D-NETWORKS L.L.C.	05/24/2022	8,248.00	.00
NUMBER OF CHECKS				72	462,049.68	
GRAND TOTAL						







ACCOUNTS PAYABLE CHECK REGISTER BY BANK NUMBER

CHECK NO	VENDOR NO	VENDOR NAME	VOUCHER NO	P.O. NO	DATE	ACCOUNT	REMITTANCE AMOUNT (NET OF DISC/RETAIN)	CHECK TOTAL
15433	4025	GOLF MAINTENANCE SOLUTION	PI0247	022094	05/24/2022	507-5761-453.31-90	2,500.00	
			PI0251	022094	05/24/2022	507-5761-453.31-90	2,500.00	
							5,000.00 *	5,000.00
15434	4012	GOLFNOW, LLC	008046		05/24/2022	507-5762-454.61-09	295.00	
							295.00 *	295.00
15435	324	GRAINGER PART OPERATIONS	008071		05/24/2022	101-1070-410.43-04	2,525.52	
							2,525.52 *	2,525.52
15436	2612	HARDWARE EXPRESS INCORP.	007769		05/24/2022	502-4710-471.60-55	30.70	
			007795		05/24/2022	101-5770-452.43-02	48.68	
			007800		05/24/2022	511-3021-432.43-26	11.25	
			007801		05/24/2022	101-5772-452.43-18	9.21	
			007802		05/24/2022	101-5772-452.43-18	33.52	
			007803		05/24/2022	101-5772-452.43-18	14.32	
			007804		05/24/2022	101-5772-452.43-18	13.29	
			007805		05/24/2022	101-5772-452.43-18	12.27	
			007806		05/24/2022	101-5772-452.43-18	12.28	
			007818		05/24/2022	101-1070-410.43-01	74.69	
			007819		05/24/2022	101-1070-410.43-01	24.62	
			007820		05/24/2022	101-1070-410.43-01	14.07	
			007821		05/24/2022	101-1070-410.43-01	27.24	
			007822		05/24/2022	206-5771-452.61-10	20.47	
			007859		05/24/2022	502-4710-471.60-55	15.60	
			007860		05/24/2022	502-4710-471.60-55	8.18	
			007961		05/24/2022	101-5772-452.61-06	22.50	
			007962		05/24/2022	101-3010-431.43-04	26.58	
			007963		05/24/2022	101-1070-410.43-01	1.03	
			007964		05/24/2022	101-1070-410.43-01	33.75	
			007988		05/24/2022	502-4710-471.43-54	137.38	
			008003		05/24/2022	101-5770-452.43-02	99.07	
			008053		05/24/2022	101-5772-452.61-12	1.02	
			008054		05/24/2022	101-5772-452.60-40	4.61	
			008055		05/24/2022	101-5772-452.43-18	25.27	
			008056		05/24/2022	101-5772-452.43-18	28.87	
			008057		05/24/2022	206-5771-452.43-18	29.26	
			008058		05/24/2022	101-5772-452.61-12	60.65	
			008059		05/24/2022	101-5772-452.61-12	24.05	
			008060		05/24/2022	101-3010-431.60-11	15.17	
							849.40 *	849.40
15437	1	HERNANDEZ, MONIQUE	UT		05/24/2022	501-0000-211.00-00	371.39	
							371.39 *	371.39
15438	2489	HOME DEPOT CREDIT SERVICE	007778		05/24/2022	511-3020-432.61-01	52.19	
			007779		05/24/2022	101-5772-452.43-18	45.81	
			007780		05/24/2022	101-0000-204.06-00	322.79	
			007781		05/24/2022	101-0000-204.06-00	537.99	
			007782		05/24/2022	101-0000-204.11-00	175.60	

ACCOUNTS PAYABLE CHECK REGISTER BY BANK NUMBER

CHECK NO	VENDOR NO	VENDOR NAME	VOUCHER NO	P.O. NO	DATE	ACCOUNT	REMITTANCE AMOUNT (NET OF DISC/RETAIN)	CHECK TOTAL
15438	2489	HOME DEPOT CREDIT SERVICE					1,134.38 *	1,134.38
15439	3864	HORIZON TECHNOLOGIES INC.	007829		05/24/2022	101-2020-423.52-10	70.00	
			007830		05/24/2022	101-2030-423.52-10	70.00	
			007831		05/24/2022	508-4810-478.52-10	70.00	
			007832		05/24/2022	503-4720-475.52-10	140.00	
			007833		05/24/2022	502-4710-471.52-10	280.00	
			007834		05/24/2022	580-4750-473.52-10	175.00	
			007835		05/24/2022	101-3010-431.52-10	980.00 *	980.00
15440	3949	JANET JERNIGAN	008072		05/24/2022	101-0000-362.01-00	75.00 *	75.00
15441	4000	JARROD DELEON	007836		05/24/2022	507-5761-453.43-17	30.15	
			007837		05/24/2022	507-5761-453.43-04	123.78	
			007958		05/24/2022	507-5761-453.43-17	154.56	
			007959		05/24/2022	507-5761-453.61-12	108.80	
			007960		05/24/2022	507-5761-453.62-00	25.00	
							442.29 *	442.29
15442	3942	KIRSTEN MERRITT	008075		05/24/2022	101-1030-414.55-00	473.41 *	473.41
15443	88	LINCOLN AQUATICS	008004		05/24/2022	101-5770-452.43-04	432.44 *	432.44
15444	2932	LINDE GAS & EQUIPMENT INC	007861		05/24/2022	502-4710-471.60-28	195.14 *	195.14
15445	3283	LOWE'S	008025		05/24/2022	101-0000-204.11-00	13.89 *	13.89
15446	3783	MARK MARNATI	008043		05/24/2022	101-2030-423.31-90	510.00 *	510.00
15447	3998	MICHAEL BAKER INTERNATIONAL	008040		05/24/2022	101-0000-204.03-01	457.50	
			008041		05/24/2022	101-0000-204.03-01	315.00	
			008042		05/24/2022	101-0000-204.03-01	210.00	
			008089		05/24/2022	101-0000-204.43-00	315.00	
			008090		05/24/2022	101-0000-204.39-00	220.00	
			PI0250	022047	05/24/2022	101-1035-416.31-90	3,562.50 *	5,080.00
15448	139	MOHAVE VALLEY LANDFILL-45	008005		05/24/2022	101-2020-423.58-00	12.15 *	12.15
15449	218	NEWS WEST PUBLISHING CO.	007862		05/24/2022	101-0000-204.39-00	62.03	
			007863		05/24/2022	101-0000-204.43-01	62.03	
			007989		05/24/2022	101-1040-417.53-00	63.50	





PROGRAM: GM346L

CITY OF NEEDLES

BANK 04 WELLS FARGO BANK - CITY GENERAL CHECKING

CHECK NO	VENDOR NO	VENDOR NAME	VOUCHER NO	P.O. NO	DATE	ACCOUNT	REMITTANCE AMOUNT (NET OF DISC/RETAIN)	CHECK TOTAL
15456	818	R & R PRODUCTS INC.	007847 007970 007971 007972 008045		05/24/2022 05/24/2022 05/24/2022 05/24/2022 05/24/2022	507-5761-453.63-00 507-5761-453.43-17 507-5761-453.43-04 507-5761-453.43-04 507-5761-453.43-04	183.24 129.89 117.61 50.60 1,261.56 1,742.90 *	
15457	644	RDO EQUIPMENT COMPANY	007968		05/24/2022	101-5772-452.43-04	115.17 115.17 *	115.17
15458	2861	REINKE A/C CORP.	007846 007992 008065		05/24/2022 05/24/2022 05/24/2022	101-0000-204.06-00 580-4750-473.54-62 101-3010-431.43-02	850.00 8,894.86 600.00 10,344.86 *	10,344.86
15459	2068	RICOH USA, INC.	008091		05/24/2022	510-4410-405.70-02	323.80 323.80 *	323.80
15460	2468	RON'S TIRE & AUTO	007810 007811 007812 007813 007969		05/24/2022 05/24/2022 05/24/2022 05/24/2022 05/24/2022	511-3021-432.43-26 511-3021-432.43-36 511-3021-432.43-24 511-3021-432.43-38 511-3021-432.43-38	897.04 1,107.60 320.61 1,266.08 1,266.08 4,857.41 *	4,857.41
15461	2687	S.B. COUNTY FIRE DEPARTMENT	007854		05/24/2022	507-5761-453.59-55	909.00 909.00 *	909.00
15462	3361	S.B. COUNTY SHERIFF'S DEPT	007848 007849 007850 007851 007852 007853		05/24/2022 05/24/2022 05/24/2022 05/24/2022 05/24/2022 05/24/2022	101-2010-421.31-81 225-2010-421.31-81 225-2010-421.31-80 101-2010-421.43-03 101-2010-421.62-00 225-2010-421.31-81	36,282.02 8,875.74 6,068.16- 1,406.51 3,108.39 13,806.84 57,411.34 *	57,411.34
15463	4001	SIMPLOT TURF & HORTICULTU	007973		05/24/2022	507-5761-453.61-08	2,571.46 2,571.46 *	2,571.46
15464	1	SITTER, JACK	UT		05/24/2022	501-0000-211.00-00	321.51 321.51 *	321.51
15465	281	SMART & FINAL CORP.	008087 008088		05/24/2022 05/24/2022	101-5774-452.60-24 101-5774-452.61-06	83.00 215.23 298.23 *	298.23
15466	3577	SONSRAY MACHINERY LLC	PI0244 PI0245 PI0246	022073 022073 022073	05/24/2022 05/24/2022 05/24/2022	101-3010-431.72-17 206-5771-452.70-00 101-3010-431.72-17	11,237.50 47,240.00 14,244.88 72,722.38 *	72,722.38



CITY OF NEEDLES				BANK 04 WELLS FARGO BANK - CITY GENERAL CHECKING							
CHECK NO	VENDOR NO	VENDOR NAME	VOUCHER NO	P.O. NO	DATE	ACCOUNT	REMITTANCE AMOUNT (NET OF DISC/RETAIN)	CHECK TOTAL			
15477	3830	UNIFIRST CORPORATION	007796		05/24/2022	101-5774-452.61-06	8.56				
			007817		05/24/2022	101-5772-452.61-04	44.65				
			007824		05/24/2022	507-5762-454.43-08	7.49				
			007825		05/24/2022	511-3020-432.61-04	96.68				
			007873		05/24/2022	502-4710-471.61-04	40.63				
			007983		05/24/2022	508-4810-478.61-04	9.73				
			007994		05/24/2022	503-4720-475.61-04	17.70				
			008009		05/24/2022	580-4750-473.61-04	112.20				
			008010		05/24/2022	507-5762-454.43-08	7.60				
			008066		05/24/2022	511-3020-432.61-04	96.68				
			008067		05/24/2022	101-5772-452.61-04	15.25				
			008093		05/24/2022	101-5774-452.61-06	8.56				
							645.99	*			
15478	3528	WESTERN ENVIRONMENTAL TES	007874		05/24/2022	503-4720-475.59-75	214.00				
			008011		05/24/2022	503-4720-475.59-75	505.00				
							719.00	*			
15479	1023	XEROX	008076		05/24/2022	101-1020-413.70-01	40.75				
			008077		05/24/2022	101-1025-415.70-01	40.75				
			008078		05/24/2022	101-1030-414.70-01	65.20				
			008079		05/24/2022	101-1035-416.70-01	40.75				
			008080		05/24/2022	101-1040-417.70-01	40.75				
			008081		05/24/2022	101-2025-424.70-01	40.75				
			008082		05/24/2022	101-2030-423.70-01	40.75				
			008083		05/24/2022	101-3010-431.70-01	16.30				
			008084		05/24/2022	510-4410-405.70-01	81.48				
							407.48	*			
15480	3780	ZIA ELECTRICAL PRODUCTS	008012		05/24/2022	580-4750-473.60-55	862.57				
							862.57	*			
15481	3828	3D-NETWORKS LLC	007855		05/24/2022	101-1030-414.60-01	1,175.00				
			007856		05/24/2022	509-4910-479.31-53	425.00				
			007857		05/24/2022	509-4910-479.31-90	2,700.00				
			007858		05/24/2022	509-4910-479.43-05	525.00				
			008095		05/24/2022	509-4910-479.31-53	400.00				
			008096		05/24/2022	509-4910-479.31-90	3,023.00				
							8,248.00	*			

BANK/CHECK TOTAL							462,049.68				
ALL BANKS/CHECKS TOTAL							462,049.68				



## City of Needles, California Request for City Council Action

☒ CITY COUNCIL ☐ NPUA

☐ Regular ☐ Special

**Meeting Date:** May 24, 2022

**Title:** Surplus supplies and equipment policy

**Background:** Chapter 8 "Finance", Section 8-10 "Disposal of surplus supplies and equipment" describes the surplus policy which is attached. Subsection (b) states "The city manager, with permission of the city council, may authorize the sale of any supplies or equipment which are no longer usable, or which have become obsolete or worn out, to the public by sale either through public auction, or through a surplus sales site accessible to the public."

Staff has submitted lists of various items for council permission to declare surplus and then advertise for bid. It is being requested that the City Council authorize the city manager to declare items with a proposed value of \$1,000 or less, such as three-year-old iPads, printers, etc., as surplus for sale.

**Fiscal Impact:** N/A

**Recommended Action:** Authorize the city manager to declare items with a proposed value of \$1,000 or less as surplus for sale.

**Submitted By:**

**City Management Review:** Rick

**Date:** 5/17/22

Approved: ☐

Not Approved: ☐

Tabled: ☐

Other: ☐

Agenda Item: 6



Sec. 8-10. Disposal of surplus supplies and equipment.

(a) All departments and agencies shall submit to the city manager, upon request, reports listing all supplies and equipment which are no longer used or which have become obsolete or worn out. The city manager shall have authority to exchange or trade in these items for new supplies and equipment.

(b) The city manager, with permission of the city council, may authorize the sale of any supplies or equipment which are no longer usable or which have become obsolete or worn out, to the public by sale either through public auction, or through a surplus sales site accessible to the public.

(c) Surplus Sale Site. The city manager may sell excess or obsolete supplies and equipment at a surplus sale site(s) accessible to the public, if it is determined that such a sale may generate a better revenue for the city than an auction. The city manager, with permission of the city council, may designate all supplies and equipment of a general category or type be sold at such sales sites. Prices shall be established by the city manager, and will reflect approximate resale market value of the item, without discouraging purchase. Discounts to large quantity purchasers may be given by the city manager, if such discounts would be available to the purchaser in a retail/wholesale market environment.

(d) Public Auction. The city manager may auction the supplies and equipment either through written or active competitive bid sale. Any individual, association or entity may bid at such a sale, including employees of the city. Notice of public sale shall be published in a newspaper having general circulation in the city at least thirty days, but not more than sixty days prior to the sale. The notice of public sale shall include the date of the sale, location of the sale and any bidder security requirements.

(1) Active Competitive Bid. The supplies and equipment shall be sold by an auctioneer selected by the city manager. The cost of an auctioneer, if any, shall be paid from the proceeds of the auction. The supplies or equipment shall be sold on the date of the sale to the person, association or entity submitting the highest bid. The highest bidder shall pay for the item at the completion of the bidding, or may deposit ten (10) percent of the bid and make arrangements for payment of the balance at the time of pick up, if such deposit is approved by the city manager. All items purchased must be removed from the sale premises upon the published removal date.

If the highest bidder fails to fulfill his bid, or fails to pick up the items purchased upon the removal date, then the next highest bidder, with permission of the city manager, shall have the option of purchasing the supplies or equipment for the amount of his bid. If the next highest bidder does not desire to purchase the items, then the supplies and equipment may be disposed of as scrap, salvage or other, with permission of the city manager. If bidder security has been required, the city manager shall retain such security from the highest bidder upon default. All other bidders' security deposits shall be returned.

(2) Written Competitive Bid. The supplies or equipment shall be sold on the date of the sale to the person, association or entity submitting the highest written bid. A written notice of award shall be given to the highest bidder within ten days from the date of the sale. If the highest bidder fails to fulfill his bid within ten days from the date of mailing of the notice of award, then the next highest bidder, with the permission of the city manager, shall have the option of purchasing the supplies or equipment for the amount of this submitted bid. If bidder security has been required, the city manager shall retain such security from the highest bidder upon default. All other bidders' security deposit shall be returned.

All items purchased must be removed from the sale premises upon the published removal date. If the highest bidder fails to pick up the items purchased upon the removal date, then the next highest bidder, with permission of the city manager, shall have the option of purchasing the supplies or equipment for the amount of his bid. If the next highest bidder does not desire to purchase the items, then the supplies and equipment may be disposed of as scrap, salvage or other, with permission of the city manager. If bidder security has been required, the city manager

shall retain such security from the highest bidder upon default. All other bidders' security deposits shall be returned. (Ord. No. 446-AC, § 2 (part).)



## Request for Board Action City of Needles, California

☒ CITY COUNCIL ☐ UTILITY BOARD ☒ NPUA ☒ Regular ☐ Special

**Meeting Date:** May 24, 2022

**Title:** Accept Final balancing CHANGE ORDER #5 for work completed by **CHRISTENSEN BROTHERS GENERAL ENGINEERING INC.** on the Phase II Water Service Replacement and Street Improvements Project.

**Background:** On 01/26/2022 an invitation to bid was published with award on 02/09/2022. Work began on 03/15/2022 and completed on 04/29/2022. Grind and Pave including water service replacement work completed on South L Street, South K Street & E Street (Broadway – Front Street), D Street (Broadway – Acoma Street). Crack Fill and Slurry work completed on J Street and I Street (Broadway to Front) and Needles Hwy (Pashard Street to North K Street)

**Fiscal Impact:** Balancing Change Order #5 includes (4) four additional services installed during construction over the 23 recorded in the bid document for an amount of \$9,600 and a deduction for the repair of the Signal Looping item in the road which did not need repairing in the amount of \$-1,560. For a Change Order amount of \$8,040.  
*BS for SM* Sylvia Miledi

**Recommendation:** Accept Final balancing CHANGE ORDER #5 for work completed by **CHRISTENSEN BROTHERS GENERAL ENGINEERING INC.** on the Phase II Water Service Replacement and Street Improvements Project.

**Submitted By:** Tammy Ellmore, Engineering Tech II  
Rainie Torrance, Assistant Utility Manager

**City Management Review:**

*Rick*

**Date:**

*5/17/22*

Approved: ☐

Not Approved: ☐

Tabled: ☐

Other: ☐

AGENDA ITEM: *7*

CITY OF NEEDLES  
**CHANGE ORDER**

PROJECT: PHASE II - WATER SERVICE REPL & STREET IMP

ORDER NO: 5

OWNER: CITY OF NEEDLES

CONTRACTOR: CHRISTENSEN BROS.

FOLLOWING CHANGES ARE MADE TO THE CONTRACT:

CHANGE ORDER FOR FINAL QUANTITIES

JUSTIFICATION:


FINAL CHANGE ORDER - Balancing Change Order #5 includes (4) four additional services installed in addition to the 23 recorded in the bid document in the amount of \$9,600 and a deduction for the repair of the Signal Looping item in the road which did not need repairing in the amount of \$-1,560. For a Change Order amount of \$8,040.

<sup>(1)</sup> ORIGINAL CONTRACT PRICE (Starting Bid Amount):	\$ 1,272,258.00
<sup>(2)</sup> PREVIOUS Change Order(s) AMOUNT	-\$ 407,625.00
<sup>(3)</sup> ORIGINAL CONTRACT PRICE plus Previous Change Order(s) <i>(add line 1 &amp; 2)</i>	\$ 864,633.00 <i>(Auto Calculating)</i>
<sup>(4)</sup> CONTRACT PRICE DUE TO THIS CHANGE ORDER <i>(This CO being presented)</i>	\$ 8,040.00
<sup>(5)</sup> NEW CONTRACT PRICE <i>(including this Change Order) (add line 3 &amp; 4)</i>	\$ 872,673.00 <i>(Auto Calculating)</i>

**CHANGE IN CONTRACT TIME**

Contract Time will be (Increased)	Adjusted Date for Completion of all Work	Calendar Days

**APPROVALS REQUIRED**

Requested by:	 Signature (Tammy Ellmore)	Date: 05/13/2022
Contractor Acceptance:	 Signature ( Christensen Brothers General Engineering)	Date:
Approved by:	 Signature (City Manager)	Date: 05/24/2022 CC meeting

**CHANGE ORDER**





## City of Needles, California Request for Council Action

☒ CITY COUNCIL ☐ NPUA

☒ Regular ☐ Special

**Meeting Date:** May 24, 2022

**Title:** Resolution No. 2022-41 approving an Agreement between the City of Needles and Needles Unified School District for a Sheriff's Service Specialist for the 2022-2023 school year

**Background:** This Agreement will continue the cost sharing of the Sheriff's Service Specialist with the School District for next school year.

**Fiscal Impact:** Total budget line item 225-2010-421.31-80 (COPS) of \$91,593 of which half is to be reimbursed by the School District (\$45,796.50). No financial impact on the general fund.

**Recommendation:** Waive the reading and adopt Resolution No. 2022-41 approving an Agreement between the City of Needles and Needles Unified School District for a Sheriff's Service Specialist for the 2022-2023 school year.

**Submitted By:** Cheryl Sallis, Community Services Manager

**City Management Review:** Rick

**Date:** 5/17/22

Approved: ☐

Not Approved: ☐

Tabled: ☐

Other: ☐

Agenda Item: 8

RESOLUTION NO. 2022-41

A RESOLUTION OF THE CITY COUNCIL OF THE  
CITY OF NEEDLES, CALIFORNIA, APPROVING AN  
AGREEMENT BETWEEN THE CITY OF NEEDLES AND  
NEEDLES UNIFIED SCHOOL DISTRICT FOR A SHERIFF'S  
SERVICE SPECIALIST FOR THE 2022-2023 SCHOOL YEAR

WHEREAS, the City of Needles and Needles Unified School District have a cooperative need for a qualified Sheriff's Service Specialist to perform various functions and tasks beneficial to both agencies; and

WHEREAS, the County Sheriff's Department contributed 10% towards the position of Service Specialist and the City and School District agreed to share the remaining cost of the Service Specialist and equipment 50%-50% for the 2022-2023 school year; and

WHEREAS, the City has funds available from a State COPS grant to pay its 50% share of the cost.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Needles, California, hereby approves an Agreement between the City of Needles and Needles Unified School District for a Sheriff's Service Specialist for the 2022-2023 school year and authorizes the Mayor to sign same.

PASSED, APPROVED AND ADOPTED at a regular meeting of the City Council of the City of Needles, California, held on the 24th day of May, 2022, by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

\_\_\_\_\_  
Mayor

(SEAL)

ATTEST: \_\_\_\_\_

City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney

## AGREEMENT

THIS AGREEMENT, made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2022, by and between the CITY OF NEEDLES, hereinafter referred to as "CITY", and NEEDLES UNIFIED SCHOOL DISTRICT, hereinafter referred to as "DISTRICT".

### WITNESSETH

WHEREAS, CITY and DISTRICT have a cooperative need for a qualified Sheriff's Service Specialist with applicable equipment (hereinafter referred to as Service Specialist) to perform the services as described in Attachment A of this Agreement; and

WHEREAS, the County Sheriff's Department is willing to contribute 10% towards the position of Service Specialist; and

WHEREAS, after the 10% contribution from the Sheriff's Department, the remaining cost of the Service Specialist will be \$91,593 for the 2022-2023 school year. DISTRICT is willing to pay one-half of this cost for a total of \$45,796.50 which includes the cost of personnel and equipment during the 2022-2023 school year and CITY is willing to pay one-half of the Service Specialist cost for a total of \$45,796.50.

NOW, THEREFORE, DISTRICT and CITY mutually agree as follows:

CITY agrees to:

1) Contract with the San Bernardino County Sheriff's Department to provide a Sheriff's Service Specialist during the 2022-2023 school year; and

2) Pay the San Bernardino County Sheriff's Department the contract amount for such services.

DISTRICT agrees to:

1) Pay CITY \$45,796.50 as DISTRICT's contribution for the services of the Service Specialist; and

2) Make full payment to CITY upon receipt of an invoice.

Duration of Agreement:

The term of this Agreement shall be for the 2022-2023 school year.

IN WITNESS WHEREOF the parties hereto have executed this Agreement on the day and year first above written.

CITY OF NEEDLES

NEEDLES UNIFIED SCHOOL DISTRICT

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Superintendent

Dated: \_\_\_\_\_

Dated: \_\_\_\_\_



ATTACHMENT A  
TO AGREEMENT BETWEEN  
THE NEEDLES UNIFIED SCHOOL DISTRICT  
AND CITY OF NEEDLES

SHERIFF'S SERVICE SPECIALIST JOB EXPECTATIONS/RESPONSIBILITIES

Expectations and responsibilities include but are not limited to representing the Sheriff's Department / Needles Police in the community by managing and directing programs that promote crime prevention, drug prevention, public information, community involvement, and child safety.

**The following is a list of duties:**

- Prepare weekly arrest log press release
- Manage station social media
- Monitor daily activities and prepare press releases
- Handle press inquiries
- Conduct drug prevention awareness in the Needles School District and Needles recreation center
- Coordinate Every 15 Minutes presentation at Needles High School
- Recruit Explorer Scouts
- Assist with traffic control
- Coordinate with school district for crime and drug prevention programs
- Network with school officials to develop school safety presentations for students and parents
- Coordinate Station Trunk or Treat event
- Coordinate Shop with a first responder event for Needles youth during Christmas season
- Assist with Backpack Buddies event providing school supplies and clothing for Needles students
- Recruit USMC Devil Pup participants for Needles youth
- Traffic control at Needles schools
- Coordinate Red Ribbon Week at local schools
- Assist with Needles Children's Health Fair
- Coordinate Elementary School Christmas bicycle giveaway

**Training:**

- Attend in service training related crime prevention, public affairs, and community relations.
- Network with Department Public Affairs Division to maintain awareness of most recent practices



## City of Needles, California Request for City Council Action

☒ CITY COUNCIL ☐ NPUA

☒ Regular ☐ Special

**Meeting Date:** May 24, 2022

**Title:** Resolution No. 2022-40 approving a Fourteenth Amendment to and Extension of the License between the City of Needles and Bonnie Baker Senior Center for use of the kitchen and a portion of the dining area in the Needles Senior Citizens Center during the 2022-2023 fiscal year

**Background:** Bonnie Baker Senior Center will continue to operate the senior nutrition program (noon meals) at the Needles Senior Center and this Fourteenth Amendment will extend the License for next fiscal year.

**Fiscal Impact:** \$2,400 in rent revenue to the city.

**Environmental Impact:** N/A

**Recommended Action:** Waive the reading and adopt Resolution No. 2022-40 approving a Fourteenth Amendment to and Extension of the License between the City of Needles and Bonnie Baker Senior Center for use of the kitchen and a portion of the dining area in the Needles Senior Citizens Center during the 2022-2023 fiscal year.

**Submitted By:** Cheryl Sallis, Community Services Manager

**City Management Review:**

Rick

**Date:**

5/17/22

Approved: ☐

Not Approved: ☐

Tabled: ☐

Other: ☐

Agenda Item: 9

RESOLUTION NO. 2022-40

A RESOLUTION OF THE CITY COUNCIL OF THE  
CITY OF NEEDLES, CALIFORNIA, APPROVING  
A FOURTEENTH AMENDMENT TO AND EXTENSION OF  
THE LICENSE BETWEEN THE CITY OF NEEDLES AND  
BONNIE BAKER SENIOR CENTER FOR USE OF THE  
KITCHEN AND A PORTION OF THE DINING AREA  
IN THE NEEDLES SENIOR CITIZENS CENTER  
DURING THE 2022-2023 FISCAL YEAR

WHEREAS, the Bonnie Baker Senior Center took over operation of the Needles senior nutrition program (noon meals) on July 1, 2007, after the Needles Senior Citizens Club received notice from Hi-Desert Meals on Wheels that they would no longer be providing that service as of June 30, 2007; and

WHEREAS, the noon meal program has continued to be extended and the Bonnie Baker Senior Center has negotiated with the County of San Bernardino Human Services Department for continued funding of this program for the 2022-2023 fiscal year; and

WHEREAS, the noon meals are one important part of the overall programs offered at the Needles Senior Center and do provide a nutritious lunch as well as an hour of social gathering for the participants.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Needles, California, hereby approves a Fourteenth Amendment to and Extension of the License between the City of Needles and Bonnie Baker Senior Center for use of the kitchen and a portion of the dining area in the Needles Senior Citizens Center during the 2022-2023 fiscal year and further authorizes the Mayor to sign same for and on behalf of the City of Needles.

PASSED, APPROVED AND ADOPTED at a regular meeting of the City Council of the City of Needles, California, held on the 24th day of May, 2022, by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

\_\_\_\_\_  
Mayor

(SEAL)

ATTEST: \_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney

FOURTEENTH AMENDMENT TO AND EXTENSION OF  
LICENSE FOR USE OF KITCHEN AND PORTION OF  
DINING AREA IN NEEDLES SENIOR CITIZENS CENTER

This Fourteenth Amendment to and Extension of License for use of Kitchen and Portion of Dining Area in Needles Senior Citizens Center is made and entered into this 25th day of May, 2022, by and between the CITY OF NEEDLES, hereinafter referred to as "LICENSOR", and BONNIE BAKER SENIOR CITIZENS CLUB, hereinafter referred to as "LICENSEE".

WHEREAS, the parties entered into a License dated July 1, 2008, hereinafter collectively referred to as the "License", wherein Licensor licenses to Licensee the kitchen and a portion of the dining area in the Needles Senior Citizens Center for the preparation and service of noon meals for eligible participants ("senior nutrition program"); and

WHEREAS, the parties collectively agree that the senior nutrition program is of utmost benefit to the residents of the community; and

WHEREAS, the parties wish to extend the term of the License for an additional year under the same terms and conditions.

NOW, THEREFORE, it is mutually agreed as follows:

1. TERM OF LICENSE

The term of the License shall be extended for an additional year, beginning July 1, 2022 and ending June 30, 2023.

2. AGREEMENT OF PARTIES

Except as set forth herein, all other terms and conditions of the License shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Fourteenth Amendment to and Extension of License for use of Kitchen and Portion of Dining Area in Needles Senior Citizens Center as of the day and year first above written.

LICENSOR:

City of Needles

By: \_\_\_\_\_  
Mayor

LICENSEE:

Bonnie Baker Senior Citizens Center

By: Leianne Muniz  
Program Director

ACKNOWLEDGED BY:  
Needles Senior Citizens Club, Inc.

By: [Signature]  
President





## City of Needles, California Request for City Council Action

☒ CITY COUNCIL ☐ NPUA

☒ Regular ☐ Special

**Meeting Date:** May 24, 2022

**Title:** City Council Resolution No. 2022-44.  
A Resolution of the City Council of the City of Needles  
Receiving and Submitting the City of Needles General Plan and  
Housing Element Annual Progress Report (APR) for the 2021  
Calendar Year to the California Department of Housing and  
Community Development (HCD) and to the Governor's Office of  
Planning and Research (OPR).

**Background:** Pursuant to California Government Code Section 65400, local jurisdictions are required to provide an Annual Progress Report (APR) to the California Department of Housing and Community Development (HCD) and to the Governor's Office of Planning and Research (OPR) annually.

**General Plan APR:**

The City of Needles General Plan is a long-range planning program to guide the orderly growth and development of the Needles planning area over the long-term. The General Plan communicates the City's vision of its future and establishes a policy framework to govern decision making concerning the physical development of the community. It also provides assurances that the community at large will be supported by an adequate range of public services and infrastructure systems.

The General Plan APR provides the local legislative body with information regarding the implementation of the General Plan for the City. The General Plan APR is strictly a reporting document and does not create or modify any City of Needles goals or policies found within the General Plan. The General Plan APR outlines the status of the General Plan and progress in the implementation of each of its separate Elements over the previous year's 12-month reporting period (the 2021 calendar year). The General Plan APR is included as Attachment A.

**Housing Element APR:** The Housing Element APR is an important tool to facilitate the implementation of the Housing Element and in tracking and monitoring the City's progress in addressing the regional housing needs allocation (RHNA), including the number of housing units permitted by income level, the status of programs in the Housing Element, and efforts to remove governmental constraints. Attachment B contains the 2022 Housing Element APR (for the 2021 calendar year).

The Housing Element APR describes the status of the Housing Element programs, housing production, and progress towards the Regional Housing Needs Allocation



(RHNA) for the prior calendar year (2021). Attached for City Council review and consideration is the APR for calendar year 2021. The APR has been prepared in the standardized format provided by HCD for annual reporting.

State law requires every city to update the Housing Element of their General Plan every eight years. HCD refers to each eight-year planning period as a "cycle". The APR for the 2021 calendar year includes information on the jurisdiction's progress in meeting their Regional Housing Needs Allocation (RHNA) target for the planning period of 2013-2021 (RHNA Cycle 5). The City's Housing Element that will cover the 2021-2029 planning period (RHNA Cycle 6) is currently in the process of being updated and is not applicable to the current APR. The 5<sup>th</sup> Cycle RHNA allocated to the City 181 new housing units as its fair share of the total number of units needed to meet forecasted population growth in the Southern California Council of Governments (SCAG) region. The allocation of units was distributed across five income level categories, as follows:

<b>Income Level</b>	<b>RHNA Allocation by Income Level</b>
Very Low	38
Low	29
Moderate	34
Above Moderate	80
<b>Total RHNA</b>	<b>181</b>

Source: SCAG 5<sup>th</sup> Cycle RHNA Final Allocation Plan

In total for the 2013-2021 planning period (RHNA Cycle 5), the City reported two very-low income units, zero low-income units, 13 moderate-income units, and 15 above-moderate income units.

As required by HCD, the APR form is standardized and includes reports on various housing and affordability targets. The following is a summary of the City's completed APR for the 2021 calendar year as provided in Attachment A.

- Table A includes new housing units by income level for which a discretionary application has been submitted and deemed complete during calendar year 2021.
  - A total of one (1) unit is reported in this category, consisting of one (1) above-moderate Single Family home.
- Table A2 includes net new housing units by income level category that have received an entitlement (meaning approved by the City), a building permit, or a certificate of occupancy during the calendar year.

- During calendar year 2021, the City issued building permits for one new housing unit, consisting of one (1) Single Family home.
  - During calendar year 2021, the City issued a Certificate of Occupancy for zero housing units, as the unit mentioned above is not yet completed.
- Table B summarizes RHNA progress by affordability level for the 2013-2021 planning period.
  - 15 units reported in this category, consisting of two very-low income units, zero low-income units, 13 moderate-income units, and 15 above-moderate income units.
- Table C includes sites identified or rezoned to accommodate shortfall of housing sites from the previous planning period, to meet a shortfall of sites noted in the Housing Element, or to provide additional sites required by no net loss law under Government Section 65863.
  - The City did not report any additional sites.
- Table D contains the Housing Programs Progress Report and describes the progress of all housing programs contained in the Housing Element of the General Plan for the 2021 calendar year.
- Table E includes commercial development bonuses approved by the City during the 2021 calendar year.
  - No units reported.
- Table F includes units rehabilitated, preserved, and acquired for alternative adequate site during the 2021 calendar year.
  - No units reported.
- Table G includes locally owned lands included in the Housing Element sites inventory that have been sold, leased or otherwise disposed of during the 2021 calendar year.
  - No sites reported.
- Table H includes all locally owned or controlled lands declared Surplus pursuant to Government Code section 54221 or identified as “Excess” pursuant to Government Code section 50569.
  - No sites reported.

- LEAP Reporting

- This table requires jurisdictions that have received the Local Early Action Planning (LEAP) grant from the HCD to provide progress update on planning efforts for housing production. The City was awarded \$65,000 in LEAP funding. The City is evaluating the highest and best use for the LEAP award. No specific tasks have been undertaken to date and no requests for reimbursement have been made.

**Fiscal Impact:** No fiscal impact.

**Environmental Impact:** This action is categorically exempt under the California Environmental Quality Act, CEQA Guidelines, Section 15061(b)(3) Common Sense Exemption, where it can be determined that the action can be seen with certainty that there is no possibility that the action in question may have a significant effect on the environment and that the action is not subject to CEQA.

**Recommended Action:** Approve City Council Resolution 2022-44 Receiving and Submitting the City of Needles General Plan and Housing Element Annual Progress Reports for the 2021 Calendar Year to the California Department of Housing and Community Development and to the Governor's Office of Planning and Research.

**Submitted By:** Patrick Martinez, Assistant City Manager/Development Services

**City Management Review:** 

**Date:** 5/18/22

Approved: ☐

Not Approved: ☐

Tabled: ☐

Other: ☐

Agenda Item: 10

## **RESOLUTION 2022-44**

### **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NEEDLES RECEIVING AND SUBMITTING THE CITY OF NEEDLES HOUSING ELEMENT ANNUAL PROGRESS REPORT FOR THE 2021 CALENDAR YEAR TO THE CALIFORNIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT AND TO THE GOVERNOR'S OFFICE OF PLANNING AND RESEARCH**

**WHEREAS**, California Government Code Section 65400(a)(2) requires each planning agency to provide an annual progress report to the Governor's Office of Planning and Research, and the California Department of Housing and Community Development regarding progress toward implementation of the General Plan; and

**WHEREAS**, an annual progress report for the 2021 calendar year has been prepared by the City of Needles, utilizing prescribed forms and instructions provided by HCD; and

**WHEREAS**, all legal prerequisites to the adoption of this Resolution have occurred.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Needles as follows:

**SECTION 1.** The City Council HEREBY FINDS AND DETERMINES that the facts set forth in the above Recitals are true and correct.

**SECTION 2.** The City Council HEREBY RECEIVES AND SUBMITS the 2021 Annual Progress Report on the General Plan ("General Plan APR") prepared for the City as set forth in the corresponding staff report.

**SECTION 3.** The City Council HEREBY RECEIVES AND SUBMITS the 2021 Annual Progress Report on the General Plan Housing Element (Housing Element Annual Progress Report Form 2021) ("Report") prepared for the City as set forth in the corresponding staff report.

**SECTION 4.** The City Council HEREBY DIRECTS that the General Plan APR and Report be forwarded to the State Office of Planning Research and the California Department of Housing and Community Development pursuant to California Government Code Section 65400(a)(2).

**SECTION 5.** The City Council HEREBY FINDS AND DETERMINES that the action is categorically exempt under the California Environmental Quality Act, CEQA Guidelines, Section 15061(b)(3) Common Sense Exemption, where it can be determined that the action can be seen with certainty that there is no possibility that the action in question may have a significant effect on the environment and that the action is not subject to CEQA.

**SECTION 5.** The City Council HEREBY APPROVES Resolution **2022-44**, receiving and submitting the City of Needles Annual Progress Report for the 2021 Calendar Year to the California Department of Housing and Community Development and to the Governor's Office of Planning and Research.

**PASSED, APPROVED AND ADOPTED** at a regular meeting of the City Council of the City of Needles, California, held on the 24th day of May 2022, by the following roll call vote:

**AYES:**  
**NOES:**  
**ABSENT:**  
**ABSTAIN:**

\_\_\_\_\_  
Mayor

**(Seal)**

**Attest:**

\_\_\_\_\_  
City Clerk

Approved as to form:

\_\_\_\_\_  
City Attorney



# CITY OF NEEDLES GENERAL PLAN ANNUAL PROGRESS REPORT

May 24, 2022

## **GENERAL PLAN CONSISTENCY EVALUATION**

---

A general plan is each local government's blueprint for meeting the community's long-term vision for the future. The General Plan Guidelines serve as a resource to help jurisdictions draft and update their general plans. Technical advisory documents provide supplemental information about general plan topics in response to local needs around the state or changes in State law. All jurisdictions are required to provide OPR and the Department of Housing and Community Development (HCD) with separate General Plan and Housing Element Annual Progress Reports (APRs) by April 1 each year, per Government Code Sections 65400 and 65700.

The City of Needles adopted its current General Plan on February 18, 1986. The City is currently updating several of its elements. These efforts are described below.

### **Land Use**

The City is currently in the process of updating its Land Use Element. This update is expected to be complete in late 2022.

### **Circulation**

The City is currently in the process of updating its Circulation Element. This update is expected to be complete in late 2022.

### **Safety**

The City will seek grant funding to update the Safety Element in 2022.

### **Housing**

The City is in the process of updating its 6<sup>th</sup> Cycle Housing Element, and has submitted the draft Element to the Department of Housing and Community Development. Information on the Housing Element is included as part of the Housing Element APR form.

### **Open Space and Recreation**

The City did not amend the Open Space and Recreation Element in 2021.

### **Conservation and Historic Preservation**

The City did not amend the Conservation and Historic Preservation Element in 2021.

### **Air Quality**

The City does not currently have an Air Quality Element and is presently incorporating air quality policies within the revised Land Use and Circulation elements.

### **Noise**

The City did not amend the Noise Element in 2021.

### **Environmental Justice**

The City is aware of the requirement to prepare an Environmental Justice Element and is identifying funding sources to accomplish this.

Jurisdiction	Needles
Reporting Year	2021
Reporting Period	(Jan. 1 - Dec. 31)
5th Cycle <td>10/1/2015 - 10/1/2021</td>	10/1/2015 - 10/1/2021

(CCR Title 25 §6202)

Table A

[illegible]

<b>Jurisdiction</b>	Needles	
<b>Reporting Year</b>	2021	(Jan. 1 - Dec. 31)
<b>Planning Period</b>	5th Cycle	10/15/2013 - 10/15/2021

Building Permits Issued by Affordability Summary		
Income Level		Current Year
Very Low	Deed Restricted	0
	Non-Deed Restricted	0
Low	Deed Restricted	0
	Non-Deed Restricted	0
Moderate	Deed Restricted	0
	Non-Deed Restricted	0
Above Moderate		1
Total Units		1

Note: Units serving extremely low-income households are included in the very low-income permitted units totals

Units by Structure Type	Entitled	Permitted	Completed
SFA	0	0	0
SFD	0	1	0
2 to 4	0	0	0
5+	0	0	0
ADU	0	0	0
MH	0	0	0
<b>Total</b>	<b>0</b>	<b>1</b>	<b>0</b>

Housing Applications Summary	
Total Housing Applications Submitted:	0
Number of Proposed Units in All Applications Received:	0
Total Housing Units Approved:	0
Total Housing Units Disapproved:	0

Use of SB 35 Streamlining Provisions	
Number of Applications for Streamlining	0
Number of Streamlining Applications Approved	0
Total Developments Approved with Streamlining	0
Total Units Constructed with Streamlining	0

Units Constructed - SB 35 Streamlining Permits			
Income	Rental	Ownership	Total
Very Low	0	0	0
Low	0	0	0
Moderate	0	0	0
Above Moderate	0	0	0
Total	0	0	0

Cells in grey contain auto-calculation formulas



## ANNUAL ELEMENT PROGRESS REPORT

[illegible]

Jurisdiction	Needs
Reporting Year	2021 (Jan. 1 - Dec. 31)
Planning Period	10/15/2013 - 10/15/2021

**ANNUAL ELEMENT PROGRESS REPORT**  
**Housing Element Implementation**  
(CCR Title 25 §6202)

This table is auto-populated once you enter your jurisdiction name and current year data. Past year information comes from previous APRs.  
Please contact HCD if your data is different than the material supplied here

Table B													
Regional Housing Needs Allocation Progress													
Permitted Units Issued by Affordability													
		1	2										4
Income Level		RHNA Allocation by Income Level	2013	2014	2015	2016	2017	2018	2019	2020	2021	Total Units to Date (all years)	Total Remaining RHNA by Income Level
Very Low	Deed Restricted	38	-	-	-	-	-	-	-	-	-	2	36
	Non-Deed Restricted		-	-	-	-	-	-	-	2	-	-	
Low	Deed Restricted	29	-	-	-	-	-	-	-	-	-	-	29
	Non-Deed Restricted		-	-	-	-	-	-	-	-	-	-	
Moderate	Deed Restricted	34	-	-	-	-	-	-	-	-	-	-	34
	Non-Deed Restricted		-	-	-	-	-	-	-	-	-	-	
Above Moderate	Deed Restricted	80	-	4	6	6	2	1	2	1	-	13	21
	Non-Deed Restricted		-	2	6	2	3	1	-	-	-	15	65
Total RHNA		181	-	6	6	8	3	1	2	3	1	30	151

Note: units serving extremely low-income households are included in the very low-income permitted units totals and must be reported as very low-income units.  
Please note: For the last year of the 5th cycle, Table B will only include units that were permitted during the portion of the year that was in the 5th cycle. For the first year of the 6th cycle, Table B will include units that were permitted since the start of the planning period.  
Please note: The APR form can only display data for one planning period. To view progress for a different planning period, you may login to HCD's online APR system, or contact HCD staff at [apr@hcd.ca.gov](mailto:apr@hcd.ca.gov).



# ANNUAL ELEMENT PROGRESS REPORT

## Housing Element Implementation

(CCR Title 25 §6202)

Jurisdiction	Needles
Reporting Year	2021 (Jan. 1 - Dec. 31)

Table D

### Program Implementation Status pursuant to GC Section 65583

Housing Programs Progress Report			
Describe progress of all programs including local efforts to remove governmental constraints to the maintenance, improvement, and development of housing as identified in the housing element.			
1	2	3	4
Name of Program	Objective	Timeframe in H.E	Status of Program Implementation
1.1.1	The City has regular participation at community meetings, as well as meetings with developers, construction vendors, and visitors, who receive information via flyers, pamphlets, and bound books on programs the City has implemented, or is in the process of developing, properties that have completed the code abatement process and are available for receivership, rehabilitation, etc. City staff also participates in off-site meetings related to economic development activity in the City and provides written information to anyone attending these events. The information is also made available on the City's website, as well as in the lobby of City Hall.	Update brochures at least twice during the planning period and ongoing.	A variety of brochures are provided to residents and non-residents interested in low- to moderate- income housing programs at the City. The Housing Authority of the City of Needles is the agency in the City that oversees the majority of low- and moderate-income housing units and markets them to potential tenants.
1.1.2	Contact local real estate and contractor's boards and advise them of the opportunities for incentives to developing housing in the city.	Make contact at least once annually	The City continually reaches out to real estate and homebuilders' associations regarding opportunities and incentives for developing housing in the city.
1.1.3		Ongoing; once every two years consider other incentives that could be offered	The City provides a variety of brochures to anyone interested in low- to moderate-income housing programs. The City is constantly reaching out to homebuilders' associations who can provide low- to moderate-income housing. Since 2013, building permits have been issued for 38 units: 2 very low-income, 20 moderate-income, and 16 above moderate-income units.
1.2.1	Continue code enforcement efforts aimed at rehabilitation and maintenance of properties.	Ongoing	The City has continued code enforcement efforts. The City has increased code enforcement staffing to two individuals. In addition, a catalog of uninhabited for-sale properties has been created and is being distributed to developers.
1.2.2	Adopt the most recent version of the International Building Code.	30-Jun-20	Standards Code. The City has adopted the most recent version (2019) of the California Building
1.2.3	If conversion of units is likely, work with local service providers as appropriate to seek funding to subsidize the at-risk units in a way that mirrors the HUD Housing Choice Voucher (Section 8) program. Funding sources may include state or local funding sources. Monitor the status of affordable projects in Needles. Should the property owners indicate the desire to convert properties, consider providing technical and financial assistance, when possible, to ensure long-term affordability.	Revision of Zoning Codes by December 2020 to require notification by owners consistent with state law; ongoing communication with owners, service providers, and eligible potential purchasers	The City has not initiated zoning code revisions or other actions to reduce the potential conversion of low-income rental units to market rate since there are no at-risk units in the context of this Housing Element update. The earliest date at which existing low-income rental units could potentially convert to market rate is 2055, followed by 2067 and 2068. The City will revisit actions that may need to be taken to preserve the affordability of these units in conjunction with future Housing Element updates.
1.2.4	Promote the expanded participation of local landlords in rental housing rehabilitation programs. The City will disseminate the City's rehabilitation grant program brochures on the city website, at community meetings, at school sites, at city-sponsored Board meetings, Planning Commission meetings, developer meetings, at off-site meetings promoting economic development within the City, and in the City Hall lobby area. Continue advocating energy saving programs and keeping the residents advised of such programs through flyers included with their utility bills. This may include forming a program to assist homeowners to identify areas in their home or practices that waste energy. City residents regularly receive information about the City's energy saving	Distribute flyers annually and ongoing	The City has been unable to offer a rental housing rehabilitation program. The City has neither the staffing nor financial resources to operate such a program. Until it can secure such resources, the operation of such a program is unrealistic and should be deleted. Going forward, all housing rehabilitation activities will be consolidated under 2020 a recently established and funded Neighborhood Beautification Program.
1.3.1			City residents regularly receive information about the City's energy saving programs. The City recently won the small utility company energy efficiency award in the state of California. The City participates in numerous programs to provide Energy Star appliances, solar screens, HVAC systems, toilet replacement, windows and doors. City staff has created a catalog of uninhabited for-sale properties and provides it to developers and parties interested in rehabilitation of housing inventory. The surplus
1.4.1		Reach out every two years	

1.4.2	<p>Work with the Housing Authority to develop guidelines for loan and grant assistance and to act as a conduit for housing funds so that they can be leveraged for the creation or rehabilitation of affordable housing. Determine eligibility requirements and plans for types of loans and repayment plans. Consider establishing a program similar to the Palm Desert BEGIN Program where loans are offered to lower- and moderate-income first-time homebuyers. Once the program is established, conduct outreach to the public to make the community aware of the program.</p>	Establish program and conduct outreach by 2020	<p>The City has elected to devote its limited staffing and financial resources to the establishment of a Neighborhood Beautification Program rather than a First-Time Homebuyer Program. This new program will address a highly prioritized need for the elimination of substandard housing conditions through the correction of code violations.</p>
1.4.3	<p>Fund loans for rehabilitating homes in the City of Needles to preserve existing affordable housing</p>		<p>The City has established and funded a Neighborhood Beautification Program that offers financial assistance for the rehabilitation of affordable housing. As a new Oct-21 program initiated in April 2021, no properties have been rehabilitated to date</p>
1.5.1	<p>The City has established and funded a Neighborhood Beautification Program that offers financial assistance for the rehabilitation of affordable housing. As a new program initiated in April 2021, no properties have been rehabilitated to date</p> <p>Review the City regulations to analyze and determine whether there are potential constraints on the development, maintenance, and improvement of housing intended for persons with disabilities (including developmental disabilities), the elderly, large families, extremely low-income households, farmworkers, female-headed households, and homeless persons in need of emergency shelter. This analysis will include an evaluation of existing land use controls, permit and processing procedures, and building codes. If any constraints are found in these areas, the City will initiate actions to address these constraints. In addition, the City will proactively encourage and facilitate the development of affordable housing for lower income households, including extremely low-income and special needs households through actions such as providing regulatory incentives, reducing or waiving development fees, and outreach to nonprofits and affordable housing developers to assist in the application for state and federal funding sources.</p>	<p>Ongoing; update materials every two years if needed</p>	<p>The City works with the Housing Authority to distribute materials. The materials are available at the library and City Hall administrative offices.</p>
1.5.2		<p>Complete review of regulations by December 2020. Address any constraints by June 2021. Bi-annual review and outreach, apply or support an application at least biannually thereafter for various types of grant funding as NOFAs are released.</p>	<p>The City has initiated an SB 2 funded review of its land use controls that will result in various housing-related zoning code amendments.</p>
1.5.3	<p>The City shall review its zoning code to determine whether updates to zoning are needed to comply with the state Employee Housing Act (Health and Safety Code Sections 17021.5 and 17021.6). The Act calls for the zoning ordinance to treat employee housing (including farm worker housing) that serves six or fewer persons as a single-family structure and permitted in the same manner as other single-family structures of the same type in the same zone (Section 17021.5). The zoning ordinance must also treat employee housing consisting of no more than 12 units or 36 beds as an agricultural use and permitted in the same manner as other agricultural uses in the same zone (Section 17021.6) in zones where agricultural uses are permitted.</p>	<p>If determined to be necessary, revise zoning code by June 30, 2020</p>	<p>The City is working on completing this program. This program is one of a number of housing-related zoning code amendments that are being undertaken using SB 2 grant funds.</p>
1.5.4	<p>Per state law, City staff will amend the zoning code to establish care facilities for seven or more persons as an allowed use in appropriate areas, in compliance with the General Plan, and with a review of the parking standards and other applicable standards. These facilities may be allowed with or without discretionary review.</p>	<p>Revise zoning code by June 30, 2020</p>	<p>The City is working on completing this program. This program is one of a number of housing-related zoning code amendments that are being undertaken using SB 2 grant funds.</p>









Jurisdiction	Needs
Reporting Period	2021 (Jan. 1 - Dec. 31)
Planning Period	5th Cycle 10/15/2013 - 10/15/2021

# **ANNUAL ELEMENT PROGRESS REPORT** **Housing Element Implementation** (CCR Title 25 §6202)

Note: "x" indicates an optional field  
Cells in grey contain auto-calculation formulas

Table F

## **Units Rehabilitated, Preserved and Acquired for Alternative Adequate Sites pursuant to Government Code section 65583.1(c)**

Please note this table is optional: The jurisdiction can use this table to report units that have been substantially rehabilitated, converted from non-affordable to affordable by acquisition, and preserved, including mobilehome park preservation, consistent with the standards set forth in Government Code section 65583.1, subdivision (c). Please note, motel, hotel, hostel rooms or other structures that are converted from non-residential to residential units pursuant to Government Code section 65583.1(c)(1)(D) are considered net-new housing units and must be reported in Table A2 and not reported in Table F.

Activity Type	Units that Do Not Count Towards RHNA* Listed for Informational Purposes Only				Units that Count Towards RHNA* Note - Because the statutory requirements severely limit what can be counted, please contact HCD to receive the password that will enable you to populate these fields.				The description should adequately document how each unit complies with subsection (c) of Government Code Section 65583.1*
	Extremely Low-Income*	Very Low-Income*	Low-Income*	TOTAL UNITS*	Extremely Low-Income*	Very Low-Income*	Low-Income*	TOTAL UNITS*	
Rehabilitation Activity									
Preservation of Units At-Risk									
Acquisition of Units									
Mobilehome Park Preservation									
Total Units by Income									









## City of Needles, California Request for Action

☒ CITY COUNCIL

☐ NPUA

☐ PARKS & RECREATION

☒ Regular ☐ Special

**Meeting Date:** May 24, 2022

**Title:** Accept Change Order #2 with Pacific Play Systems the Bid for the installation of a 2-bay swing set not to exceed \$8,950 to be funded by the Statewide Park Development and Community Revitalization Duke Watkins Grant No. C9803078

**Background:** In June, the City submitted a grant application to the BHHS Legacy Foundation ("Legacy") to partner together to complete much needed improvements at Duke Watkins Park. On August 10, 2021, the Legacy awarded the city \$110,000 in grant funding to support the project.

The City issued a Request for Proposals for the playground equipment and received three (3) bids of which only one (1) was considered a responsive bid and is awardable. Pacific Play Systems bid will provide a new main play structure, new swings, proper ground covering and a large shade structure. Estimated lead time is 14 weeks. The Parks and Recreation Commission approved the recommended action on October 18, 2021.

The construction date of the playground equipment, swing, ground covering, and shade structure is started on May 2, 2022.

Additional ground covering was needed to cover the entire area properly in addition a filter fabric needs to be added to the project to reduce shrubs growing through the mulch which was approved on April 18, 2022 for \$9,985. While the construction crew was mobilized authorization to pour the footings and install the swing set was authorized to complete the first phase of the playground installation. The Parks and Recreation Commission approved the recommended action on May 23, 2022.

**Fiscal Impact:** To be funded by the Statewide Park Development and Community Revitalization Duke Watkins Grant No. C9803078.

Am Sylvia Miledi

**Recommended Action:** Accept Change Order #2 with Pacific Play Systems the Bid for the installation of a 2-bay swing set not to exceed \$8,950 to be funded by the Statewide Park Development and Community Revitalization Duke Watkins Grant No. C9803078

**Submitted By:** Rainie Torrance, Assistant Utility Manager

**City Management Review:** Rick

**Date:** 5/19/22

Approved: ☐

Not Approved: ☐

Tabled: ☐

Other: ☐

Agenda Item: 11



# CHANGE ORDER



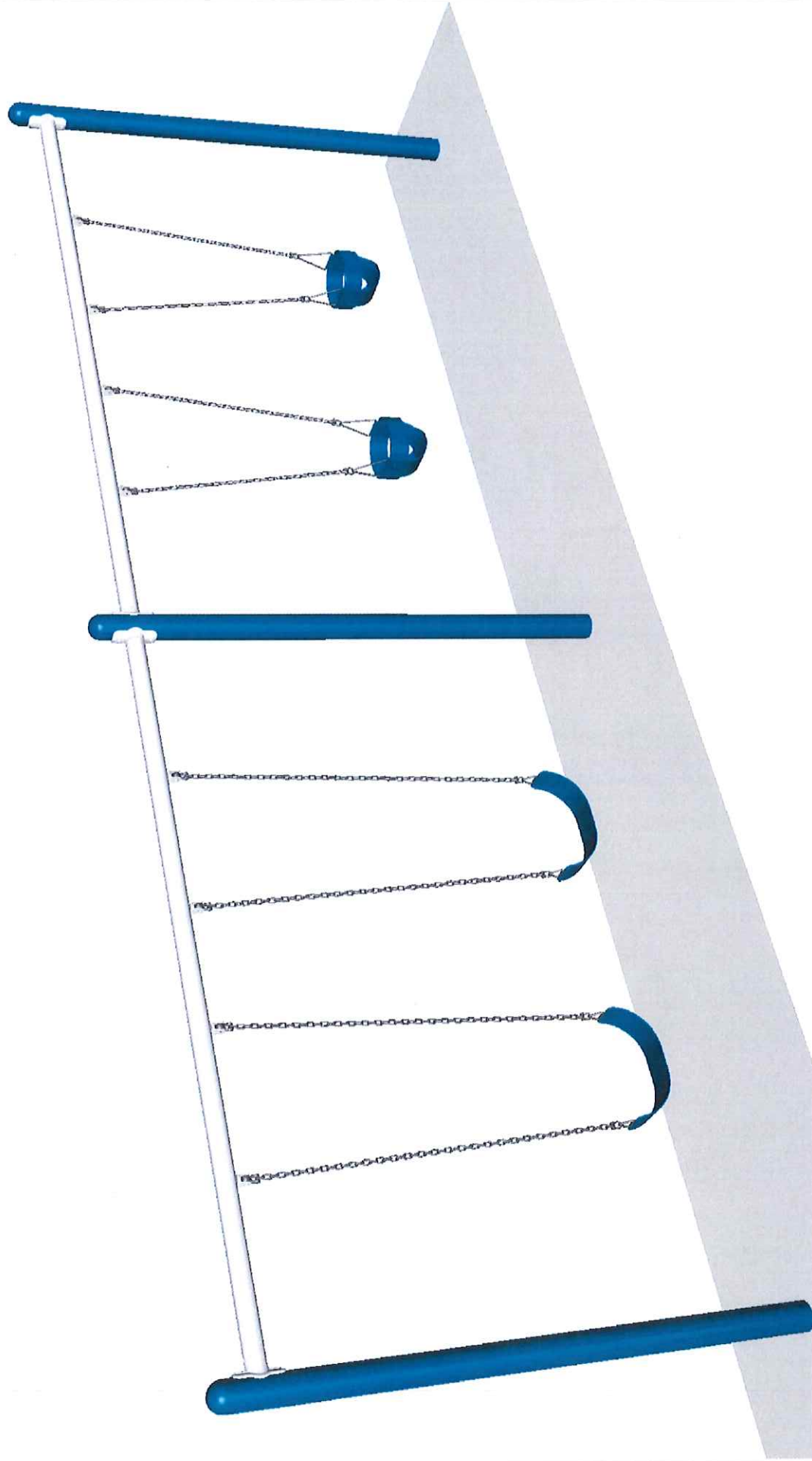
www.pacificplayinc.com

Customer	Contractor	Project	Swings (COR-2)
City of Needles 817 3rd Street Needles CA 92363	Pacific Play Systems, Inc. Contractor Lic. # 957776 Class A/B/C61/D34/D12 Phone (760) 599-7355	Date	5/3/2022
		Terms	Net 30
		Valid for	30 Days

Description	Qty	Rate	Total
Scope of Work: Change Order Request (COR-2) as outlined per below:			
Installation of 2 Bay Swing set with In-ground footings using Playcraft certified installer	1	7,950.00	7,950.00
Project administration, contractor's O&P	1	1,000.00	1,000.00
<p>Required Statement for California Projects:</p> <p>Contractors are required by law to be licensed and regulated by the Contractors' State License Board which has jurisdiction to investigate complaints against contractors if a complaint regarding a patent act or omission is filed within four (4) years of the date of the alleged violation. A complaint regarding a latent act or omission pertaining to structural defects must be filed within ten (10) years of the date of the alleged violation. Any questions concerning a contractor may be referred to the Registrar, Contractors' State License Board, P.O. Box 26000, Sacramento, California 95826.</p> <p>This Change Order is executed between Pacific Play Systems, Inc., a California corporation and Customer, identified in the Customer section of this Change Order. The purpose of this Change Order is for Pacific Play Systems, Inc. to provide Customer with additional services as outlined in the Scope of Work in exchange for the sum of money outlined in this Change Order.</p> <p>By signing below, both Parties acknowledge that they are entering into a legally binding Contract, which includes Exhibit A. Customer acknowledges the receipt and review of Exhibit A (Terms and Conditions) which shall be made a part of this Contract and enforceable to the full extent allowed by law.</p> <p>ACCEPTED BY CUSTOMER: Customer's Name: <u>City of Needles</u> Date accepted: <u>5/5/22</u> Signature: <u>[Signature]</u> Signed By: <u>RICK DANIELS</u></p> <p>ACCEPTED BY PACIFIC PLAY SYSTEMS, INC.: Federal Tax I.D. # 27-4620108 DIR # 1000012253 Date accepted: <u>5/18/22</u> California Contractors License #957776 Classifications: A, B, C61-D12, C61-D34 Salina Tuladhar Signature: <u>[Signature]</u> Signed By: _____ CA SalesTax, San Bernardino County - Hesperia</p>			
Thank you for your business.	Total	7.75%	\$8,950.00

**Duke Watkins Park**  
**SW VIEW**

FOR KIDS  
AGES  
5-12



STRUCTURE#: 2  
PROJECT#: PAC20DWP  
DATE: 10/19/2021





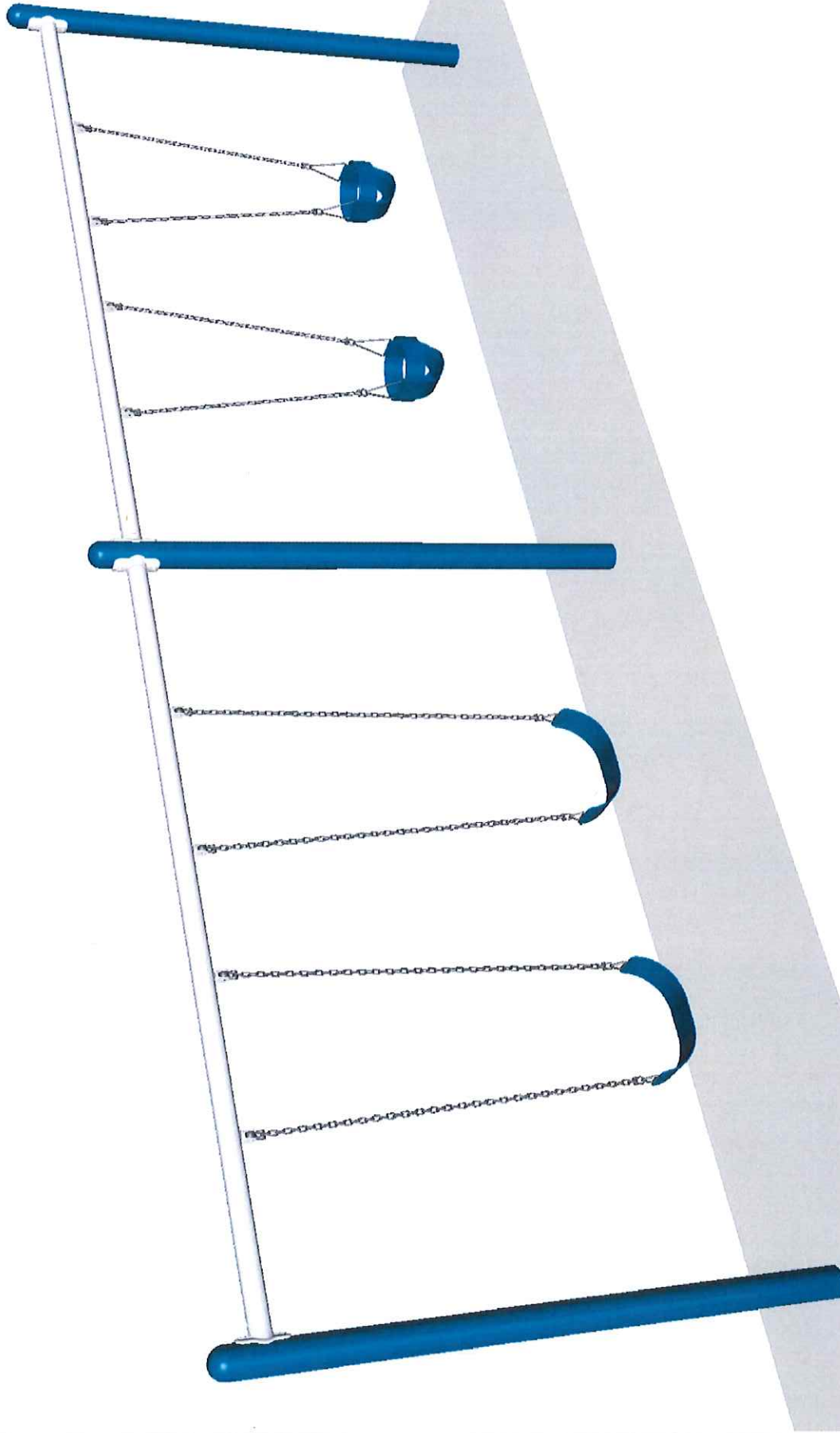






**Duke Watkins Park**  
SW VIEW

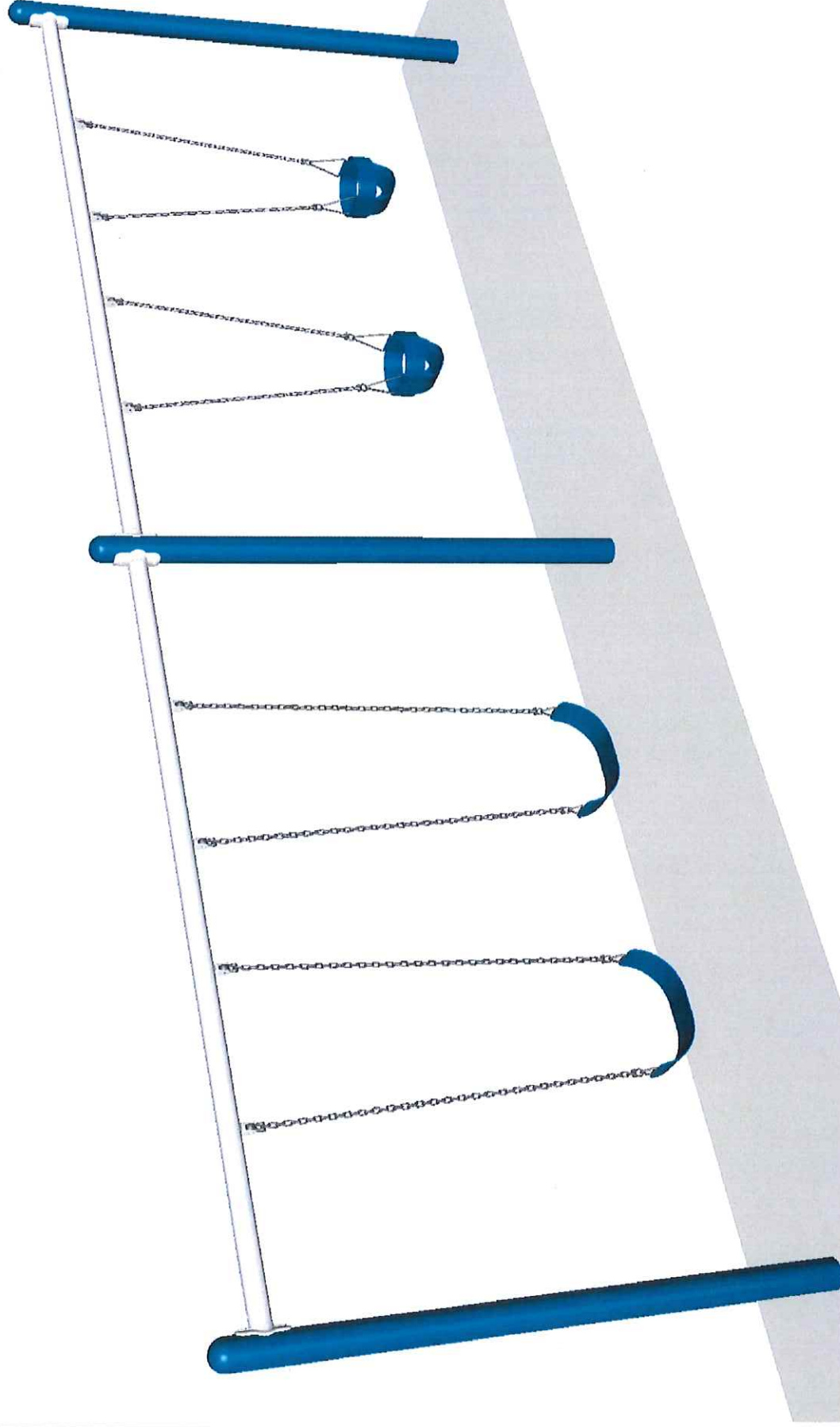
FOR KIDS  
AGES  
5-12



STRUCTURE#: 2  
PROJECT#: PAC20DWP  
DATE: 10/19/2021

**Duke Watkins Park**  
**SW VIEW**

FOR KIDS  
AGES  
5-12



STRUCTURE#: 2  
PROJECT#: PAC20DWP  
DATE: 10/19/2021



## Request for Board Action City of Needles, California

☒ CITY COUNCIL ☐ UTILITY BOARD ☒ NPUA ☒ Regular ☐ Special

**Meeting Date:** May 24, 2022

**Title:** Accept the bid from **PHILLIPS EXCAVATION INC** to install 50' x 30' Shade Structure over new Playground Equipment at Duke Watkins Park. in the total amount of \$29,000.

**Background:** The City was awarded a \$110,000 grant from The BHHS Legacy Foundation on August 19, 2021, for Playground Equipment at Duke Watkins Park including Shade. The shade canopy was purchased with the equipment.

On 05/04/2022 the project to install the shade cover was released by email and advertised in the Needles Desert Star 05/11/2022 and bids were opened on 05/18/2022. One qualifying bid was received. The bid received was from Phillips Excavation for \$29,000. Agenda presented to Parks and Recreation Commission on 05/23/2022 for concurrence.

**Fiscal Impact:** The installation cost to be expended from the grant received from State of California Department of Parks and Recreation Statewide Park Development and Community Revitalization for Duke Watkins Park SM Sylvia Miledi

**Recommendation:** Accept the bid from **PHILLIPS EXCAVATION INC** to install 50' x 30' Shade Structure over new Playground Equipment at Duke Watkins Park. in the total amount of \$29,000. and authorize staff to issue a Notice of Award and Notice to Proceed.

**Submitted By:** Tammy Ellmore, Engineering Tech II  
Rainie Torrance, Assistant Utility Manager

**City Management Review:** Rick

**Date:** 5/19/20

Approved: ☐

Not Approved: ☐

Tabled: ☐

Other: ☐

AGENDA ITEM: 12



**DESIGN CRITERIA**

Design to conform to CBC 2019  
Live Loads : 5 psf  
Windspeed: 110 mph  
Exposure: C  
Risk Category: II  
GCP = 0.0 (open/roof only)  
Seismic Criteria:  
Site Class: D  
R = 1.25 (Caniliever Column)  
Importance Factor = 1.0, R<sub>br</sub>=1.0

**STEEL**

Structural steel shall conform to ASTM A-36  
Machine bolts shall conform to ASTM A-307  
Pipe sections shall conform to ASTM A53  
Gr. B (Fy=35 ksi)  
HSS sections shall conform to ASTM A500  
Gr. B (Fy=42 ksi)

**WELDING**

Welding shall be done by AWS D1.1  
Structural certified welders. Welding to be  
performed by LADSS approved TYPE I  
fabricator

**NO FIELD WELDING**

**REINFORCEMENT**

Rebar shall conform to ASTM A 615 Grade 60  
Clearance from soil shall be a minimum of 3"

**SOIL CAPACITY (CBC Chpt. 18)**

No current Geotechnical Report Allowable  
end bearing = 1500psf  
Allowable lateral bearing  
= 150x2=300 psf for caniliever  
Structure in clayey sand not sensitive to  
deflection

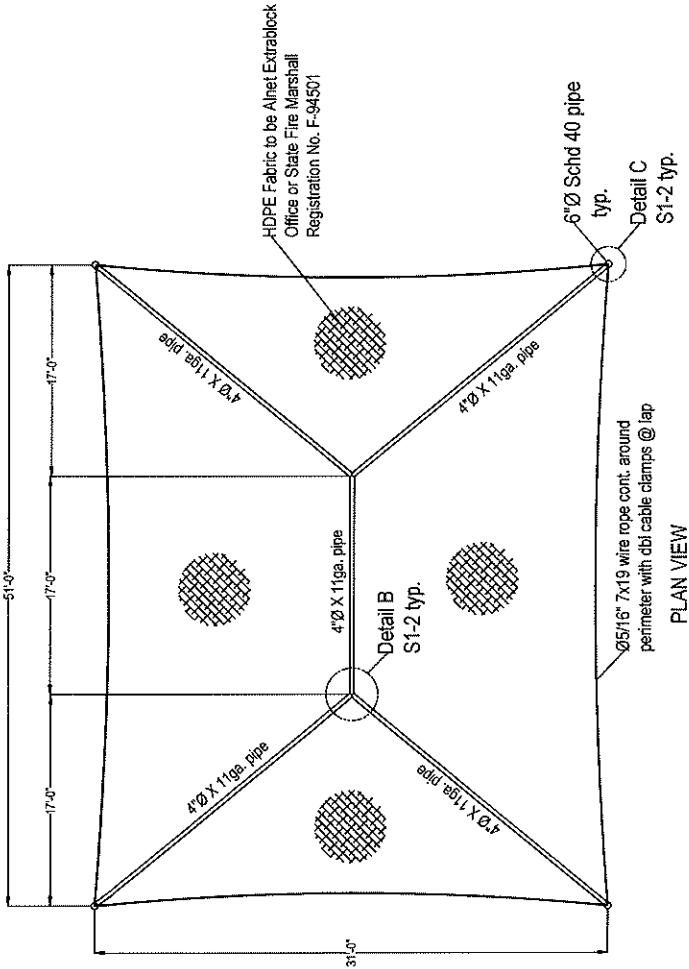
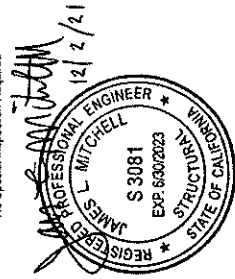
**FOOTINGS**

Square footing can be substituted for round  
with a min. width equal to diameter  
measurement  
Concrete f<sub>c</sub> = 2500 psi min.  
Course aggregate 1" (Max)  
Slump 4.0 - 4.1"  
W/C Ratio = .34 (Max)

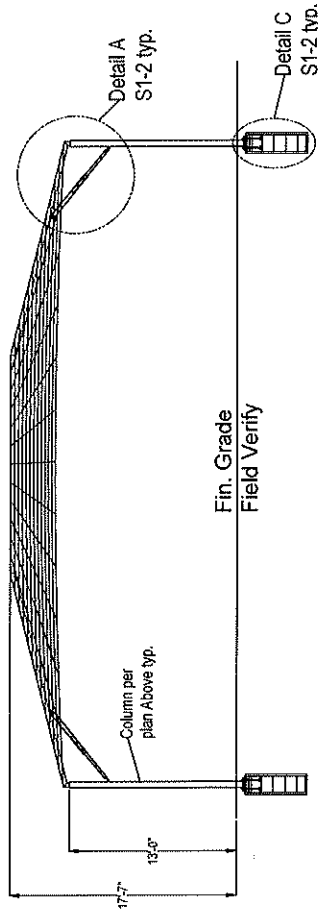
**FABRIC**

ASTM E84 198 Class A  
Nominal fabric mass 9.38 to 10.32 oz./sq. yard  
**CLEARANCE FROM OTHER STRUCTURES**  
Canopies shall be at least 6' away from any  
other structure which may be damaged due to  
deflection

"No Special Inspection Required"



**PLAN VIEW**



**ELEVATION VIEW**

- NOTES:
- 1- Steel Structure not designed for snow load accumulation in excess of 5.0 psf. All Sails/cables shall be removed prior to snow load accumulation
  - 2- Refer to S1-2 for Base Plate and Anchor Bolt details

General Notes  
**James L. Mitchell**  
Structural Engineer  
Spring, Texas 77388

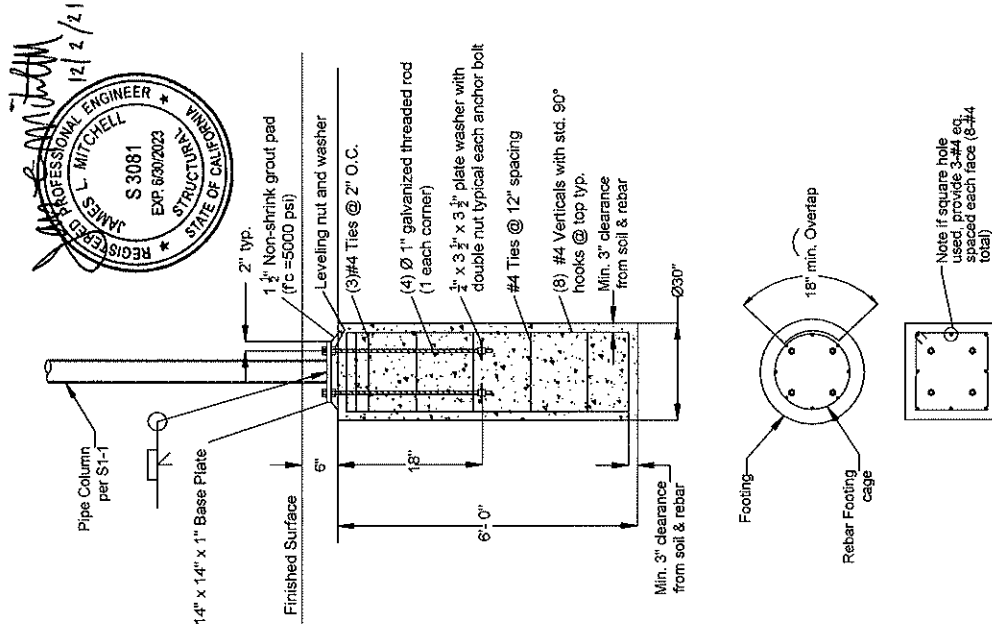
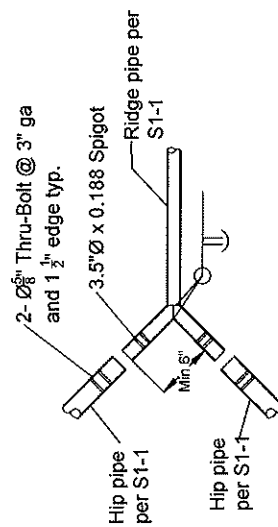
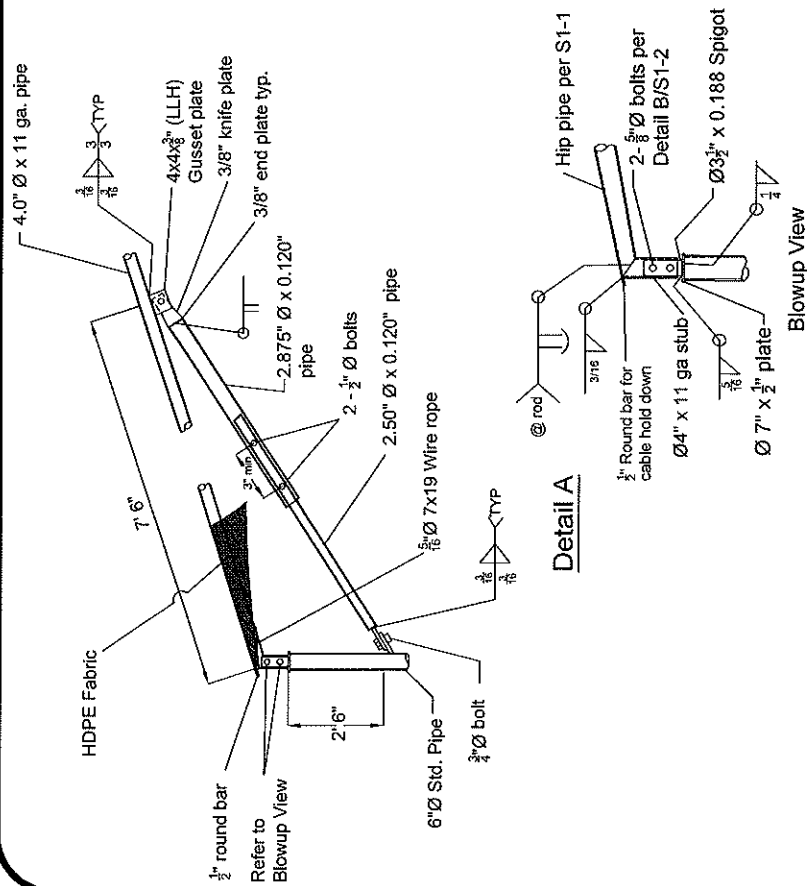
Duke Watkins Park  
1500 Flip Mendez Parkway  
Needles, California 92363

Rev	Revisions/Notes	Date

Pacific Play  
Systems

Duke Watkins  
Park

Project: E2894  
Sheet: S1-1  
NTS



NOTES:

- NOTES:**
- 1 - Do not oversize Anchor Bolt holes. Hole Ø shall be equal to Bolt Ø  $\frac{1}{4}$ " Max.
  - 2 - Provide std. hardened washers for each bolt at Base Plate level
  - 3 - Encase Base Plate and Anchor Bolts in 2500 psi concrete below grade so as to provide 3" min. cfr. cover

### General Notes

**James L. Mitchell**  
Structural Engineer  
Spring, Texas 77388

Duke Watkins Park  
1500 Flip Mendez Parkway  
Needles, California 92363

[illegible]

**Pacific Play  
Systems**

Duke Watkins  
Park

**具**

**具**

**具**

S1-2



# CITY OF NEEDLES

817 Third Street • Needles, California 92363-  
(760) 326-2113 • FAX (760) 326-6765

## SEALED BID OPENING DUKE WATKINS PLAYGROUND SHADE INSTALLATION MAY 18, 2022 AT 3:30 P.M.

Recorded by: RAINIE TORRANCE

<u>BIDDER</u>	<u>TOTAL BID</u>
Phillips Construction	29,000

Present at opening:

RAINIE TORRANCE

Tammy Ellmore

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

# DESIGN CRITERIA

Design to conform to CBC 2019  
 Live Loads: 5 psf  
 Wind Speed: 110 mph  
 Exposure: C  
 Risk Category: II  
 GCS = 0.8 (openroof only)  
 Seismic Criteria:  
 Site Class: D  
 R = 1.25 (Canilever Column)  
 Importance Factor = 1.0, Rho=1.0

**STEEL**  
 Structural steel shall conform to ASTM A-36  
 Machine bolts shall conform to ASTM A-307  
 Pipe sections shall conform to ASTM A53  
 Gr. B (Fy=35 ksi)  
 HSS sections shall conform to ASTM A500  
 Gr. B (Fy=42 ksi)

**WELDING**  
 Welding shall be done by AWS D1.1  
 Structural certified welders. Welding to be  
 performed by LADSS approved TYPE I  
 fabrication

**NO FIELD WELDING**

**REINFORCEMENT**  
 Rebar shall conform to ASTM A 615 Grade 60  
 Clearance from soil shall be a minimum of 3"

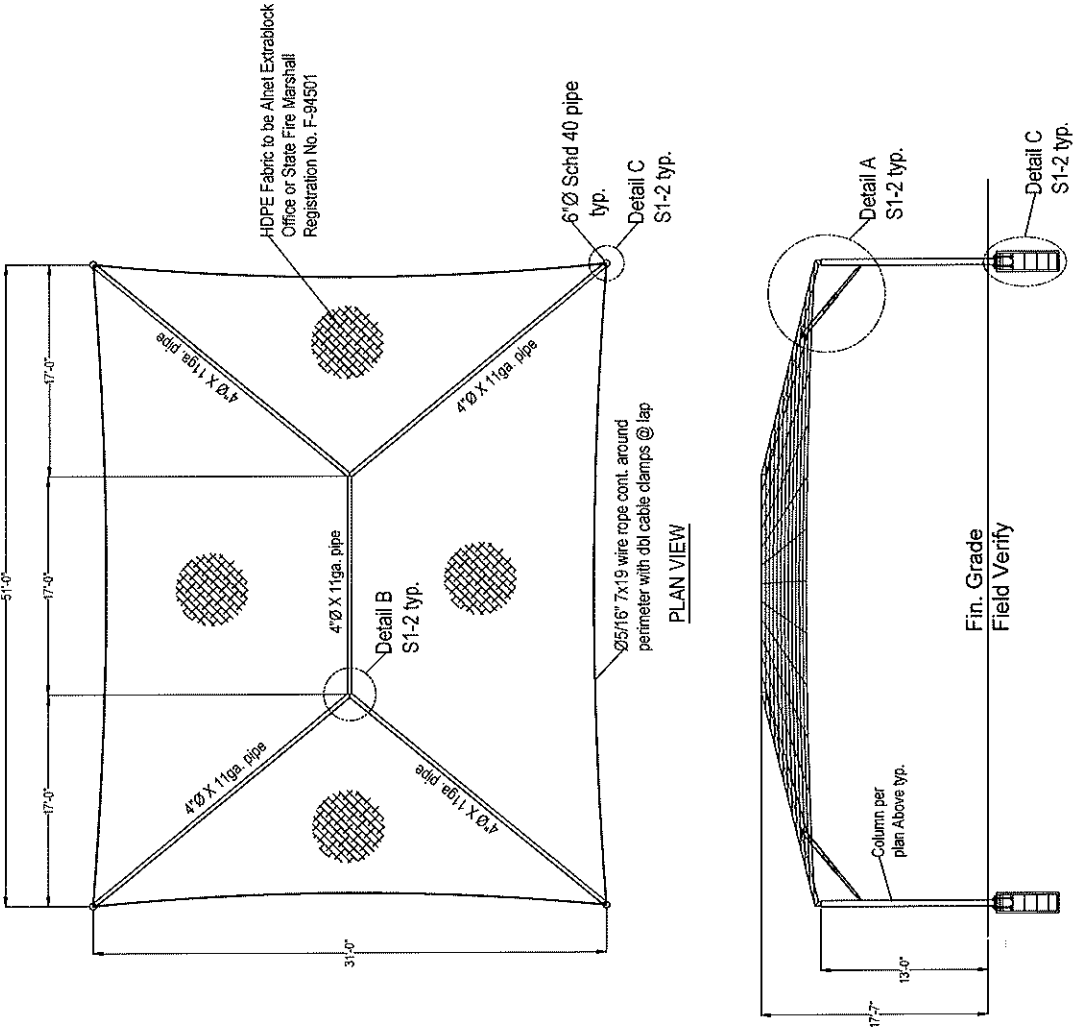
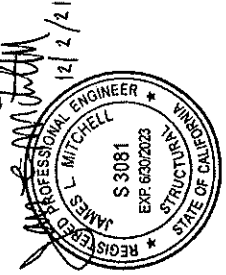
**SOIL CAPACITY (CBC Chpt.18)**  
 No current Geotechnical Report Allowable  
 end bearing =1500psf  
 Allowable lateral bearing  
 =150x2=300 psf for canilever  
 Structure in clayey sand not sensitive to  
 deflection

**FOOTINGS**  
 Square footing can be substituted for round  
 with a min. width equal to diameter  
 measurement  
 Concrete  $f_c$  = 2500 psi min.  
 Course aggregate 1" (Max)  
 Slump 4.0 +- 1"  
 W/C Ratio = .54 (Max)

**FABRIC**  
 ASTM E84 198 Class A  
 Nominal fabric mass 9.38 to 10.32 oz./sq. yard

**CLEARANCE FROM OTHER STRUCTURES**  
 Canopies shall be at least 5' away from any  
 other structure which may be damaged due to  
 deflection

"No Special Inspection Required"



- NOTES:**
1. - Sheet Structure not designed for snow load accumulation in excess of 5.0 psf.  
 All Sails/cables shall be removed prior to snow load accumulation
  2. - Refer to S1-2 for Base Plate and Anchor Bolt details

James L. Mitchell  
 Structural Engineer  
 Spring, Texas 77388

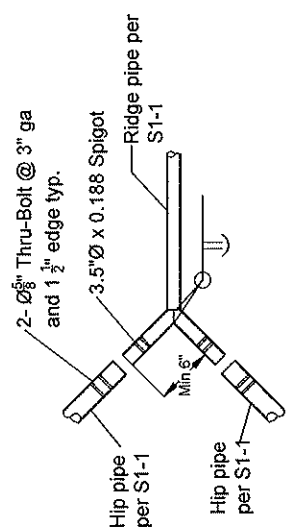
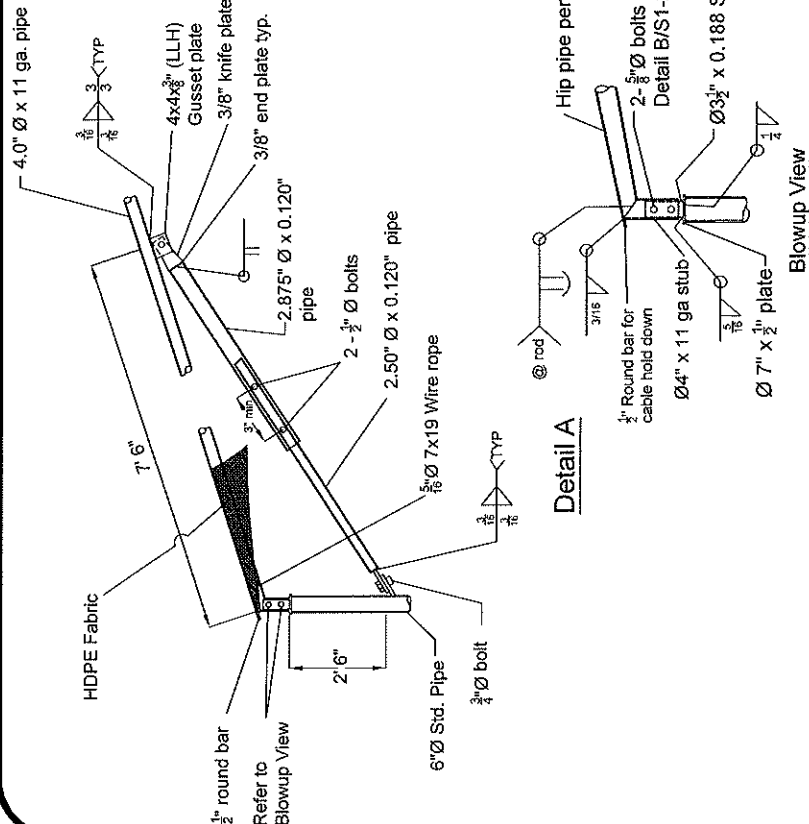
Duke Watkins Park  
 1500 Flip Mendez Parkway  
 Needles, California 92363

Pacific Play  
 Systems

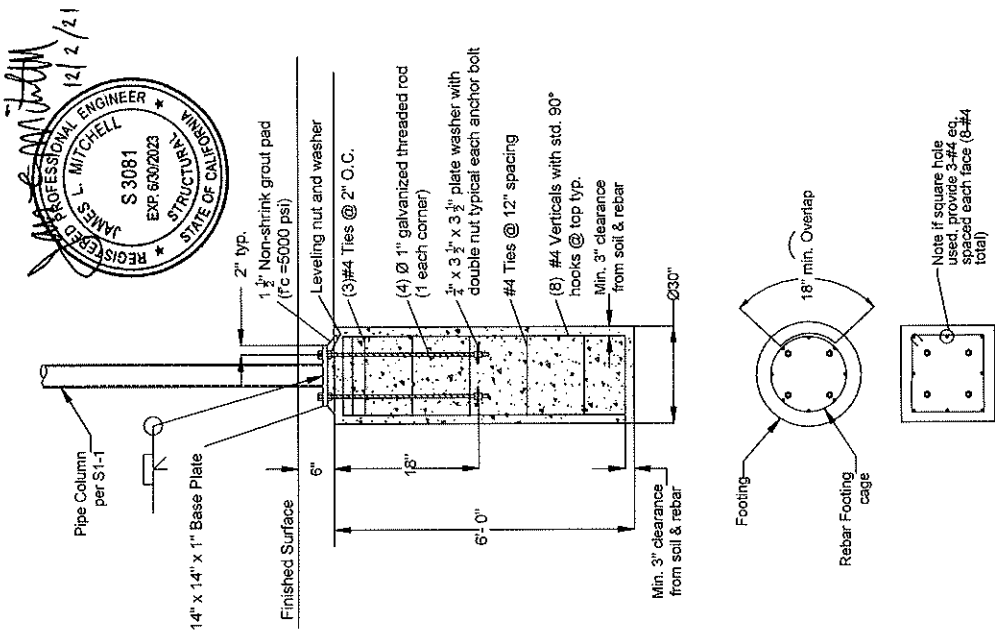
Duke Watkins  
 Park

E2894  
 S1-1  
 NTS





Detail B



Detail C

- NOTES:
- 1 - Do not oversize Anchor Bolt holes. Hole  $\varnothing$  shall be equal to Bolt  $\varnothing + \frac{1}{8}$ " Max.
  - 2 - Provide std. hardened washers for each bolt at Base Plate level
  - 3 - Encase Base Plate and Anchor Bolts in 2500 psi concrete below grade so as to provide 3' min. cfr. cover

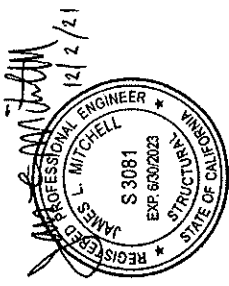
James L. Mitchell  
Structural Engineer  
Spring, Texas 77388

Duke Watkins Park  
1500 Flip Mendez Parkway  
Needles, California 92363

Pacific Play  
Systems

Duke Watkins  
Park

E2894  
S1-2  
NTS





## City of Needles, California Request for Action

☒ CITY COUNCIL    ☐ NPUA    ☐ PARKS & RECREATION  
☒ Regular    ☐ Special

**Meeting Date:** May 24, 2022

**Title:** Award Reinke Heating and Air Conditioning, Inc the bid to install a 20-ton HVAC unit at the Recreation Center not to exceed \$36,000 of which \$25,000 is budgeted and the remaining balance of \$11,000 to be covered by general fund reserves

**Background:** On Monday May 9, 2022 the City issued a formal request for bids for the installation and procurement of a 20-ton HVAC unit for the Recreation Center. The current unit has outlived its useful life and need to be replaced. The lead time on a new unit is approximately 16 – 20 weeks from the order date due to supply chain shortages.

The Parks and Recreation Commission approved the recommended action on May 23, 2022.

**Fiscal Impact:** \$25,000 is included in the recreation department budget under capital equipment, \$11,000 to be covered by general fund reserves.

SM Sylvia Miledi

**Recommended Action:** Award Reinke Heating and Air Conditioning, Inc the bid to install a 20-ton HVAC unit at the Recreation Center not to exceed \$36,000 of which \$25,000 is budgeted and the remaining balance of \$11,000 to be covered by general fund reserves

**Submitted By:** Rainie Torrance, Assistant Utility Manager

**City Management Review:** Rick

**Date:** 5/19/22

Approved: <input type="checkbox"/>	Not Approved: <input type="checkbox"/>	Tabled: <input type="checkbox"/>	Other: <input type="checkbox"/>	Agenda Item: <u>13</u>
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**Bid Form**

TO: CITY  
CITY OF NEEDLES  
817 Third Street  
Needles, CA 92363

DATE: 5/11/22

In compliance with the Invitation for Sealed Bids for one (1) new 20-Ton Commercial Package Gas/Electric HVAC the undersigned, as Bidder, hereby offers to sell to the City, in accordance with the terms, conditions, requirements and specifications set forth in the Bid documents for the price quoted on this Bid Form for one (1) new 20-Ton Commercial Package Gas/Electric HVAC

MODEL: CARRIER, MODEL # 48HCD24A6A0A0GOWARRANTY: (1) YR. PARTS & LABOR  
(5) YR. COMPRESSOR\$ 34,400.00  
1,500.79TOTAL BID PRICE - \$ 35,900.79

Total Bid Price includes California Sales Tax, California Tire Recycling Fee, DMV documentation fees, freight, and delivery charges but excludes Federal Excise Tax, if any.

DELIVERY DATE 16 - 20 WEEKS FROM ORDER DATE.

The undersigned certifies under penalty of perjury that the quotation on this Bid Form constitutes a bona-fide offer to sell, that he/she is an authorized representative of the company listed, that the quotation is in no way sham or collusive, and that issuance of a Purchase Order by City constitutes acceptance of bidder's offer on the terms and conditions stated in the Bid documents, and forms a contract. Bidder will not withdraw its Bid for at least ninety (90) calendar days from the date and time of the bid opening.

BIDDER'S COMPANY

REINKE HEATING & AIR CONDITIONING, INC.

ADDRESS

5273 LAKEWOOD RD.  
BULLHEAD CITY AZ 86426-6503

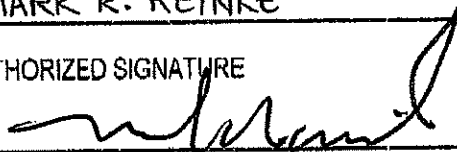
TELEPHONE NUMBER

928-768-8500

PRINT NAME - AUTHORIZED

MARK R. REINKE

AUTHORIZED SIGNATURE

ARE YOU CLAIMING A LOCAL BUSINESS PREFERENCE? YES ☒ NO

If yes submit written proof of the address of your principle place of business and a copy of your current City business license.

THIS PAGE MUST BE COMPLETED AND RETURNED WITH BID PROPOSAL FORMS

**REINKE**

AZ RES. LIC. ROC086163 (C-2B)  
 AZ COM. LIC. ROC086174 (L-3)  
 CALIC. 881147 (C-2)  
 NV LIC. 030823 (C-2)

**HEATING & AIR CONDITIONING, INC.**

3273 LAKEWOOD RD., BULLHEAD CITY AZ 86426

**H.V.A.C. PROPOSAL**

**CITY OF NEEDLES**  
**ATTN: JENNIFER**  
**FAX# 326-2815**

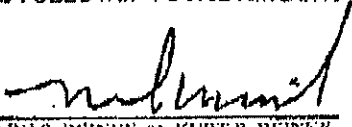
**JOB: RECREATION CENTER 04/13/2022**  
**CITY OF NEEDLES**  
**1705 "J" STREET**  
**NEEDLES CA**

**SERVICE REQUEST, SC# 57035, DATED 12/30/20, PER NICOLE**

WE HEREBY PROPOSE TO FURNISH MATERIALS AND LABOR NECESSARY FOR THE COMPLETION OF:

**EQUIPMENT TO BE: CARRIER, PURON, 460V., 3-PH.****[1] NEW 20-TON COMMERCIAL PACKAGE GAS/ELECTRIC UNIT  
CHANGE-OUT****CRANE LIFTS, GAS & ELECTRICAL CONNECTIONS INCLUDED****REMOVE & DISPOSE OF OLD UNIT****TAX INCLUDED \$1,500.79****THIRTY FIVE THOUSAND NINE HUNDRED & 79/100 DOLLARS \$35,900.79****PAYMENT TO BE MADE AS FOLLOWS: TOTAL AMOUNT DUE AND PAYABLE AT TIME  
OF COMPLETION.**

AUTHORIZED SIGNATURE

  
 MARK B. REINKE or KURT R. REINKE

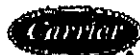
ALL MATERIAL IS GUARANTEED TO BE AS SPECIFIED. ALL WORK TO BE COMPLETED IN A SUBSTANTIAL  
 WORKMANLIKE MANNER ACCORDING TO SPECIFICATIONS SUBMITTED, PER STANDARD PRACTICES.  
 ANY ALTERATION FROM ABOVE SPECIFICATIONS INVOLVING EXTRA COSTS WILL BE EXERCISED AT  
 EXTRA CHARGE OVER AND ABOVE THIS ESTIMATE. ALL AGREEMENTS CONTINGENT UPON ACCIDENTS  
 OR DELAYS BEYOND OUR CONTROL. OWNER TO CARRY FIRE, TORNADO AND OTHER NECESSARY  
 INSURANCE. OUR WORKERS ARE FULLY COVERED BY WORKER'S COMPENSATION INSURANCE.

**NOTE: THIS PROPOSAL MAY BE WITHDRAWN BY US IF NOT ACCEPTED WITHIN 30 DAYS.**

**ACCEPTANCE OF PROPOSAL THE ABOVE PRICES,  
 SPECIFICATIONS AND CONDITIONS ARE SATISFACTORY  
 AND HEREBY ACCEPTED. YOU ARE AUTHORIZED TO  
 DO THE WORK AS SPECIFIED. PAYMENTS WILL BE  
 MADE AS OUTLINED ABOVE.**

SIGNATURE

DATE OF ACCEPTANCE: \_\_\_\_\_



(928) 768-8600 • Fax: (928) 768-8601

5273 Lakewood Rd. • Bullhead City, AZ 86426-6603  
 email: reinkeair@npgable.com • website: reinkeair.net







## CITY OF NEEDLES

817 Third Street • Needles, California 92363  
(760) 326-2113 • FAX (760) 326-6765

### SEALED BID OPENING RECREATION CENTER HVAC MAY 18, 2022 AT 3:30 P.M.

Recorded by: RAINIE TORKANCE

BIDDER	TOTAL BID
Reinke	35,900 <sup>79</sup>

Present at opening:

RAINIE TORKANCE

Tammy Ellmore

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\_\_\_\_\_

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\_\_\_\_\_

\_\_\_\_\_

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## City of Needles, California Request for Council Action

☒ CITY COUNCIL ☐ NPUA

☒ Regular ☐ Special

**Meeting Date:** May 24, 2022

**Title:** Approve the Twenty Sixth Amendment to Contract No. 99-376 with the County of San Bernardino providing for law enforcement services by amending Schedule A for the 2022-2023 fiscal year

**Background:** Each year, the City Council must approve an amendment to the contract with the County to provide for a level of law enforcement services. The attached Amendment and Schedule A reflects an amount of \$3,369,365, a \$251,976 increase over the current amended contract, to maintain law enforcement services status quo as of January 1, 2022. For purposes of budgeting, this amount has been included in the 2022-2023 fiscal year budget. As noted on Schedule A, personnel costs are subject to change by Board of Supervisors' action and any changes will be billed to the city on a quarterly basis.

There has been discussion with Captain Tarangle on the possibility of increasing the city's contract services by an additional 40 patrol hours per week. The Sheriff has provided a second proposed Schedule A increasing costs by \$387,353 to cover the additional cost - total of \$3,756,718. As Council will note, this increase will include not only the additional 40 patrol hours but an increase in the positions of lieutenant, sergeant, office specialist, HT, general county services, and startup cost.

Staff is seeking Council direction as to the level of law enforcement services for next fiscal year.

**Fiscal Impact:** Contract costs to come from #101-2010-421.31-80 for a total budget of \$3,277,772. Not included are overtime costs and vehicle fuel and maintenance which are billed quarterly.

\$91,593 of the total contract costs will be charged to #225-2010-421.31-80 (COPS) to cover the costs of the sheriff's service specialist which is shared 50/50 with the School District.

**Recommendation:** Approve the Twenty Sixth Amendment to Contract No. 99-376 with the County of San Bernardino in the total amount of \$3,369,365 providing for law enforcement services by amending Schedule A for the 2022-2023 fiscal year and authorize the Mayor to sign same.

Provide direction as to additional services

**Submitted By:** Rick Daniels, City Manager

**City Management Review:** Rick

**Date:** 5/17/22

Approved: ☐

Not Approved: ☐

Tabled: ☐

Other: ☐

Agenda Item: 14



**Contract Number**  
99-376 A-26

**SAP Number**  
N/A

## Sheriff/Coroner/Public Administrator

<b>Department Contract Representative</b>	Kelly Welty, Chief Deputy Director of Sheriff's Administration
<b>Telephone Number</b>	(909) 387-0640
<b>Contractor</b>	City of Needles
<b>Contractor Representative</b>	Jeff Williams, Mayor
<b>Telephone Number</b>	(760) 326-2113
<b>Contract Term</b>	07/01/2022 through 06/30/2023
<b>Original Contract Amount</b>	\$3,369,365
<b>Amendment Amount</b>	
<b>Total Contract Amount</b>	\$3,369,365
<b>Cost Center</b>	4414351000

IT IS HEREBY AGREED AS FOLLOWS:

### AMENDMENT No. 26

Effective July 1, 2022, Contract No. 99-376 to provide law enforcement service to the City of Needles is hereby amended by replacing Schedule A referred to in Section II. CONSIDERATION, with the Schedule A attached hereto and incorporated by reference

Except as amended, all other terms and conditions of this contract remain as stated therein.

[With the exception of signatures, this page is intentionally left blank].

SAN BERNARDINO COUNTY

►  
Curt Hagman, Chairman, Board of Supervisors

Dated: \_\_\_\_\_  
SIGNED AND CERTIFIED THAT A COPY OF THIS  
DOCUMENT HAS BEEN DELIVERED TO THE  
CHAIRMAN OF THE BOARD

Lynna Monell  
Clerk of the Board of Supervisors  
of the San Bernardino County

By \_\_\_\_\_  
Deputy

City of Needles  
(Print or type name of corporation, company, contractor, etc.)

By ►  
(Authorized signature - sign in blue ink)

Name Jeff Williams  
(Print or type name of person signing contract)

Title Mayor  
(Print or Type)

Dated: \_\_\_\_\_

Address 817 Third Street  
Needles, CA 92363-2933

**FOR COUNTY USE ONLY**

Approved as to Legal Form	Reviewed for Contract Compliance	Reviewed/Approved by Department
► Richard D. Luczak, Deputy County Counsel	►	► Kelly Welty, Chief Deputy Director of Sheriff's Administration
Date _____	Date _____	Date _____



**SCHEDULE A**  
**Law Enforcement Services Contract**  
**City of Needles**  
**2022-23**

**ROLLOVER**

		<b>FY 2022-23</b>
<b><u>LEVEL OF SERVICE</u></b>		<b><u>COST</u></b>
0.31	- Lieutenant	110,590 <sup>1</sup>
1.35	- Sergeant	404,827 <sup>1</sup>
1.00	- Detective/Corporal	253,013 <sup>1</sup>
8.42	- Deputy Sheriff (304 hours per week)	1,817,356 <sup>1</sup>
0.90	- Sheriff's Service Specialist	77,608 <sup>1</sup>
0.50	- Office Specialist	39,727 <sup>1</sup>
4.00	- Marked Unit	73,384 <sup>2</sup>
1.00	- Unmarked Unit	7,429 <sup>2</sup>
0.90	- Pickup truck	7,281 <sup>2</sup>
1.00	- Citizen Patrol - Ford Escape	6,369 <sup>2</sup>
	Dispatch Services	161,065 <sup>1</sup>
11.90	- HTs (Amortization, Access & Maintenance)	16,767
10.00	- Taser Replacement (Amortized over 5-years)	3,360
	Administrative Support	20,973
	Office Automation	45,572
	Services & Supplies	16,956
	Vehicle Insurance	37,062
	Personnel Liability & Bonding	101,900
	Workers' Comp Experience Modification	11,837
	Law Enforcement Experience Modification	60,504
	County Administrative Cost	95,785
<b>Cost for FY2022-23</b>		<b>\$ 3,369,365 <sup>1</sup></b>

**Monthly Payment Schedule**

1 <sup>st</sup> payment due July 15, 2022:	\$280,785
2 <sup>nd</sup> through 12 <sup>th</sup> payments due the 5 <sup>th</sup> of each month:	\$280,780

<sup>1</sup> Personnel costs include salary and benefits and are subject to change by Board of Supervisors' action. Changes in salary and benefit costs will be billed to the City on a quarterly invoice.

<sup>2</sup> Vehicle costs do not include fuel and maintenance. The City is responsible for fuel, repair and maintenance of all contract vehicles, including collision damage. All fuel, repair and maintenance costs incurred by the County will be billed to the City on a quarterly invoice.

<sup>3</sup> No replacement cost is included for grant funded or donated vehicles.

# **SCHEDULE A** **Law Enforcement Services Contract** **City of Needles** **2022-23**

**Additional Costs Billed Quarterly:**

The City will be billed on a quarterly basis for the following items:

- Increases to salaries and benefits resulting from Board of Supervisors-approved changes to Memorandums of Understanding with the County's various employee organizations.
- Actual overtime cost.
- Actual on-call cost (on call pay for safety employees for 2022-23 is \$195 per week).
- Actual cost of vehicle fuel, repair and maintenance, including the cost of collision repair.
- Professional services from private vendors and other services, supplies and personnel costs above the contract formula.

## **LEVEL OF SERVICE SUMMARY**

**SAFETY:**

Lieutenant	-	0.31
Sergeant	-	1.35
Detective/Corporal	-	1.00
Deputy Sheriff	-	8.42
		<u>11.08</u>

**GENERAL:**

Sheriff's Service Specialist	-	0.90
Office Specialist	-	0.50
Dispatchers	-	1.40
		<u>2.80</u>

**VEHICLES:**

Marked Patrol Units	-	4.00
Safety Unmarked Units	-	1.00
Pickup Trucks	-	0.90
Citizen Patrol	-	1.00
Donated Vehicles-Ins Only	-	3.00 *
		<u>9.90</u>

**DONATED VEHICLES LIST:**

Command Post Trailer	-	1 *
Polaris UTV	-	1 *
Message Board Trailer	-	1 *
		<u>3 *</u>

\* (Included for insurance costs only)

SCHEDULE A  
LAW ENFORCEMENT SERVICES CONTRACT  
CITY OF NEEDLES  
FY 2022-23

Proposed - Not Final

**ADD: 40 Patrol Hours per Week; 1 HT Radio; 0.5 FTE Office Specialist - Effective July 1, 2022**

		FY 2022-23
<u>LEVEL OF SERVICE</u>		<u>COST</u>
0.35 - Lieutenant		123,621 <sup>1</sup>
1.50 - Sergeant		452,539 <sup>1</sup>
1.00 - Detective/Corporal		253,013 <sup>1</sup>
9.53 - Deputy Sheriff (344 hours per week)		2,056,936 <sup>1</sup>
0.90 - Sheriff's Service Specialist		77,608 <sup>1</sup>
1.00 - Office Specialist		79,454 <sup>1</sup>
4.00 - Marked Unit		73,384 <sup>2</sup>
1.00 - Unmarked Unit		7,429 <sup>2</sup>
0.90 - Pickup truck		7,281 <sup>2</sup>
1.00 - Citizen Patrol - Ford Escape		6,369 <sup>2</sup>
Dispatch Services		180,044 <sup>1</sup>
12.90 - HTs (Amortization, Access & Maintenance)		18,176
11.00 - Taser Replacement (Amortized over 5-years)		3,696
Administrative Support		23,445
Office Automation		45,572
Services & Supplies		18,954
Vehicle Insurance		37,062
Personnel Liability & Bonding		114,143
Workers' Comp Experience Modification		11,837
Law Enforcement Experience Modification		60,504
County Administrative Cost		95,785
Startup Cost		9,866
<b>Estimated Cost for FY2022-23</b>		<b>\$ 3,756,718 <sup>1</sup></b>

**Monthly Payment Schedule**

1 <sup>st</sup> payment due July 15, 2022:	\$313,069
2 <sup>nd</sup> through 12 <sup>th</sup> payments due the 5 <sup>th</sup> of each month:	\$313,059

<sup>1</sup> Personnel costs include salary and benefits and are subject to change by Board of Supervisors' action. Changes in salary and benefit costs will be billed to the City on a quarterly invoice.

<sup>2</sup> Vehicle costs do not include fuel and maintenance. The City is responsible for fuel, repair and maintenance of all contract vehicles, including collision damage. All fuel, repair and maintenance costs incurred by the County will be billed to the City on a quarterly invoice.

<sup>3</sup> No replacement cost is included for grant funded or donated vehicles.

**\*\* Additional 40 patrol  
hours per week**

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## City of Needles, California Request for City Council Action

☒ CITY COUNCIL ☐ NPUA ☐ RDA

☒ Regular ☐ Special

**Meeting Date:** May 24, 2022

**Title:** Ballot Measure Proposal to Establish a Transient Occupancy Tax for Short Term Rental Units

**Background:** On February 22, 2022 the City Council gave direction to staff to draft a Ballot Measure to be included at the General Municipal Election on Tuesday, November 8, 2022.

A short term rental is often a substitute for a hotel or motel room rental. The visitors renting short term rentals creates the same impacts as a hotel guest such as traffic, demands for law enforcement, fire safety, and other demands on the public service system. As such, the Planning Commission also recommends that the City's Transient Occupancy Tax (10% of total rental charge) be collected from rental. The City of Needles currently levies a 10% Transit Occupancy Tax on all hotels, motels, apartment hotels, apartment motels, trailer courts, recreational vehicle parks and any other commercial establishment furnishing lodging space in exchange for monetary compensation located within the City.

On April 26, 2022 the City Council approved Ordinance No. 649-AC which amended the Municipal Code to include Short-Term Residential Rentals. Within the Ordinance a Short-term residential unit was subject to the uniform transient occupancy tax, if and when approved by the voters. The City Charter requires that application of the Transient Occupancy Tax requires voter approval on even numbered year general elections such as November 2022.

Section 20-8 of the Needles Municipal Code is amended to read:

Tax levied. Every operator of a hotel, motel, apartment hotel, apartment motel, trailer court, recreational vehicle park, short term residential rental unit and/or property, or any other commercial establishment furnishing lodging space in exchange for monetary compensation, located within the city, shall pay a transient occupancy tax of ten percent which shall be based on the operator's gross monthly receipts received from transient lodgers.

Section 20-8.2(c) of the Needles Municipal Code is amended to read:

"Operator" shall mean the person who is an owner and/or proprietor of a hotel, motel, apartment hotel, apartment motel, trailer court, recreational vehicle park, short term residential rental unit and/or property, or any other commercial establishment furnishing lodging space in exchange for monetary compensation within the city. If an operator utilizes a managing agent who is not an employee, then such agent shall also constitute an "operator" for the purposes of this Article. Compliance with this Article by either the principal or the managing agent shall constitute compliance by both.



Section 20-8.2(e) of the Needles Municipal Code is amended to read:

"Lodging space" shall mean (i) one or more rooms used or intended to be used for dwelling or sleeping purposes, (ii) land in a trailer court or recreational vehicle park used or intended to be used for the parking of a trailer, recreational vehicle or other type vehicle used or intended to be for dwelling or sleeping purposes, and or a short term residential rental unit as defined in section 12-68.3.030, as may be amended from time to time.

**Fiscal Impact:** By including short term residential rental units in the transient occupancy tax (10%), it is estimated the City will raise approximately \$84,300 annually, which will be used for general city services, including protecting residents' quality of life and property values and continue to provide excellent services.

**Environmental:** N/A

**Recommendation:** Provide Staff Direction for the Proposed Ordinance

**Submitted By:** Patrick Martinez, Assistant City Manager/Development Services

**City Management Review:**

Rick

**Date:**

5/19/22

Agenda Item: 15

**RESOLUTION 2022-\_\_\_\_\_**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
NEEDLES, CALIFORNIA, ORDERING THE SUBMISSION OF  
A PROPOSED MEASURE THAT WOULD INCLUDE IN THE  
CITY'S TRANSIENT OCCUPANCY TAX, SHORT TERM  
RESIDENTIAL UNITS, AT THE GENERAL MUNICIPAL  
ELECTION TO BE HELD ON TUESDAY, NOVEMBER 8, 2022

**WHEREAS**, the City collects a transient occupancy tax ("TOT") that is levied against: "Every operator of a hotel, motel, apartment hotel, apartment motel, trailer court, recreational vehicle park or any other commercial establishment furnishing lodging space in exchange for monetary compensation, located within the city, shall pay an transient occupancy tax of ten percent which shall be based on the operator's gross monthly receipts received from transient lodgers;" and

**WHEREAS**, the City would like to include Short Term Residential Units as a type of lodging subject to the TOT; and

**WHEREAS**, a State of California, County of San Bernardino and City of Needles General Election is scheduled to be held on Tuesday November 8, 2022.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF NEEDLES  
DOES HEREBY RESOLVE, DECLARE AND DETERMINE AS FOLLOWS:**

**Section 1. Recitals.**

The recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

**Section 2.** Pursuant to the requirements of the laws of the State of California relating to charter cities, the City Council does order submitted to the voters at the General Municipal Election on Tuesday, November 8, 2022, the following question:

Shall a measure be adopted to amend the Transient Occupancy Tax applied to every hotel, motel, apartment hotel, apartment motel, trailer court, recreational vehicle park or any other commercial establishment furnishing lodging from transient lodgers to also apply to "short term resident rental units" in the City of Needles?

Yes \_\_\_\_\_ No \_\_\_\_\_

**Section 3.** The text of the measure submitted to the voters is attached as Exhibit A.

**Section 4.** The vote requirement for the measure to pass is a majority of votes cast (50%+1).

**Section 5.** The ballots to be used at the election shall be in form and content as required by law.

**Section 6.** The City Clerk is authorized, instructed, and directed to coordinate with the San Bernardino County Registrar of Voters to procure and furnish any and all official ballots, notices, printed matter and all supplies, equipment and paraphernalia that may be necessary in order to properly and lawfully conduct the election.

**Section 7.** In all particulars not recited in this resolution, the election shall be held and conducted as provided by law for holding municipal elections.

**Section 8.** Notice of the time and place of holding the election is given and the City Clerk is authorized, instructed, and directed to give further or additional notice of the election, in time, form, and manner as required by law.

**Section 9.** The City Council authorizes all reasonable and actual election expenses shall be paid by the City upon presentation of a properly submitted bill.

**Section 10.** The City Clerk shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

**Section 11. Certification.**

The City Clerk shall certify as to the adoption of this Resolution and shall cause the same to be processed in the manner required by law.

PASSED, ADOPTED, AND APPROVED, this \_\_\_\_ day of May 2022, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

\_\_\_\_\_  
Jeff Williams, Mayor

ATTEST:

\_\_\_\_\_

Dale Jones, City Clerk

APPROVED AS TO FORM:

---

John O. Pinkney, City Attorney

DRAFT

Exhibit A  
Text of the Proposed Measure

AN ORDINANCE OF THE CITY OF NEEDLES TO INCLUDE  
IN THE CITY'S TRANSIENT OCCUPANCY TAX, SHORT  
TERM RESIDENTIAL UNITS, AND AMENDING SECTIONS  
20-8, 20-8.2(c) and 20-8.2(e) OF THE NEEDLES MUNICIPAL  
CODE

The People of the City of Needles do hereby ordain as follows:

SECTION 1. Recitals.

- A. The purpose of this Ordinance is to apply the City's existing transient occupancy tax to operators of short term residential properties and rental units.
- B. The current transient occupancy tax is applied to and collected from operators of local hotels, motels and similar lodgings. The transient occupancy tax is not currently applied to or collected from operators of short term residential properties and rental units.
- C. The transient occupancy tax is paid only by guests who stay in local hotels and other lodgings so that out-of-town visitors pay their fair share of their use of City roads, parks, the beach, public safety and other City services
- D. The revenues from the transient occupancy tax remain in the City, are controlled by the City, and are used for unrestricted general municipal purposes such as public safety, infrastructure, street repair and park improvements. Transient occupancy tax revenues cannot be taken by San Bernadino County or the State of California.
- D. By including short term residential rental units in the transient occupancy tax, it is estimated the City will raise approximately \$84,300 annually, which will be used for general city services, including protecting residents' quality of life and property values and continue to provide excellent services.

SECTION 2. Section 20-8 of the Needles Municipal Code is amended to read:

Tax levied. Every operator of a hotel, motel, apartment hotel, apartment motel, trailer court, recreational vehicle park, short term residential rental unit and/or property, or any other commercial establishment furnishing lodging space in exchange for monetary compensation, located within the city, shall pay a transient occupancy tax of ten percent which shall be based on the operator's gross monthly receipts received from transient lodgers.

SECTION 3. Section 20-8.2(c) of the Needles Municipal Code is amended to read:



"Operator" shall mean the person who is an owner and/or proprietor of a hotel, motel, apartment hotel, apartment motel, trailer court, recreational vehicle park, short term residential rental unit and/or property, or any other commercial establishment furnishing lodging space in exchange for monetary compensation within the city. If an operator utilizes a managing agent who is not an employee, then such agent shall also constitute an "operator" for the purposes of this Article. Compliance with this Article by either the principal or the managing agent shall constitute compliance by both.

SECTION 4. Section 20-8.2(e) of the Needles Municipal Code is amended to read:

"Lodging space" shall mean (i) one or more rooms used or intended to be used for dwelling or sleeping purposes, (ii) land in a trailer court or recreational vehicle park used or intended to be used for the parking of a trailer, recreational vehicle or other type vehicle used or intended to be for dwelling or sleeping purposes, and or a short term residential rental unit as defined in section 12-68.3.030, as may be amended from time to time.



## City of Needles, California Request for City Council Action

☒ CITY COUNCIL ☐ NPUA ☐ RDA

☒ Regular ☐ Special

**Meeting Date:** May 24, 2022

**Title:** Ballot Measure Proposal to Add Article [Insert Later] to Chapter 20 of the Needles Municipal Code Establishing a Tax on Cannabis and Hemp Business Activities within the City and Suspending Article VIII (Current Tax)

**Background:** On February 22, 2022, the City Council gave direction to staff to draft a Ballot Measure to be included at the General Municipal Election on Tuesday, November 8, 2022.

The City has an existing cannabis business tax (Measure S, 2012) that imposes a maximum rate of 10% on all cannabis business types. The City has the ability to adjust the rates, but has kept them at 10%. Cannabis business taxes have been an important contributor to the City's general fund. The City anticipates that cannabis businesses will generate over \$5 million in tax revenue from over \$50 million in gross receipts for the current fiscal year.

Despite these revenues, the City has expressed concerns that the current gross receipts tax may not be the most appropriate basis for the City's 14 cannabis cultivators, which could lead either to underreporting of revenue or a tax burden that is too high for these businesses, making it more difficult for them to compete in the statewide market.

To address this concern, the City has requested that HdL Companies conduct a fiscal analysis of the current gross-receipts tax rates for cultivation and develop a new cannabis tax ordinance for the City incorporating a cultivation tax based on square footage, which would be placed before the voters in November. The City desires that the new tax rates be set at a level that will provide the same amount of revenue for the City. The tax rate for other types of cannabis businesses, including commercial industrial hemp, will be set at a maximum tax rate not to exceed ten percent (10%) of gross receipts.

The purpose of this analysis is to determine the equivalent tax rates based on square footage of canopy or state licensed cultivation area that will yield the same level of annual cannabis tax revenue. HdL determined the following:

"City's stated desire to ensure that the revised tax rates and structure provide substantially the same level of revenue, HdL recommends that the City consider a cultivation tax based on the licensed square footage as determined by the state license type, with the rate set at \$20 per square foot. The tax rate should be adjusted annually in accordance with the Consumer Price Index (CPI)"

State law requires that application of the tax on commercial cannabis or commercial industrial hemp requires voter approval on even numbered year general elections such as November 2022.

The new Article is added to the Needles Municipal Code to read, as relevant:

The maximum rate of the cannabis business tax shall be calculated as follows:

1. For every person engaged in commercial cannabis cultivation, including cultivation of industrial hemp, in the City:
  - a. Through January 1, 2026, the annual maximum rate shall be:
    - i. Twenty dollars (\$20) per square foot of the state licensed maximum cultivation area in a facility that uses exclusively artificial lighting.
    - ii. Twenty dollars (\$20) per square foot of state licensed maximum cultivation area in a facility that uses a combination of natural and supplemental lighting as defined in Section 20-40-4 (S) of this Article.
    - iii. Twenty dollars (\$20) per square foot of state licensed maximum cultivation area in a facility that uses no artificial lighting.
    - iv. Twenty dollars (\$20) per square foot of state licensed maximum cultivation area for any nursery.
  - b. The square footage tax due shall be paid based on the type of cultivation license issued by the state and/or city. The tax will not be prorated or adjusted for reduction in the square footage utilized by the business unless duly authorized by the Tax Administrator.
  - c. On January 1, 2026 and on each January 1, thereafter, the maximum annual tax rates specified in Subsection 20-40-5 (C) (1) (a), -shall increase by the percentage increase in the Consumer Price Index ("CPI") for consumers in the Riverside-San Bernardino-Ontario area as published by the United States Government Bureau of Labor Statistics. However, no CPI adjustment resulting in a decrease of any tax imposed by this subsection shall be made.
2. For every person engaged in the operation of a testing laboratory for cannabis, cannabis products, industrial hemp and/or industrial hemp products the person shall be subject to the maximum tax rate not to exceed ten percent (10%) of gross receipts.
3. For every person engaged in retail sales of cannabis, cannabis products, industrial hemp, and/or industrial hemp products, including as a retailer (dispensary) or non-storefront retailer (retail delivery business), or microbusiness, the person shall be subject to the maximum tax rate not to exceed ten percent (10%) of gross receipts.
4. For every person engaged in distribution of cannabis, cannabis products, industrial hemp and/or industrial hemp products, the person shall be subject to the maximum tax rate not to exceed ten percent (10%) of gross receipts.

5. For every person engaged in manufacturing or processing of cannabis, cannabis products, industrial hemp and/or industrial hemp products, or any other type of cannabis business not described in Section 20-40-5 (C) (1), (2), (3), or (4) the person shall be subject to the maximum tax rate not to exceed ten percent (10%) of gross receipts.

**Fiscal Impact:** The equivalent rate (10% Gross Receipts) for taxing the maximum state-licensed cultivation square footage would be \$20/sf.

**Environmental:** N/A

**Recommendation:** Provide Staff Direction for the Proposed Ordinance

**Submitted By:** Patrick Martinez, Assistant City Manager/Development Services

**City Management Review:**

R. Lee

**Date:**

5/20/22

Agenda Item: 16



**Delivering Revenue, Insight  
and Efficiency to Local Government**

**Fiscal Revenue Analysis  
of the  
Cannabis Cultivation Industry**

**Prepared for  
the  
City of Needles**

**May 19, 2022**



## **Table of Contents**

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## **I. Introduction**

The City of Needles allows all types of commercial cannabis businesses. Data from the Department of Cannabis Control shows current licenses for 5 retailers, 5 distributors, 2 manufacturers, 1 microbusiness and 19 cultivation licenses held by 14 separate businesses.

The City has an existing cannabis business tax (Measure S, 2012) that imposes a maximum rate of 10% on all cannabis business types. The City has the ability to adjust the rates but has kept them at 10%. Cannabis business taxes have been an important contributor to the City's general fund. The City anticipates that cannabis businesses will generate over \$5 million in tax revenue from over \$50 million in gross receipts for the current fiscal year.

Despite these revenues, the City has expressed concerns that the current gross receipts tax may not be the most appropriate basis for the City's 14 cannabis cultivators, which could lead either to under-reporting of revenue or a tax burden that is too high for these businesses, making it more difficult for them to compete in the statewide market.

To address this concern, the City has requested that HdL Companies conduct a fiscal analysis of the current gross-receipts tax rates for cultivation and develop a new cannabis tax ordinance for the City incorporating a cultivation tax based on square footage, which would be placed before the voters in November. The City desires that the new tax rates be set at a level that will provide the same amount of revenue for the City. The purpose of this analysis is to determine the equivalent tax rates based on square footage of canopy or state licensed cultivation area that will yield the same level of annual cannabis tax revenue.

## **Summary and Recommendation**

1. Based on our analysis, and the City's stated desire to ensure that the revised tax rates and structure provide substantially the same level of revenue, HdL recommends that the City consider a cultivation tax based on the licensed square footage as determined by the state license type, with the rate set at \$20 per square foot. The tax rate should be adjusted annually in accordance with the Consumer Price Index (CPI)

## II. Analysis of Cannabis Cultivation Tax Rates

Cannabis tax rates have been settling and stabilizing around the State since the beginning of 2018. Many cities instituted cannabis taxes prior to the implementation of statewide regulations, with a wide range of tax structures and rates as high as \$30 per square foot (for cultivation) or 18% of gross receipts. Some of these “early adopter” cities have since reduced their rates to be more competitive with common rates that are now emerging around the State.

The State of California applies two separate taxes to cannabis: a cultivation tax of \$10.08 per ounce of dried flower (\$3.00 per ounce of dried leaf or trim) and an excise tax of 15% on the purchase of cannabis and cannabis products. These two separate State taxes can add up to 26% to consumer cannabis prices, even before any local taxes are contemplated. This leaves very little room for local jurisdictions to work within if they wish to remain under the total cumulative tax rate of 30%. This is an important benchmark to allow the local industry to compete against the illicit market and against other regulated cannabis businesses from around the State (see Attachment B; *State Tax Considerations*).

Governor Newsome’s May Budget Revision proposes significant changes to the way the state’s cannabis taxes are applied<sup>1</sup>. Under the proposal, the cultivation tax rate would be reduced to zero percent, effectively eliminating the tax. The cannabis excise tax would remain at 15%, but the point of collection would be shifted to retail sales, rather than distributors, thereby simplifying the tax structure. The proposal includes an allowance to increase the rate of the excise tax through FY 2024/25 if necessary to maintain minimum levels of funding for certain programs for youth education, intervention and treatment, environmental restoration, and state and local law enforcement programs. If approved, the changes to the cultivation tax rate would be effective July 1. The changes to the method of collection would become effective January 1, 2023.

Due to its location at the intersection of California, Nevada and Arizona, cultivators in the City of Needles are likely to be aware of the tax and regulatory burdens imposed by these neighboring states. The State of Nevada imposes a tax of 15% on the first wholesale sale of cannabis (essentially, from a cultivator to a distributor), based on the fair market value of the product as defined. In addition, retail sales of adult use cannabis are subject to a 10% excise tax in addition to applicable sales taxes. Adult use cannabis sales in Arizona are subject to a 16% excise tax that is collected at retail sale, along with all applicable sales taxes.

Though the tax rates from these neighboring states may be of interest, they really have no bearing on cannabis operators in the City of Needles, as all cannabis produced in California must stay in California, nor can cannabis produced in a neighboring state be legally brought into California. Each state must operate as a closed loop system.

In Figure 2, on the next page, we have provided a sample of tax rates for indoor cannabis cultivation from cities and counties around California. We have selected only cities and counties that have a reasonable number of cultivation licenses issued by the state of California to demonstrate that the tax rates for those jurisdictions have not been considered prohibitive by the industry.

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<sup>1</sup> “California marijuana growers would see tax relief under Gavin Newsom’s proposed budget” (May 13, 2022) Sacramento Bee, <https://www.sacbee.com/news/politics-government/capitol-alert/article261391172.html>



Cathedral City charges a rate of \$15 per square foot of canopy area, which we estimate to be roughly equivalent to 3.75% of gross receipts. Santa Barbara County and the City of Lompoc both charge a rate of 4.0% of gross receipts, which we estimate to be roughly equivalent to \$16 per square foot. The City of Oakland charges a rate of 5.0% which is roughly equivalent to \$20 per square foot for indoor cultivation. We note that these square footage to gross receipts equivalents are based on standard assumptions that may not accurately reflect individual operators.

As shown in Figure 1, there is a great amount of variation in cannabis tax rates from different jurisdictions. While lower rates can certainly help to make a jurisdiction more attractive to prospective cannabis businesses, it's worth noting that Santa Barbara County is home to the highest concentration of cannabis cultivation licenses in the state of California, with over 1,047 individual licenses held by 59 separate business entities. The City of Oakland, too, has long been known as one of the first movers to allow and attract the cannabis industry. This suggests that tax rates, alone, are not the only factor in building a stable and successful cannabis industry cluster. The relatively high tax rate compared to other jurisdictions have not made Oakland or Santa Barbara County any less attractive to the cannabis cultivation industry.

The City of Needles has 10 cannabis cultivation businesses which have been operating for a full year or more. Another 6 cultivation businesses are currently operating but have not yet generated a full year's revenues for us to analyze. An additional 9 cultivation facilities are currently under construction and 27 more facilities have had conditional use permits issued. Combined, the City has a total of 52 cannabis cultivation businesses either currently operating or in the process of becoming operational.

This concentration of cannabis businesses shows that the City of Needles has proven to be an attractive location for cannabis cultivation operators. It is believed that the City's low water and electricity rates and water supply are a strong attractor for this industry, along with available and appropriate industrial spaces, competitive property and lease rates, and a network of supporting businesses. In addition, the City's remote location makes it an island of opportunity for cannabis businesses, which are prohibited in the surrounding unincorporated area of San Bernardino County. The nearest other cities which allow cannabis businesses (Blythe, Adelanto, Hesperia and California City) are all 2 to 3 hours away.

Cannabis cultivation taxes are most commonly assessed on a square-footage basis. A square footage tax has the advantage that the amount of annual tax liability is generally known in advance by both the City and the tax-paying business, as it is keyed to the permitted amount of cultivation area. This allows both parties to budget accordingly. The amount of tax paid does not automatically increase with inflation, making it necessary to include a mechanism to adjust the tax rate annually in accordance with the Consumer Price Index (CPI).

**Figure 1:**

Selected Indoor Cultivation Tax Rates		
City or County	Licenses	Rate
California City	30	\$7.00/sf
Cathedral City	24	\$15.00/sf
Contra Costa	11	\$7.00/sf
Desert Hot Springs	38	\$10.00/sf
Long Beach	17	\$13.41/sf
Los Angeles	249	2.00%
Modesto	9	2.50%
Oakland	66	5.00%
Perris	7	\$13.50/sf
Sacramento (City)	90	4.00%
Santa Barbara County	1,047	4.00%
Yolo	89	4.00%

The City currently charges a tax rate of 10% of gross receipts for all cannabis businesses. The City provided HdL with data showing the overall square footage of each cultivation facility, along with the reported canopy area and the amount of tax revenue remitted by each operator over the past year. We were able to merge this data with licensing data from the Department of Cannabis Control (DCC) to determine the state license type for each cultivation facility.

Each state license allows for a maximum cultivation area. Type 1A "Specialty Indoor" licenses allow from 501 square feet of cultivation area up to 5,000 square feet. Type 1C "Specialty Cottage" licenses allow up to 500 square feet of cultivation area. Type 2A "Small Indoor" licenses allow from 5,001 square feet of cultivation area up to 10,000 square feet. Type 3A "Medium Indoor" licenses allow from 10,001 square feet of cultivation area up to 22,000 square feet. These license types are shown below in Figure 2.

**Figure 2:**

State Cannabis Cultivation License Types				
Type	Activity	Description	Details	Notes
1	Cultivation	Outdoor; Specialty	Up to 5,000 sf, or 50 plants on non-contiguous plots	A, B, C
1A	Cultivation	Indoor; Specialty	501 sf - 5,000 sf	A, B, C
1B	Cultivation	Mixed-Light; Specialty	2,501 sf - 5,000 sf	A, B, C
1C	Cultivation	Outdoor/indoor/mixed; Specialty Cottage	Up to 25 plants outdoor; up to 2,500 sf mixed light; up to 500 sf indoor	A, B, C
2	Cultivation	Outdoor; Small	5,001 sf - 10,000 sf	A, B, C
2A	Cultivation	Indoor; Small	5,001 sf - 10,000 sf	A, B, C
2B	Cultivation	Mixed Light, Small	5,001 sf - 10,000 sf	A, B, C
3	Cultivation	Outdoor; Medium	10,001 sf - one acre	A, B, D
3A	Cultivation	Indoor; Medium	10,001 sf - 22,000 sf	A, B, D
3B	Cultivation	Mixed-Light; Medium	10,001 sf - 22,000 sf	A, B, D
4	Cultivation	Nursery		A, B
-	Cultivation	Processor	Conducts only trimming, drying, curing, grading and packaging of cannabis	A, B, E
5	Cultivation	Outdoor; Large	Greater than 22,000 sf	A, B, F
5A	Cultivation	Indoor; Large	Greater than 22,000 sf	A, B, F
5B	Cultivation	Mixed-Light; Large	Greater than 22,000 sf	A, B, F
A	All license types valid for 12 months and must be renewed annually			
B	All license types except Type 8 Testing must be designated "A" (Adult Use), "M" (Medical) or "A/M"			
C	A business may hold multiple Type 1 "Specialty" or Type 2 "Small" licenses.			
D	Type 3 "Medium" licenses are limited to 1 per business.			
D	Established through rulemaking process			
E	No Type 5 licenses shall be issued before January 1, 2023			



A business is limited to only one Type 3 Medium license but may hold an unlimited number of Type 2 Small or Type 1 Specialty licenses. It is common for businesses to hold multiple Type 3 licenses located on the same property or within the same facility.

The state has also designated a Type 5A "Large Indoor" license that will allow unlimited square footage of cultivation area under a single license, rather than "stacking" Type 3 licenses, but the state will not issue any Type 5 licenses before January 1, 2023.

Using data from the City and from the DCC, we were able to calculate the estimated gross receipts for each business, and to determine the equivalent square footage tax rate based upon the taxes remitted to the City. We note that we limited our analysis to only those cultivation businesses which have reported and remitted a full year of taxes.

By dividing the square footage of the reported canopy area by the taxes remitted, we were able to determine the equivalent tax rate for each business had they paid the same amount based upon the square footage of canopy. We also performed the same calculation using the licensed square footage as specified by each state license type. These calculations are shown in Figure 3, below.

As can be seen, the equivalent square footage rate based upon both the state license type (Licensed SF Rate) and the amount of canopy (Canopy SF Rate) varies significantly between businesses. The equivalent rate based on the licensed square footage runs from \$7 per square foot up to \$51 per square foot, while the equivalent rate based on the square footage of canopy runs from \$11 per square foot up to \$54 per square foot. This variation between businesses can be due to a number of factors, including crop density, yield per square foot, the number of harvests per year and the wholesale price paid for the end product.

To account for this variation, we then divided the total tax paid by all operators by both the licensed square footage and the square footage of canopy to derive rates that, when applied to all operators equally, would generate the same total amount of revenue for the City. The equivalent rate for taxing the state-licensed square footage would be \$20/sf. The equivalent rate for taxing the square footage of canopy would be \$28/sf.

**Figure 3:**

Square Footage Equivalents for Current Gross Receipts Revenues							
Operator	DCC License Type	Licensed SF	Canopy SF	Tax Paid 21/22	Est. Gross Receipts	Licensed SF Rate	Canopy SF Rate
Business A	Medium Indoor	22,000	16,000	\$516,371	\$5,163,710	\$23	\$32
Business B	Medium Indoor	22,000	17,000	\$435,616	\$4,356,161	\$20	\$26
Business C	Small Indoor	10,000	8,832	\$318,417	\$3,184,166	\$32	\$36
Business D	Small Indoor	10,000	7,090	\$150,380	\$1,503,800	\$15	\$21
Business E	Small Indoor	10,000	10,000	\$147,501	\$1,475,006	\$15	\$15
Business F	Small Indoor	10,000	3,720	\$106,830	\$1,068,300	\$11	\$29
Business G	Specialty Indoor	5,000	2,232	\$106,405	\$1,064,046	\$21	\$48
Business H	Cottage Indoor	500	480	\$25,700	\$257,000	\$51	\$54
Business I	Cottage Indoor	500	360	\$12,560	\$125,600	\$25	\$35
Business J	Cottage Indoor	500	320	\$3,450	\$34,500	\$7	\$11
		90,500	66,034	\$1,823,229	\$18,232,289	\$20	\$28

Based on this analysis we recommend that the City consider a cultivation tax based on the licensed square footage as determined by the state license type, with the rate set at \$20 per square foot. Under this rate, four of the City's cultivation businesses would see their tax payment increase, while another four would see their payment to the City decrease. Two other businesses would pay essentially the same amount.

In addition to those cultivation businesses shown above that have been operating for over a year, the City provided information showing 6 additional businesses that are operating but do not yet have a full year of revenues to analyze and 9 additional cultivation facilities that are under construction. Data provided by the City showed these 15 businesses would comprise a total of 231,000 square feet of permitted cultivation area. Once operational, these facilities would generate additional annual cannabis tax revenue for the City.

**EXHIBIT A**

**ORDINANCE NO. \_\_\_\_\_**

**AN ORDINANCE OF THE CITY OF NEEDLES, CALIFORNIA ADDING  
ARTICLE (INSERT)(CANNABIS BUSINESS TAX) TO CHAPTER 20, OF  
THE NEEDLES MUNICIPAL CODE ESTABLISHING A TAX ON  
CANNABIS AND HEMP BUSINESS ACTIVITIES WITHIN THE CITY AND  
SUSPENDING ARTICLE VIII**

**THE PEOPLE OF THE CITY OF NEEDLES DO ORDAIN AS FOLLOWS:**

**SECTION 1. CODE AMENDMENT.** Article (INSERT) , is added to Chapter 20, of the Needles City Municipal Code to read as follows:

**ARTICLE (INSERT)  
CANNABIS BUSINESS TAX**

- 20-40-1 Title.
- 20-40-2 Authority and purpose.
- 20-40-3 Intent.
- 20-40-4 Definitions.
- 20-40-5 Tax imposed.
- 20-40-6 Registration, reporting, and remittance of tax.
- 20-40-7 Payments and communications –timely remittance.
- 20-40-8 Payment – when taxes deemed delinquent.
- 20-40-9 Notice not required by City.
- 20-40-10 Penalties and interest.
- 20-40-11 Refunds and credits.
- 20-40-12 Refunds and procedures.
- 20-40-13 Personal cultivation not taxed.
- 20-40-14 Administration of the tax.
- 20-40-15 Appeal procedure.
- 20-40-16 Enforcement –action to collect.
- 20-40-17 Apportionment.
- 20-40-18 Constitutionality and legality.
- 20-40-19 Audit and examination of premises and records.
- 20-40-20 Other licenses, permits, taxes or charges.
- 20-40-21 Payment of tax does not authorize unlawful business.
- 20-40-22 Deficiency determinations.
- 20-40-23 Failure to report – nonpayment, fraud.
- 20-40-24 Tax assessment –notice requirements.
- 20-40-25 Tax assessment – hearing, application, and determination.
- 20-40-26 Relief from taxes-disaster relief.
- 20-40-27 Conviction for violation – taxes not waived.
- 20-40-28 Violation deemed misdemeanor.

- 20-40-29 Severability.
- 20-40-30 Remedies cumulative.
- 20-40-31 Amendment or modification.

**20-40-1 Title.**

This ordinance shall be known as the Cannabis Business Tax Ordinance. This ordinance shall be applicable in the City of Needles, California which shall be referred to herein as "City."

**20-40-2 Authority and Purpose.**

The purpose of this Ordinance is to adopt a tax, for revenue purposes, pursuant to Sections 37101, and 37101.5 of the Revenue and Taxation Code, upon cannabis and hemp businesses that engage in business in the City. The Cannabis Business Tax is levied based upon business gross receipts except for commercial cannabis cultivation or commercial industrial hemp cultivation which shall be taxed on square footage. It is not a sales and use tax, a tax upon income, or a tax upon real property and shall not be calculated or assessed as such. The Cannabis Business Tax shall not be separately identified or otherwise specifically assessed or charged to any member, customer, patient, or caretaker. The Cannabis Business Tax is a general tax enacted solely for general, governmental purposes of the City and not for specific purposes. All of the proceeds from the tax imposed by this Article shall be placed in the City's general fund and be available for any lawful City purpose.

**20-40-3 Intent.**

The intent of this Ordinance is to levy a tax on all cannabis or industrial hemp businesses that operate in the City, regardless of whether such business would have been legal at the time this Article was adopted. Nothing in this Article shall be interpreted to authorize or permit any business activity that would not otherwise be legal or permissible under laws applicable to the activity at the time the activity is undertaken.

**20-40-4 Definitions.**

The following words and phrases shall have the meanings set forth below when used in this Article:

- A. An "arm's length transaction" is a sale entered into in good faith and for valuable consideration at a sales price that reflects the fair market value in the open market between two informed and willing parties, neither under any compulsion to participate in the transaction.
- B. "Business" shall include all activities engaged in or caused to be engaged in within the City, including any commercial or industrial enterprise, trade, profession, occupation, vocation, calling, or livelihood, whether or not carried on for gain or profit, but shall not

include the services rendered by an employee to his or her employer.

C. "Calendar year" means January 1 through December 31, of the same year.

D. "Cannabis" means all parts of the plant *Cannabis sativa* Linnaeus, *Cannabis indica*, or *Cannabis ruderalis*, whether growing or not; the seeds thereof; the resin, whether crude or purified, extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin. "Cannabis" also means the separated resin, whether crude or purified, obtained from cannabis. "Cannabis" shall not include "industrial hemp," unless otherwise specified.

E. "Cannabis product" means raw cannabis that has undergone a process whereby the raw agricultural product has been transformed into a concentrate, an edible product, or a topical product. "Cannabis product" also means cannabis products as defined by Section 11018.1 of the California Health and Safety Code and is not limited to medicinal cannabis products.

F. "Cannabis business" means any business activity involving cannabis or industrial hemp, including but not limited to cultivating, transporting, distributing, manufacturing, compounding, converting, processing, preparing, storing, packaging, delivering, testing, dispensing, retailing, and wholesaling of cannabis, cannabis products, industrial hemp, industrial hemp products or of ancillary products and accessories, whether or not carried on for gain or profit.

G. "Cannabis business tax" means the tax due pursuant to this Article for engaging in a cannabis business in the City.

H. "Commercial cannabis cultivation" means cultivation of cannabis or industrial hemp undertaken in the course of conducting a cannabis business.

I. "Commercial cannabis license" means a permit, license, certificate, or other approval issued by the City to a person to authorize that person to operate a cannabis business or engage in business as a cannabis business within the City.

J. "Cultivation" means any activity involving the planting, growing, harvesting, drying, curing, grading, or trimming of cannabis or industrial hemp and includes, but is not limited to, the operation of a nursery.

K. "Employee" means each and every person engaged in the operation or conduct of any business, whether as owner, member of the owner's family, partner, associate, agent, manager, or solicitor, and each and every other person employed or working in such business for a wage, salary, commission, barter or any other form of compensation.

L. "Engaged in business as a cannabis business" means the commencing, conducting,



operating, managing, or carrying on of a cannabis business, whether done as owner, or by means of an officer, agent, manager, employee, or otherwise, whether operating from a fixed location in the City or coming into the City from an outside location to engage in such activities. A person shall be deemed engaged in business within the City if:

1. Such person or person's employee maintains a fixed place of business within the City for the benefit or partial benefit of such person;
2. Such person or person's employee owns or leases real property within the City for business purposes;
3. Such person or person's employee regularly maintains a stock of tangible personal property in the City for sale in the ordinary course of business;
4. Such person or person's employee regularly conducts solicitation of business within the City; or
5. Such person or person's employee performs work or renders services in the City.

The foregoing specified activities shall not be a limitation on the meaning of "engaged in business."

M. "Evidence of doing business" means evidence such as, without limitation, use of signs, circulars, cards, or any other advertising media, including the use of internet or telephone solicitation, or representation to a government agency or to the public that such person is engaged in a cannabis business in the City.

N. "Fiscal year" means July 1, through June 30, which is the period used by the City for financial reporting and budgeting.

O. "Gross Receipts," except as otherwise specifically provided, means, whether designated as a sales price, royalty, rent, membership fee, ATM service fee, delivery fee, slotting fee, any other fee, vaping room service charge, commission, dividend, or other designation, the total amount (including all receipts, cash, credits, services and property of any kind or nature) received or payable for sales of goods, wares or merchandise, or for the performance of any act or service of any nature for which a charge is made or credit allowed (whether such service, act or employment is done as part of or in connection with the sale of goods, wares, merchandise or not), without any deduction therefrom on account of the cost of the property sold, the cost of materials used, labor or service costs, interest paid or payable, losses or any other expense whatsoever. In the event the business is involved in a "non-arms" length transaction the gross receipts will be subject to the fair market value using a methodology approved by the Tax Administrator. However, the following shall be excluded from Gross Receipts:

1. Cash discounts were allowed and taken on sales;

2. Any tax required by law to be included in or added to the purchase price and collected from the consumer or purchaser;

3. Such part of the sale price of any property returned by purchasers to the seller as refunded by the seller by way of cash or credit allowances or return of refundable deposits previously included in gross receipts;

4. Receipts derived from the occasional sale of used, obsolete or surplus trade fixtures, machinery or other equipment used by the taxpayer in the regular course of the taxpayer's business;

5. Cash value of sales, trades or transactions between departments or units of the same business located in the City of Needles and if authorized by the Tax Administrator in writing in accordance with Section 20-40-14 (B);

6. Whenever there are included within the gross receipts amounts which reflect sales for which credit is extended and such amount proved uncollectible in a subsequent year, those amounts may be excluded from the gross receipts in the year they prove to be uncollectible; provided, however, if the whole or portion of such amounts excluded as uncollectible are subsequently collected, they shall be included in the amount of gross receipts for the period when they are recovered;

7. Receipts of refundable deposits, except that such deposits when forfeited and taken into income of the business shall not be excluded;

8. Amounts collected for others where the business is acting as an agent or trustee and to the extent that such amounts are paid to those for whom collected. These agents or trustees must provide the Tax Administrator with the names and the addresses of the others, and the amounts paid to them. This exclusion shall not apply to any fees, percentages, or other payments retained by the agent or trustees;

9. Payments made by the tax-reporting cannabis business (Seller) to a cannabis business (Buyer) for the difference in the original acquisition price and subsequent renegotiated or finalized selling price of products or services sold to a specific end customer. This type of transaction is referred to as a "Billback". The tax-reporting cannabis business must provide supporting documentation to substantiate the transaction in order to be eligible for an exemption.

10. Any business which sells industrial hemp and/or hemp products or offers services or activities related to industrial hemp or hemp products and /or which is not required to obtain a cannabis or industrial hemp permit or license from the City or the State for the purpose of cultivating, growing, drying, curing, manufacturing, processing, packaging, transporting, distributing, testing or selling of industrial hemp either wholesale or retail

shall be exempt from the cannabis tax provided that such business does not generate more than 50% of their total gross receipts in the reporting period from the business from industrial hemp activities. However, the exemption may be amended by the City Council by resolution or ordinance pursuant to Section 20-40-5 (B) to increase or decrease the percentage of the business's hemp and/or hemp products gross receipts reporting from zero to one hundred percent. To the extent the gross receipts from the hemp activities do not meet the relevant percentage to be included, this exclusion shall reduce the gross receipts to zero for the sole purpose of calculating the cannabis tax.

P. "Industrial hemp" means a crop that is limited to types of the plant *Cannabis sativa* L. having no more than three-tenths of 1 percent tetrahydrocannabinol (THC) contained in the dried flowering tops, whether growing or not; the seeds of the plant; the resin extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds or resin produced therefrom. However, should the federal or state legislative body increase or decrease the percentage of tetrahydrocannabinol (THC) then this new limit shall be applicable to the tax unless modified by resolution or ordinance of the City Council pursuant to Section 20-40-31.

Q. "Industrial hemp products" means any raw hemp that has undergone a process whereby the raw agricultural product has been transformed into a concentrate, an edible product, or a topical product. "Hemp product" also means hemp products as defined by Section 11018.5 of the California Health and Safety Code.

R. "Lighting" means a source of light that is primarily used for promoting the biological process of plant growth. Lighting does not include sources of light that primarily exist for the safety or convenience of staff or visitors to the facility, such as emergency lighting, walkway lighting, or light admitted via small skylights, windows, or ventilation openings.

S. "Medicinal cannabis" or "medicinal cannabis product" means cannabis or a cannabis product, intended to be sold or sold for use pursuant to the Compassionate Use Act of 1996 (Proposition 215), found at Section 11362.5 of the Health and Safety Code, for a medicinal cannabis patient in California who possesses a physician's recommendation, or a cannabis card issued pursuant to Health and Safety Code Section 11362.71.

T. "Nursery" means a facility or part of a facility that is used only for producing clones, immature plants, seeds, and other agricultural products used specifically for the planting, propagation, and cultivation of cannabis or industrial hemp.

U. A "non-arm's length transaction" is a transaction that does not meet the definition of an "arm's length transaction." In other words, the transaction is not a sale entered into in good faith and that reflects fair market value in the open market. One example of a non-arm's length transaction would be when a cultivator sells cannabis goods to a cannabis distributor at a sales price that is lower than what the same cultivator would to other cannabis distributors, or which does not reflect the fair market value in the open market.

V. "Person" means an individual, firm, partnership, joint venture, association, corporation, limited liability company, estate, trust, business trust, receiver, syndicate, or any other group or combination acting as a unit, whether organized as a nonprofit or for-profit entity, and includes the plural as well as the singular number.

W. "Processing" means a cultivation site that conducts only trimming, drying, curing, grading, packaging, or labeling of cannabis, industrial hemp and nonmanufactured cannabis products.

X. "Retailer" means a person as defined in Section 20-40-4 (V) who sells cannabis, cannabis products, hemp and/or hemp products at their place of business or by delivery to an end user or customer for use or consumption rather than to another person or business for resale.

Y. "Sale" "Sell" and "to sell" means and includes any sale, exchange, or barter either as a retailer or wholesaler by a person as defined by Section 20-40-4 (V) . It shall also mean any transaction whereby, for any consideration, title to cannabis, cannabis products, industrial hemp and/or industrial hemp products are transferred from one person to another and includes the delivery of cannabis, cannabis products, industrial hemp and/or industrial hemp products pursuant to an order placed for the purchase of the same, but does not include the return of cannabis, cannabis products, industrial hemp and/or industrial hemp products to the licensee from whom the cannabis, cannabis product, industrial hemp and/or industrial hemp product was purchased.

Z. "State" means the State of California.

AA. "State license," "license," or "registration" means a state license issued pursuant to California Business & Professions Code Section 26050, and all other applicable state laws, required for operating a cannabis business.

AB. "Tax Administrator" means the City Manager of the City of Needles or his/her designee(s).

AC. "Testing Laboratory" means a cannabis business that (i) offers or performs tests of cannabis, cannabis products, industrial hemp and/or industrial hemp products (ii) offers no service other than such tests, (iii) sells no products, excepting only testing supplies and materials, (iv) is accredited by an accrediting body that is independent from all other persons involved in the cannabis industry in the state and (v) is registered with the Department of Cannabis Control or other state agency.

## **20-40-5 Tax Imposed.**

A. Beginning January 1, 2023, there is imposed upon each person who is engaged in business as a cannabis business a cannabis business tax. Such tax is payable

regardless of whether the person has been issued a commercial cannabis business license, permit, or certificate to operate lawfully in the City or is operating unlawfully. The City's acceptance of a cannabis business tax payment from a cannabis business operating illegally shall not constitute the City's approval or consent to such illegal operations.

- B. The City Council may, by resolution or ordinance, increase or decrease the rate of the cannabis business tax, including the initial rate of cannabis business tax. The City Council may, by resolution or ordinance, increase or decrease the rate of the medicinal cannabis business tax, including the initial rate of the medicinal cannabis business tax, independent of other cannabis business tax activities. In addition, the City Council may, by resolution or ordinance, increase or decrease the rate of the cannabis business tax on hemp or hemp products, including the initial rate of the tax on hemp or hemp products independent of other cannabis activities. Notwithstanding the foregoing, in no event shall the City Council repeal this tax or set any adjusted rate that exceeds the maximum rates calculated pursuant to this Article.
- C. The maximum rate of the cannabis business tax shall be calculated as follows:
  - 1. For every person engaged in commercial cannabis cultivation, including cultivation of industrial hemp, in the City:
    - a. Through January 1, 2026, the annual maximum rate shall be:
      - i. Twenty dollars (\$20) per square foot of the state licensed maximum cultivation area in a facility that uses exclusively artificial lighting.
      - ii. Twenty dollars (\$20) per square foot of state licensed maximum cultivation area in a facility that uses a combination of natural and supplemental lighting as defined in Section 20-40-4 (S) of this Article.
      - iii. Twenty dollars (\$20) per square foot of state licensed maximum cultivation area in a facility that uses no artificial lighting.
      - iv. Twenty dollars (\$20) per square foot of state licensed maximum cultivation area for any nursery.
    - b. The square footage tax due shall be paid based on the type of cultivation license issued by the state and/or city. The tax will not be prorated or adjusted for reduction in the square footage utilized by the business unless duly authorized by the Tax Administrator.
  - 2. On January 1, 2026 and on each January 1, thereafter, the maximum



regardless of whether the person has been issued a commercial cannabis business license, permit, or certificate to operate lawfully in the City or is operating unlawfully. The City's acceptance of a cannabis business tax payment from a cannabis business operating illegally shall not constitute the City's approval or consent to such illegal operations.

- B. The City Council may, by resolution or ordinance, increase or decrease the rate of the cannabis business tax, including the initial rate of cannabis business tax. The City Council may, by resolution or ordinance, increase or decrease the rate of the medicinal cannabis business tax, including the initial rate of the medicinal cannabis business tax, independent of other cannabis business tax activities. In addition, the City Council may, by resolution or ordinance, increase or decrease the rate of the cannabis business tax on hemp or hemp products, including the initial rate of the tax on hemp or hemp products independent of other cannabis activities. Notwithstanding the foregoing, in no event shall the City Council repeal this tax or set any adjusted rate that exceeds the maximum rates calculated pursuant to this Article.
- C. The maximum rate of the cannabis business tax shall be calculated as follows:
  - 1. For every person engaged in commercial cannabis cultivation, including cultivation of industrial hemp, in the City:
    - a. Through January 1, 2026, the annual maximum rate shall be:
      - i. Twenty dollars (\$20) per square foot of the state licensed maximum cultivation area in a facility that uses exclusively artificial lighting.
      - ii. Twenty dollars (\$20) per square foot of state licensed maximum cultivation area in a facility that uses a combination of natural and supplemental lighting as defined in Section 20-40-4 (S) of this Article.
      - iii. Twenty dollars (\$20) per square foot of state licensed maximum cultivation area in a facility that uses no artificial lighting.
      - iv. Twenty dollars (\$20) per square foot of state licensed maximum cultivation area for any nursery.
    - b. The square footage tax due shall be paid based on the type of cultivation license issued by the state and/or city. The tax will not be prorated or adjusted for reduction in the square footage utilized by the business unless duly authorized by the Tax Administrator.
    - c. On January 1, 2026 and on each January 1, thereafter, the maximum

annual tax rates specified in Subsection 20-40-5 (C) (1) (a), shall increase by the percentage increase in the Consumer Price Index ("CPI") for consumers in the Riverside-San Bernardino-Ontario area as published by the United States Government Bureau of Labor Statistics. However, no CPI adjustment resulting in a decrease of any tax imposed by this subsection shall be made.

2. For every person engaged in the operation of a testing laboratory for cannabis, cannabis products, industrial hemp and/or industrial hemp products the person shall be subject to the maximum tax rate not to exceed ten percent (10%) of gross receipts.

3. For every person engaged in retail sales of cannabis, cannabis products, industrial hemp, and/or industrial hemp products, including as a retailer (dispensary) or non-storefront retailer (retail delivery business), or microbusiness, the person shall be subject to the maximum tax rate not to exceed ten percent (10%) of gross receipts.

4. For every person engaged in distribution of cannabis, cannabis products, industrial hemp and/or industrial hemp products, the person shall be subject to the maximum tax rate not to exceed ten percent (10%) of gross receipts.

5. For every person engaged in manufacturing or processing of cannabis, cannabis products, industrial hemp and/or industrial hemp products, or any other type of cannabis business not described in Section 20-40-5 (C) (1), (2), (3), or (4) the person shall be subject to the maximum tax rate not to exceed ten percent (10%) of gross receipts.

- D. Persons subject to the cannabis business tax shall register with the City in the similar manner as businesses required under Chapter 12 for a new cannabis business license or renewal and if applicable pay the registration fee adopted by resolution or ordinance by the City Council.

## **20-40-6**

### **Registration, reporting and remittance of tax.**

- A. Registration of Cannabis Business. All cannabis businesses shall be required to annually register as follows:

1. All persons engaging in business as a cannabis business, whether an existing, newly established or acquired business shall register with the Tax Administrator within thirty (30) calendar days of commencing operation and shall annually renew such registration within 30 calendar days of the business registration anniversary date of each year thereafter. In registering, such persons shall furnish to the Tax Administrator a sworn statement, upon a form

prescribed by the Tax Administrator, setting forth the following information:

- i. The name of the business
  - ii. The names and addresses of each owner
  - iii. The exact nature or kind of business;
  - iv. The place where such business is to be carried on; and
  - v. Any additional information which the Tax Administrator may require.
- B. An annual renewal fee in accordance with the current and approved City fee schedule shall be presented with the sworn statement submitted under this Article. This fee shall not be considered a tax as described in Chapter 12 and may be adjusted annually by resolution or ordinance of the City Council.
- C. The cannabis business tax imposed by this Article shall be paid, in arrears, on a monthly basis. Each person owing a cannabis business tax shall on or before the last day of the month following the close of each month file with the Tax Administrator a statement ("tax statement") of the tax owed for that calendar month and the basis for calculating that tax. The Tax Administrator may require that the tax statement be submitted on a form prescribed by the Tax Administrator. The tax for each calendar month shall be due and payable on the same date that the tax statement is due.
- D. Upon cessation of a cannabis business, tax statements and payments shall be immediately due for all calendar months up through the calendar month during which cessation occurred.
- E. In the event that there is a change in ownership of any cannabis business:
  - a. The new owner is required to submit an updated registration form to the Tax Administrator;
  - b. The new owner is subject to an audit by the Tax Administrator; and
  - c. Unless otherwise provided by law, it is the joint and several liability of both the seller and buyer to remit any taxes, interest, penalties, and fees due up until the date of sale; otherwise, enforcement action may be taken pursuant to Section 20-40-16 of this Article against both the seller and/or buyer in an amount to be determined by the Tax Administrator.
- F. The Tax Administrator may, at his or her discretion, establish alternative reporting and payment periods for any taxpayer as the Tax Administrator deems necessary to ensure effective collection of the cannabis business tax. The Tax Administrator may also require that a deposit, to be applied against the taxes for a calendar

month, be made by a taxpayer at the beginning of that calendar month. In no event shall the deposit required by the Tax Administrator exceed the tax amount he or she projects will be owed by the taxpayer for the calendar month. The Tax Administrator may require that a taxpayer make payments via a cashier's check, money order, wire transfer, or similar instrument.

**20-40-7                      Payments and communications – timely remittance.**

Whenever any payment, statement, report, request, or other communication is due, it must be received by the Tax Administrator on or before the due date. A postmark will not be accepted as timely remittance. If the due date would fall on a Saturday, Sunday or a holiday observed by the City, the due date shall be the next regular business day on which the City is open to the public.

**20-40-8                      Payment - when taxes deemed delinquent.**

Unless otherwise specifically provided under other provisions of this Article, the taxes required to be paid pursuant to this Article shall be deemed delinquent if not received by the Tax Administrator on or before the due date as specified in Sections 20-40-6 and 20-40-7.

**20-40-9                      Notice not required by the City.**

The City may as a courtesy send a tax notice to the cannabis business which owes the City a cannabis business tax. However, the Tax Administrator is not required to send a delinquency or other notice or bill to any person subject to the provisions of this Article. Failure to send such notice or bill shall not affect the validity of any tax or penalty due under the provisions of this Article.

**20-40-10                    Penalties and interest.**

A. Any person who fails or refuses to pay any cannabis business tax required to be paid pursuant to this Article on or before the due date shall pay penalties and interest as follows:

1. A penalty equal to ten percent (10%) of the amount of the tax, plus interest on the unpaid tax calculated from the due date of the tax at the rate of one percent (1%) per month.

2. If the tax remains unpaid for a period exceeding one calendar month beyond the due date, an additional penalty equal to twenty-five percent (25%) of the amount of the tax, plus interest at the rate of one percent (1%) per month on the unpaid tax and on the unpaid penalties.

3. Interest shall be applied at the rate of one percent (1%) per month on the first day of the month for the full month and will continue to accrue monthly on the tax and penalty until the balance is paid in full.

B. Whenever a check or electronic payment is submitted in payment of a cannabis business tax and the payment is subsequently returned unpaid by the bank for any reason, the taxpayer will be liable for the tax amount due plus any fees, penalties, and interest as provided for in this Article, and any other amount allowed under state law.

C. The Tax Administrator may waive the penalties imposed upon any person under this Section 20-40-10 if:

1. The person requests a waiver of penalties by submitting a written request for waiver to the Tax Administrator no later than June 30 of the second fiscal year following the fiscal year in which the tax became delinquent; and

2. The person provides evidence satisfactory to the Tax Administrator that the failure to pay timely was due to circumstances beyond the control of the person and occurred notwithstanding the exercise of ordinary care and in the absence of willful neglect; and the person paid the delinquent taxes, penalties, accrued interest, and fees owed prior to applying to the Tax Administrator for a waiver.

D. The waiver provisions specified in Section 20-40-10 (C) shall not apply to interest accrued on the delinquent taxes and a waiver shall be granted only once during any twenty-four month period. The Tax Administrator's decision on a request for a waiver of penalties is final and conclusive and not subject to appeal under Section 20-40-15.

#### **20-40-11 Refunds and credits.**

A. No refund shall be made of any tax collected pursuant to this Article, except as provided in Section 20-40-12.

B. No refund of any tax collected pursuant to this Article shall be made because of the discontinuation, dissolution, or other termination of a business.

C. Any person entitled to a refund of taxes paid pursuant to this Article may elect in writing to have such refund applied as a credit against such person's cannabis business tax for the next calendar month.

#### **20-40-12 Refunds and procedures.**

A. Whenever the amount of any cannabis business tax, penalty or interest has been overpaid, paid more than once, or has been erroneously collected or received by the City under this Article, it may be refunded to the claimant who paid the tax provided that a written claim for refund signed under the penalty of perjury is filed with the Tax Administrator within one (1) year of the date the tax was originally due or paid, whichever came first. A person may only file a claim for refund if the person paid the tax. No person shall be entitled to a refund unless the person can support the claim by written records sufficient to show entitlement thereto. The Tax Administrator's decision on a claim for refund is final and conclusive and not subject to appeal under Section 20-40-15.



B. The Tax Administrator, his or her designee which may include a third party, or any other City officer charged with the administration of this Article shall have the right to examine and audit all the books and business records of the claimant in order to determine the eligibility of the claimant to the claimed refund. No claim for refund shall be allowed if the claimant refuses to allow such examination of claimant's books and business records after requested by the Tax Administrator to do so. The Tax Administrator may collect a fee adopted by resolution by the City Council to pay for the cost of examination and audit should the books and records be provided in a form insufficient to allow the Tax Administrator to make a determination on the claim for refund.

C. In the event that the cannabis business tax was erroneously paid in an amount in excess of the tax due, and the error is attributable to the City, the City shall refund the amount of tax erroneously paid; provided that (i) a claim for refund has been timely filed with the Tax Administrator; and (ii) the refund cannot exceed, under any circumstance, the amount of tax overpaid during the twelve months preceding the last month for which the claim states the tax was overpaid.

**20-40-13                      Personal Cultivation Not Taxed.**

The provisions of this Article shall not apply to personal cannabis cultivation or personal use of cannabis, to the extent those activities are authorized in the "Medicinal and Adult Use Cannabis Regulation and Safety Act," as may be amended. This Article shall not apply to personal use of cannabis that is specifically exempted from state licensing requirements, that meets the definition of personal use or equivalent terminology under state law, and provided that the individual receives no compensation whatsoever related to that personal cultivation or use.

**20-40-14                      Administration of the tax.**

A. It shall be the duty of the Tax Administrator to collect the taxes, interest, penalties, fees, and perform the duties required by this Article.

B. For purposes of administration and enforcement of this Article generally, the Tax Administrator with the concurrence of the City Attorney, may from time to time promulgate such administrative interpretations, rules, and procedures consistent with the purpose, intent, and express terms of this Article as he or she deems necessary to implement or clarify such provisions or aid in enforcement.

C. The Tax Administrator may take such administrative actions as needed to administer the cannabis business tax, including but not limited to:

1. Provide to all cannabis business taxpayers forms for the reporting of the tax;
2. Provide information to any taxpayer concerning the provisions of this Article;
3. Receive and record all taxes remitted to the City as provided in this Article;

4. Maintain records of taxpayer reports and taxes collected pursuant to this Article;
5. Assess penalties and interest to taxpayers pursuant to this Article;
6. Determine amounts owed under and enforce collection pursuant to this Article.

**20-40-15                      Appeal procedure.**

A taxpayer aggrieved by a decision of the Tax Administrator with respect to the amount of tax, interest, penalties, and fees, if any, due under this Article may appeal only if a hearing was requested and attended pursuant to Section 20-40-25. An appeal may be made by filing a notice of appeal with the City Clerk within twenty-one (21) calendar days of the serving or mailing of the Tax Administrator's decision of the amount due. Upon receipt of a timely notice of appeal, the City Clerk, or his or her designee, shall fix a time and place for hearing such appeal with a hearing officer or other appointed body by the City Council. The City Clerk, or his or her designee, shall give at least ten (10) calendar days' notice of the appeal hearing in writing to such taxpayer at the last known place of address. The hearing officer shall render a written decision that shall be served on the taxpayer at the last known place of address. The decision of the hearing officer shall be final and conclusive. Any amount found to be due by the hearing officer shall be immediately due and payable upon the service of the decision. If no notice of appeal is filed within the time prescribed in this Section, the Tax Administrator's decision with respect to the amount of tax, interest, penalties, and fees due is final and conclusive.

**20-40-16                      Enforcement - action to collect.**

A. Any taxes, interest, penalties, and/or fees required to be paid under the provisions of this Article shall be deemed a debt owed to the City. Any person owing money to the City under the provisions of this Article shall be liable in an action brought in the name of the City for the recovery of such debt. The provisions of this Article shall not be deemed a limitation upon the right of the City to bring any other action including criminal, civil and equitable actions, based upon the failure to pay the tax, interest, penalties, and/or fees imposed by this Article or the failure to comply with any of the provisions of this Article.

**20-40-17                      Apportionment.**

If a person subject to the tax is operating both within the City and outside the City, it is the intent of the City to apply the cannabis business tax so that the measure of the tax fairly reflects the proportion of the taxed activity actually carried on in the City. To the extent federal or state law requires that any tax due from any taxpayer be apportioned, the taxpayer may indicate said apportionment on his or her tax return. The Tax Administrator may promulgate administrative procedures for apportionment as he or she finds useful or necessary.

**20-40-18                      Constitutionality and legality.** This tax is intended to be applied in a manner consistent with the United States and California Constitutions and state law. None of the tax provided for by this Article shall be applied in a manner that causes an undue burden

upon interstate commerce, a violation of the equal protection or due process clauses of the Constitutions of the United States or the State of California or a violation of any other provision of the California Constitution or state law. If a person believes that the tax, as applied to him or her, is impermissible under applicable law, he or she may request that the Tax Administrator release him or her from the obligation to pay the impermissible portion of the tax.

**20-40-19                      Audit and examination of premises and records.**

A.        For the purpose of ascertaining the amount of cannabis business tax owed or verifying any representations made by any taxpayer to the City in support of his or her tax calculation, the Tax Administrator or his/her designees which may include a third party shall have the power to inspect any location where commercial cannabis activity occurs and to audit and examine all books and records (including, but not limited to bookkeeping records, access to METRC data, and/or point-of-sale data, state and/or federal income tax returns, excise tax returns, space utilized for cannabis related activities, and other records relating to the gross receipts of the business) of persons engaged in cannabis businesses. In conducting such investigation, the Tax Administrator, or his/her designees which may include a third party shall have the power to inspect any space utilized for cannabis business related activities, equipment or software, such as computers, software systems, platforms, and databases (including METRC), and/or point of sale systems, to include any keys or access codes for access to and use of the equipment and/or software, that may contain such records.

B.        It shall be the duty of every person liable for the collection and payment to the City of any tax imposed by this Article to keep and preserve, for a period of at least three (3) years, or longer if required by any state law or any other Chapter of the Needles Municipal Code all records as may be necessary to determine the amount of such tax as he or she may have been liable for the collection of and payment to the City, which records the Tax Administrator or his/her designee which may include a third party shall have the right to inspect at all reasonable times.

**20-40-20                      Other licenses, permits, taxes, fees, or charges.**

A.        Nothing contained in this Article shall be deemed to repeal, amend, be in lieu of, replace or in any way affect any requirements for any commercial cannabis license, City license, permit, or other certificate required by, under or by virtue of any provision of any other Article of this code or any other ordinance or resolution of the City, nor be deemed to repeal, amend, be in lieu of, replace or in any way affect any tax, fee or other charge imposed, assessed or required under any other Article of this code or any other ordinance or resolution of the City. Any references made or contained in any other Article of this code to any licenses, permits, certificates, taxes, fees, or charges, or to any schedule of license, permit, certificate, or fees, shall be deemed to refer to the licenses, permits or certificates, and their respective taxes, fees or charges, or schedule of fees, provided for in other Articles of this code.

B.        A commercial cannabis license issued under the Needles Municipal Code may be revoked, suspended or not renewed in the event that the business holding that license has failed

to (i) make a deposit required by the Tax Administrator pursuant to Section 20-40-6 or (ii) timely pay all taxes, interest and penalties owed by that business under this Article.

**20-40-21 Payment of tax does not authorize unlawful business.**

A. The payment of a cannabis business tax required by this Article, and its acceptance by the City, shall not entitle any person to carry on any cannabis business unless the person has complied with all of the requirements of this code and all other applicable state laws.

B. No tax paid under the provisions of this Article shall be construed as authorizing the conduct or continuance of any illegal or unlawful business, or any business in violation of any local or state law.

**20-40-22 Deficiency determinations.**

If the Tax Administrator is not satisfied that any statement filed as required under the provisions of this Article is correct, or that the amount of tax is correctly computed, he or she may compute and determine the amount to be paid and make a deficiency determination upon the basis of the facts contained in the statement or upon the basis of any information in his or her possession or that may come into his or her possession within three (3) years of the date the tax was originally due and payable. One or more deficiency determinations of the amount of tax due for a period or periods may be made. When a person discontinues engaging in a cannabis business, a deficiency determination may be made at any time within three (3) years thereafter as to any liability arising from engaging in such cannabis business whether or not a deficiency determination is issued prior to the date the tax would otherwise be due. Whenever a deficiency determination is made, a notice shall be given to the person concerned in the same manner as notices of assessment are given under Sections 20-40-24 and 20-40-25.

**20-40-23 Failure to report—nonpayment, fraud.**

A. Under any of the following circumstances, the Tax Administrator may make and give notice of an assessment of the amount of tax owed by a person under this Article at any time:

1. If the person has not filed a complete statement required under the provisions of this Article;
2. If the person has not paid the tax due under the provisions of this Article;
3. If the person has not, after demand by the Tax Administrator, filed a corrected statement, or furnished to the Tax Administrator adequate substantiation of the information contained in a statement already filed, or paid any additional amount of tax due under the provisions of this Article; or
4. If the Tax Administrator determines that the nonpayment of any cannabis business tax due under this Article is due to fraud, a penalty of twenty-five percent (25%)

of the amount of the tax shall be added thereto in addition to penalties and interest otherwise payable under this Article and any other penalties allowed by law.

B. The notice of assessment shall separately set forth the amount of any tax known by the Tax Administrator to be due or estimated by the Tax Administrator, after consideration of all information within the Tax Administrator's knowledge concerning the business and activities of the person assessed, to be due under each applicable provision of this Article and shall include the amount of any penalties or interest accrued on each amount to the date of the notice of assessment. The notice shall state that the person has thirty (30) calendar days from the date of the notice to make a written request for an informal hearing before the Tax Administrator. The notice shall also state that if the person fails to timely request an informal hearing within the time allowed, the amount determined by the Tax Administrator is final and conclusive and is immediately due and payable.

**20-40-24 Tax assessment - notice requirements.**

The notice of assessment shall be served upon the person either by personal delivery, by overnight delivery by a nationally-recognized courier service, or by a deposit of the notice in the United States mail, postage prepaid thereon, addressed to the person at the address of the location of the business or to such other address as he or she shall register with the Tax Administrator for the purpose of receiving notices provided under this Article; or, should the person have no address registered with the Tax Administrator for such purpose, then to such person's last known address. For the purpose of Section 20-40-24, a service by overnight delivery shall be deemed to have occurred one (1) calendar day following deposit with a courier and service by mail shall be deemed to have occurred three (3) days following deposit in the United States mail.

**20-40-25 Tax assessment - hearing, application, and determination.**

Within thirty (30) calendar days after the date of service of the notice of assessment the person may apply in writing to the Tax Administrator for an informal hearing on the assessment. If application for an informal hearing is not made within the time herein prescribed, the tax assessed by the Tax Administrator shall become final and conclusive. Within thirty (30) calendar days of the receipt of any such application for an informal hearing, the Tax Administrator shall cause the matter to be set for an informal hearing before him or her, or his/her designee, no later than thirty (30) calendar days after the receipt of the application, unless a later date is agreed to by the Tax Administrator and the person requesting the informal hearing. Notice of such informal hearing shall be given by the Tax Administrator to the person requesting such informal hearing no later than five (5) calendar days prior to such informal hearing. A hearing under this section shall be informal and need not follow any formal rules of evidence. At such hearing said applicant may appear and offer evidence why the assessment as made by the Tax Administrator should not be confirmed and fixed as the tax due. After such hearing the Tax Administrator shall determine and reassess (if necessary) the proper amount of tax, interest, penalties, and fees to be charged and shall give written notice of the decision to the person in the manner prescribed in Section 20-40-24 for giving notice of assessment. No appeal of a notice of assessment may be made



under Section 20-40-15 unless an informal hearing is timely requested and the person attends the hearing. If the person fails to appear at the informal hearing, the amount due determined by the Tax Administrator in the notice of assessment is final and conclusive.

#### **20-40-26**

#### **Relief from taxes – disaster relief or crop failure.**

A. If a person is unable to comply with any tax requirement imposed under this Article due to a disaster impacting its cannabis business, the person may notify the Tax Administrator of its inability to comply and request relief from the tax requirement. For purposes of this Article, "disaster" means fire, flood, storm, tidal wave, earthquake, or similar public calamity resulting in physical damage to real property, whether or not resulting from natural causes.

B. The person shall provide any information required by the Tax Administrator including, without limitation, why relief is requested, the time period for which the relief is requested, and the reason relief is needed for the specific amount of time. The person agrees to grant the Tax Administrator or his/her designee access to the location where the cannabis business has been impacted due to a disaster.

C. If a person is unable to comply with any tax requirement imposed under this Article due to crop failure which impacts the cannabis business, the person must notify the Tax Administrator of its inability to comply and request relief from the tax requirement within five (5) calendar days from when the crop failure occurred in order to be considered eligible for such tax relief. The person must also agree to grant the Tax Administrator or his/her designee access to the location where the cannabis business has been impacted and shall not destroy any evidence which may be deemed essential to verify that such person qualifies for the tax relief.

For the purposes of Section 20-40-26 (C) ; "crop failure " means a greatly diminished crop yield relative to expectation, caused by the plants being damaged, killed, or destroyed, or affected in some way that they fail to form seeds, clones, mother plants, vegetative and/or flowering plants which must be destroyed as a result of viruses, pathogens, pest, bugs, locust, insects, mites, worms, fungi, bacteria, damaged water systems or plumbing, flooding, excessive heat damage, power outage, or other similar disaster which results in physical damage to cannabis plants and/or cannabis products.

D. The Tax Administrator, in his/her sole discretion, may provide relief from the cannabis business tax requirement for businesses whose operations have been impacted by a disaster or crop failure if such tax relief does not exceed ten thousand (\$10,000) dollars. Such temporary relief may be granted for a reasonable amount of time, in the Tax Administrator's sole discretion, and the amount and duration of relief should be based upon how long it would reasonably take for the cannabis business to recover from the disaster or crop failure. The Tax Administrator may require that the cannabis business follow certain conditions to receive temporary relief from the cannabis business tax requirement. The Tax Administrator's decision on a request for relief and the conditions that may be imposed for relief under this section are final and conclusive and not subject to appeal under Section 20-40-15. Should the

business wish to request tax relief which exceeds ten thousand (\$10,000) dollars resulting from a "disaster" or "crop failure" it shall only be granted upon approval of a majority of the City Council.

**20-40-27                      Conviction for violation - taxes not waived.**

The conviction and punishment of any person for failure to pay the required tax shall not excuse or exempt such person from any civil action for the tax debt unpaid at the time of such conviction. No civil action shall prevent a criminal prosecution for any violation of the provisions of this Article or of any state law requiring the payment of all taxes.

**20-40-28                      Violation deemed misdemeanor.**

Any person violating any of the provisions of this Article shall be guilty of a misdemeanor. Any violation of the provisions of this Article is unlawful and may be enforced pursuant to Needles Municipal Code Chapter 2-A and 12-A.

**20-40-29                      Severability.**

If any provision of this Article, or its application to any person or circumstance, is determined by a court of competent jurisdiction to be unlawful, unenforceable, or otherwise void, that determination shall have no effect on any other provision of this Article or the application of this Article to any other person or circumstance and, to that end, the provisions hereof are severable.

**20-40-30                      Remedies cumulative.**

All remedies and penalties prescribed by this Article, or which are available under any other provision of this code and any other provision of law or equity are cumulative. The use of one or more remedies by the City shall not bar the use of any other remedy for the purpose of enforcing the provisions of this Article.

**20-40-31                      Amendment or modification.**

Except as set forth in Section 20-40-31, this Article may be amended or modified but not repealed by the City Council without a vote of the people. However, as required by Article XIII C of the California Constitution, voter approval is required for any amendment that would expand, extend, or increase the rate of any tax levied pursuant to this Article beyond the maximums set forth in this Article. The people of the City of Needles affirm that the following actions shall not constitute an increase of the rate of a tax:

A.     The restoration or adjustment of the rate of the tax to a rate that is no higher than that allowed by this Article, in those circumstances where, among others, the City Council has previously acted to reduce the rate of the tax or is incrementally implementing an increase authorized by this Article;

B. An action that interprets or clarifies (i) the methodology of applying or calculating the tax or (ii) any definition applicable to the tax, so long as the interpretation or clarification (even if contrary to some prior interpretation or clarification) is not inconsistent with the provisions of this Article; or

C. The collection of the tax imposed by this Article even if the City had, for some period of time, failed to collect the tax.

**SECTION 2. SEVERABILITY.** If any section, subsection, sentence, clause, or phrase of this ordinance is for any reason held to be invalid, such decision shall not affect the validity of the remaining portions of this ordinance. The people of the City of Needles hereby declare that they would have passed this ordinance and each section, subsection, sentence, clause, and phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared invalid.

**SECTION 3. ENVIRONMENTAL COMPLIANCE.** The City Council hereby finds and determines that this resolution or ordinance is exempt from the California Environmental Quality Act, Public Resources Code Sections 21000 et seq. ("CEQA") and 14 Cal. Code Re. Sections 15000 et seq. ("CEQA Guidelines"). The calling and noticing of an election for the submission of a ballot measure to voters is not a project within the meaning of CEQA Guidelines 15378. The tax submitted to the voters is a general tax that can be used for any governmental purpose; it is not a commitment to any particular action or actions.

As such, under CEQA Guidelines Section 15378 (b)(4), the tax is not a project within the meaning of CEQA because it creates a government funding mechanism that does not involve any commitment to any specific project that may result in a potentially significant physical impact on the environment. If revenue generated by the tax were used for a purpose that would have such an effect, the City of Needles would undertake the required CEQA review for that particular project. Therefore, pursuant to CEQA Guideline Section 15060 CEQA analysis is not required.

**SECTION 4. SUSPENSION OF CANNABIS BUSINESS TAX.** While the taxes imposed by this ordinance are in effect, the tax imposed by Chapter 20, Article [insert] of the Needles Municipal Code is suspended. Should any or all of the taxes in this Ordinance be repealed, suspended, invalidated, rule unenforceable, or otherwise rendered ineffective, the tax imposed by Chapter 20, Article VIII shall return to force without further action by the voters of the City.

**SECTION 5. EFFECTIVE DATE.** Pursuant to the California Constitution, Article XIII C(2)(b) and California Elections Code § 9217, if a majority of the voters voting in the election on this measure vote in favor of the adoption of this measure, this ordinance shall be deemed valid and binding and shall be considered adopted upon the date that the vote is declared by the City Council and shall go into effect ten (10) days after that date.

This Ordinance was approved and adopted by the People of the City of Needles at the City's November 8, 2022 statewide election.

This Ordinance was approved by Declaration of the vote by the City Council of Needles on November 22, 2022.

Approved:

Attest:

\_\_\_\_\_  
Mayor Jeff Williams

\_\_\_\_\_  
City Clerk Dale Jones, CMC

Approved as to form:

\_\_\_\_\_  
City Attorney John Pickney

Draft