



**REGULAR MEETING OF THE  
CANYON LAKE CITY COUNCIL  
Wednesday, January 6, 2016  
Closed Session – 5:30 p.m.  
Open Session – 6:30 p.m.**

**City Council Chambers  
31516 Railroad Canyon Road  
Canyon Lake, CA 92587**

**Please turn off your cell phones during the meeting**

**CLOSED SESSION – 5:30 P.M.**

1. **Call to Order**
2. **Roll Call:** Council Members Ehrenkranz, Warren, Zaitz, Mayor Pro Tem Haggerty, Mayor Brown
3. **Public Comments** – Any person wishing to address the City Council on any matter within the jurisdiction of the City, whether or not it appears on this agenda, is asked to complete a “Speaker Request Form” available on the back counter. The completed form is to be submitted to the City Clerk prior to an individual being heard by the City Council. The City Council has adopted a time limitation of three (3) minutes per person. If you are commenting on the agenda item, your comments will be heard at the time that particular item is scheduled on the agenda. *Please note that if you are addressing the City Council on items NOT on the agenda, the Brown Act does not allow discussion of such items. Therefore, the City Council may only do the following: refer the matter to staff, ask for additional information or request a report back, or give a very limited factual response.*
4. **Closed Session**
  - a. Pursuant to Government Code Section 54956.9 d. (2)  
Conference with Legal Counsel - Anticipated Litigation, Significant Exposure to Litigation (one potential case)
  - b. Pursuant to Government Code Section 54958.9 d(1)  
Conference with Legal Counsel – Existing Litigation  
Name of Case: Helbock v. City of Canyon Lake, Case No. 522576
  - c. Pursuant to Government Code Section 54957  
Public Employee Performance Evaluation  
Title: Interim City Manager
  - d. Return/Report from Closed Session

**OPEN SESSION – 6:30 P.M.**

1. **Call Open Session to Order**
2. **Invocation – Pastor Peter Van Dyke of Canyon Lake Community Church**  
**Flag Salute**
3. **Roll Call:** Council Members Ehrenkranz, Warren, Zaitz, Mayor Pro Tem Haggerty, Mayor Brown
4. **Approval of City Council Agenda**
5. **Special Presentations and Proclamations:**
  - 5.1 **Chamber of Commerce Announcements**
  - 5.2 **Presentation of Proclamation to Wayne Quintos Executive Chef at the Sport's Stop For his achievements at Pechanga's Cook Off**
6. **Public Comments** – Any person wishing to address the City Council on any matter within the jurisdiction of the City, whether or not it appears on this agenda, is asked to complete a "Speaker Request Form" available on the back counter. The completed form is to be submitted to the City Clerk prior to an individual being heard by the City Council. The City Council has adopted a time limitation of three (3) minutes per person. If you are commenting on the agenda item, your comments will be heard at the time that particular item is scheduled on the agenda. *Please note that if you are addressing the City Council on items NOT on the agenda, the Brown Act does not allow discussion of such items. Therefore, the City Council may only do the following: refer the matter to staff, ask for additional information or request a report back, or give a very limited factual response.*
7. **Consent Calendar:**

All items listed on the Consent Calendar are considered to be routine matters, status reports or documents covering previous City Council action. The items listed on the Consent Calendar may be enacted in one motion. With the concurrence of the City Council, a Council Member may request that an item be removed for further discussion. Staff recommends approval of all items. (Roll Call Vote)

  - 7.1 **Waiver of Reading in Full of all Ordinances by Title only**
  - 7.2 **Approval of Minutes**
    - 7.2.1 Minutes – December 2, 2015 **Page 7**
  - 7.3 **Adoption of Resolution No. 2016-01, Approving Claims and Demands of the City** **Page 17**

- 7.4 **Second Reading and Adoption of Ordinance No. 165, An Ordinance of the City of Canyon Lake, California, Amending Canyon Lake Municipal Code By Updating and Confirming Chapter 9.03 Continuing The Prohibition Of Medical Cannabis Dispensaries, Including Mobile Dispensaries, And Explicitly Prohibiting Any Cultivation Within The City** **Page 27**
- 7.5 **Approval of Supplemental Law Enforcement Services Account (SLESA)/CalCOPS expenditure plan for FY 2015-2016** **Page 41**
- 7.6 **Approval of Fourth Amendment to Library Lease** **Page 45**
- 7.7 **Approval of Resolution No. 2016-02 Approving Participation in the Riverside County Mortgage Certificate (MCC) Program** **Page 51**
- 8. **Pulled Consent Calendar Items**
- 9. **Schedule of Future Events:**
  - 9.1 Administration and Finance Committee Meeting  
Tuesday, February 2, 2015 at 8:00 a.m., City Council Chambers
  - 9.2 Public Safety Committee Meeting  
Tuesday, February 2, 2015 at 9:30 a.m., City Council Chambers
  - 9.3 Canyon Lake City Council Meeting  
Wednesday, February 3, 2015 at 6:30 p.m., City Council Chambers
  - 9.4 Water Committee Meeting  
Thursday, January 28, 2015 at 9:00 a.m., City Council Chambers
  - 9.5 Planning Committee Meeting  
Meeting Date to be Determined
  - 9.6 Economic Development and Healthy Communities Meeting  
Meeting Date to be Determined
  - 9.7 Veterans Committee Meeting  
Tuesday, April 12, 2015 at 4:30 p.m., City Council Chambers
- 10. **Business Items**
  - 10.1 **Discussion Regarding City Council Term Limits** **Page 59**
  - 10.2 **Committee and Agency Assignments** **Page 65**
- 11. **City Manager Comments**
- 12. **Committee and Council Reports/Comments**
  - 12.1 Council Member Ehrenkranz
    - a. Western Riverside Council of Governments (WRCOG)
    - b. Southern California Association of Governments (SCAG)
    - c. Northwest Mosquito and Vector Control District
    - d. Other Meetings

12.2 Council Member Warren

- a. Water Committee
- b. Veterans Committee
- c. Economic Development and Healthy Cities Committee
- d. Lake Elsinore San Jacinto Watersheds Authority (LESJWA)
- e. Southwest Communities Finance Authority (SCFA-JPA)
- f. Quail Valley Environmental Coalition
- g. League of California Cities Riverside Division
- h. Other Meetings

12.3 Council Member Zaitz

- a. Administration and Finance Committee Meeting
- b. Riverside Transit Agency (RTA)
- c. Other Meetings

12.4 Mayor Pro Tem Haggerty

- a. Public Safety Committee
- b. Public Works Committee
- c. Fire Department Start-Up Committee
- d. Riverside County Transportation Commission
- e. Other Meetings

12.5 Mayor Brown

- a. Planning Committee
- b. Western Riverside County – Regional Conservation Authority (RCA)
- c. Southwest Cities Coalition
- d. League of California Cities (Legislative)
- e. Regional Task Force on Health
- f. South Coast Air Quality Management District (SCAQMD)
- g. Other Meetings

**13. Announcements**

The next regular City Council meeting is scheduled for **February 3, 2016 at 5:30 p.m. for Closed Session and 6:30 p.m. for Open Session.**

**14. Closed Session**

- a. Pursuant to Government Code Section 54956.9 d. (2)  
Conference with Legal Counsel - Anticipated Litigation, Significant Exposure to Litigation (one potential case)
- b. Pursuant to Government Code Section 54958.9 d(1)  
Conference with Legal Counsel – Existing Litigation  
Name of Case: Helbock v. City of Canyon Lake, Case No. 522576

- c. Pursuant to Government Code Section 54957  
Public Employee Performance Evaluation  
Title: Interim City Manager
- d. Return/Report from Closed Session

**15. Adjournment**

**VISION STATEMENT**

The vision of the City of Canyon Lake is to be a City that provides a quality of life that makes Canyon Lake the premier place to live in Southern California.

**ATTENTION RESIDENTS:**

Supporting documents, including staff reports, are available for review at City Hall in the City Clerk's Office or on the City's website at [www.cityofcanyonlake.org](http://www.cityofcanyonlake.org) once the agenda has been publicly posted. Any written materials relating to an item on this agenda submitted to the City Council after distribution of the agenda packet are available for public inspection in the City Clerk's Office during normal business hours. In addition, such writings or documents will be made available for public review at the respective public meeting. It is the intention of the City of Canyon Lake to comply with the Americans with Disabilities Act (ADA) in all respects. If, as an attendee or participant at this meeting, you will need special assistance beyond what is normally provided, the City of Canyon Lake will attempt to accommodate you in every reasonable manner. Please contact Ariel M. Hall, City Clerk, at least 48 hours prior to the meeting to inform us of your particular needs and to determine if accommodation is feasible. Please advise us at that time if you will need accommodations to attend or participate in meetings on a regular basis.

**January 6, 2016 City Council Meeting**

**STATE OF CALIFORNIA }  
COUNTY OF RIVERSIDE } SS. AFFIDAVIT OF POSTING  
CITY OF CANYON LAKE }**

**I, Ariel M. Hall, being duly sworn, depose and say that I am the duly appointed and qualified City Clerk of the City of Canyon Lake and that on December 17, 2015 before the hour of 5:00 p.m., I caused the above notice to be posted as required by Resolution 90-22 of the City Council of the City of Canyon Lake.**

**Ariel M. Hall  
City Clerk**



**MINUTES**  
**REGULAR MEETING OF THE**  
**CANYON LAKE CITY COUNCIL**  
**Wednesday, December 2, 2015**  
**Closed Session – 5:30 p.m.**  
**Open Session – 6:30 p.m.**

**City Council Chambers**  
**31516 Railroad Canyon Road**  
**Canyon Lake, CA 92587**

**CLOSED SESSION – 5:30 P.M.**

**1. Call to Order**

The meeting was called to order at 5:33 p.m.

**2. Roll Call**

Present: Council Members Haggerty, Warren, Mayor Pro Tem Brown, Mayor Ehrenkranz

Absent: Council Member Zaitz

**3. Public Comments**

There were no public comments.

**4. Closed Session**

Council went into Closed Session at 5:33 p.m.

- a. **Pursuant to Government Code Section 54956.9 (d) (2)**  
**Conference with Legal Counsel – Anticipated Litigation, Significant Exposure to Litigation (one potential case)**
- b. **Return/Report from Closed Session**

Council returned from Closed Session at 6:25 p.m.

**OPEN SESSION – 6:30 P.M.**

**1. Call Open Session to Order**

Open Session was called to order at 6:33 p.m.

**2. Invocation – Pastor Pete Van Dyke of Canyon Lake Community Church**

Pastor Pete Van Dyke provided the invocation.

**Flag Salute**

Jill Batinich, resident, led the flag salute.

**3. Roll Call**

Present: Council Members Haggerty, Warren, Zaitz, Mayor Pro Tem Brown,  
Mayor Ehrenkranz

**4. Approval of City Council Agenda**

**Moved by Warren, seconded by Haggerty to approve the City Council Agenda as presented.**

**Motion carried 5-0 with Council Members Haggerty, Warren, Zaitz, Mayor Pro Tem Brown and Mayor Ehrenkranz voting aye.**

**5. Special Presentations and Proclamations**

**5.1 Chamber of Commerce Announcements**

Jim Randle, Chamber of Commerce President, provided the announcements.

**6. Public Comments**

This item was addressed.

**7. Consent Calendar**

**7.1 Waiver of Reading in Full of all Ordinances by Title only**

**7.2 Approval of Minutes**

**7.2.1 Minutes – November 4, 2015**

**7.3 Adoption of Resolution No. 2015-38, Approving Claims and Demands of the City**

**7.4 2016 City Council Meeting Dates**

**7.5 El Niño Preparedness Update**

This item was pulled from the consent calendar.

**7.6 Addendum to the Adopted Mitigated Negative Declaration for the Canyon Lake Hybrid Treatment Process (SCH#2013041082)**

**7.7 Information Regarding Stipends For Committee Meetings**

**Moved by Warren, seconded by Haggerty to approve items 7.1, 7.2, 7.3, 7.4, 7.6, and 7.7 of the consent calendar with item 7.5 pulled from consent by Council Member Zaitz.**

**Motion carried 5-0 with Council Members Haggerty, Warren, Zaitz, Mayor Pro Tem Brown and Mayor Ehrenkranz voting aye.**

**8. Pulled Consent Calendar Items**

**7.5 El Niño Preparedness Update**

Council Member Zaitz pulled the item from consent to allow for the public to hear more information regarding El Niño Preparedness.

**Moved by Zaitz, seconded by Brown to approve the El Niño Preparedness Update.**

**Motion carried 5-0 with Council Members Haggerty, Warren, Zaitz, Mayor Pro Tem Brown, and Mayor Ehrenkranz voting aye.**

**9. City Council Reorganization**

**9.1 Selection of Mayor**

**Council Member Brown was nominated for the position of Mayor by Council Member Ehrenkranz.**

**After no further nominations, motion carried 5-0 with Council Members Haggerty, Warren, Zaitz, Brown and Ehrenkranz voting aye.**

**9.2 Selection of Mayor Pro Tem**

**Council Member Haggerty was nominated for the position of Mayor Pro Tem by Council Member Warren.**

**After no further nominations, motion carried 5-0 with Council Members Haggerty, Warren, Zaitz, Brown and Ehrenkranz voting aye.**

Mayor Brown presented a gift to outgoing Mayor Ehrenkranz.

Outgoing Mayor Ehrenkranz presented the State of the City address.

**The meeting was recessed at 7:05 p.m.**

**The meeting reconvened at 7:18 p.m.**

**9.3 Committee and Agency Assignments**

See attachment A.

Moved by Ehrenkranz, seconded by Zaitz to approve the Committee and Agency Assignments as noted in Attachment A.

Motion carried 5-0 with Council Members Ehrenkranz, Warren, Zaitz, Mayor Pro Tem Haggerty and Mayor Brown voting aye.

**10. Schedule of Future Events**

This item was addressed.

**11. Legislation**

There were no legislation items.

**12. Public Hearings**

**12.1 Approval of Resolution No. 2015-39: Authorizing the Allocation of Community Development Block Grant Funds for Fiscal Year 2016/2017**

**a. Hearing Opened by Mayor**

The hearing was opened by Mayor Brown at 7:39 p.m.

**b. Staff Presentation**

Kirsten Rowe, Administrative Services Manager, provided the report.

**c. Questions of Staff by Council**

There were no questions of staff by Council.

**d. Testimony by Proponents**

There was no testimony by proponents.

**e. Testimony by Opponents**

There was no testimony by opponents.

**f. Rebuttal by Proponents**

There was no rebuttal by proponents.

**g. Hearing Closed**

Mayor Brown closed the public hearing at 7:40 p.m.

**h. Discussion by Council**

There was no further discussion by Council.

**i. Action by Council**

**Moved by Zaitz, seconded by Ehrenkranz to approve Resolution No. 2015-39 authorizing the allocation of Community Development Block Grant Funds for Fiscal Year 2016/2017.**

**Motion Carried 5-0 with Council Members Ehrenkranz, Warren, Zaitz, Mayor Pro Tem Haggerty and Mayor Brown voting aye.**

**12.2 First Reading and Introduction of Ordinance No. 165, An Ordinance of the City of Canyon Lake, California, Amending the Canyon Lake Municipal Code by Updating and Confirming Chapter 9.03 Continuing the Prohibition of Medical Cannabis Dispensaries, Including Mobile Dispensaries, and Explicitly Prohibiting any Cultivation within the City**

**a. Hearing Opened by Mayor**

Mayor Brown opened the hearing at 7:41 p.m.

**b. Staff Presentation**

Betsy Martyn, City Attorney, provided the report.

**c. Questions of Staff by Council**

This item was addressed.

**d. Testimony by Proponents**

There was no testimony by proponents.

**e. Testimony by Opponents**

There was no testimony by opponents.

**f. Rebuttal by Proponents**

There was no rebuttal by proponents.

**g. Hearing Closed**

Mayor Brown closed the public hearing at 7:47 p.m.

**h. Discussion by Council**

This item was addressed.

**i. Action by Council**

**Moved by Zaitz, seconded by Haggerty to approve the first reading and introduction of Ordinance No. 165 amending the Canyon Lake Municipal Code by updating and confirming chapter 9.03 continuing the prohibition of medical cannabis dispensaries, including mobile dispensaries, and explicitly prohibiting any cultivation within the City.**

**Motion carried 5-0 with Council Members Ehrenkranz, Warren, Zaitz, Mayor Pro Tem Haggerty and Mayor Brown voting aye.**

**13. Business Items**

**13.1 Request for Proposals for Fire Department Consulting Services**

Ariel Hall, Interim City Manager provided the report.

**Moved by Warren, seconded by Haggerty to approve the request for proposals for fire department consulting services with the modifications by Council.**

**Motion carried 5-0 with Council Members Ehrenkranz, Warren, Zaitz, Mayor Pro Tem Haggerty, and Mayor Brown voting aye.**

**13.2 Public Member Appointment to Administration and Finance Committee**

**Moved by Mayor Brown.**

**Motion failed due to lack of a second.**

**14. City Manager Comments**

**There were no City Manager comments.**

**15. Committee and Council Reports/Comments**

**15.1 Council Member Haggerty**

- a. **Public Safety Committee**
- b. **Public Works Committee**
- c. **Economic Development and Healthy Cities Committee**
- d. **Riverside County Transportation Commission (RCTC)**
- e. **Other Meetings**

This item was addressed.

**15.2 Council Member Warren**

- a. **Water Committee**
- b. **Veterans Committee**
- c. **Lake Elsinore San Jacinto Watersheds Authority (LESJWA)**
- d. **Southwest Communities Finance Authority (SCFA-JPA)**
- e. **Quail Valley Environmental Coalition**
- f. **Other Meetings**

This item was addressed.

**15.3 Council Member Zaitz**

- a. **Administration and Finance Committee Meeting**
- b. **Riverside Transit Agency (RTA)**
- c. **League of California Cities Riverside Division**
- d. **Other Meetings**

This item was addressed.

**15.4 Mayor Pro Tem Brown**

- a. **Planning Committee**
- b. **Western Riverside County – Regional Conservation Authority (RCA)**
- b. **Regional Task Force on Health**
- c. **Other Meetings**

This item was addressed.

**15.5 Mayor Ehrenkranz**

- a. **Western Riverside Council of Governments (WRCOG)**
- b. **Southwest Cities Coalition**
- c. **League of California Cities**
- d. **Southern California Association of Governments (SCAG)**
- e. **South Coast Air Quality Management District (SCAQMD)**
- f. **Northwest Mosquito and Vector Control District**
- g. **Other Meetings**

This item was addressed.

**16. Announcements**

The next regular City Council meeting was scheduled for January 6, 2016 at 5:30 p.m. for Closed Session and 6:30 p.m. for Open Session.

**17. Closed Session**

There were no closed session items.

**18. Adjournment**

The meeting was adjourned at 8:57 p.m.

Respectfully Submitted,

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Courtney C. Shurtleff  
Deputy City Clerk

**2016 Agency and Committee Assignments; and Appointments**

Committee	Per Meeting Stipend	Chair	Member	Meeting Date	Time	Place
Administration and Finance Committee		Zaitz	Brown	Tuesday before Regular Council Meeting	8:00 AM	Municipal Building
Planning Committee		Brown	Zaitz	As Needed		Municipal Building
Public Safety Committee		Haggerty	Ehrenkranz	Tuesday before Regular Council Meeting	9:30 AM	Municipal Building
Public Works Committee		Haggerty	Ehrenkranz	As Needed		Municipal Building
Water Committee		Warren	Ehrenkranz	Every Other Month as Needed	10:30 AM	Rotate Between City and EVMWD
Veterans Committee		Warren	Ehrenkranz	As Needed		Municipal Building
Econ Dev and Healthy Cities Committee		Warren	Zaitz	As Needed		Municipal Building
Fire Department Start-Up Committee		Haggerty	Warren	2nd and 4th Thursday	6:00 p.m.	Municipal Building
<b>Agency</b>		<b>Designee</b>	<b>Alternate</b>	<b>Meeting Date</b>	<b>Time</b>	<b>Place</b>
Lake Elsinore San Jacinto Watersheds Authority (LESJWA)	\$100	Warren	Zaitz	Third Thursday	3:00 PM	EVMWD, 31315 Chaney St, Lake Elsinore
Riverside County Transportation Commission	\$100	Haggerty	Ehrenkranz	Second Wednesday	9:30 AM	4080 Lemon St, Riverside, 1st Floor
Riverside Transit Agency (RTA)	\$150	Zaitz	Haggerty	Fourth Thursday	2:00 PM	4080 Lemon St, Riverside, 1st Floor
SCFA - JPA (Animal Friends)	None	Warren	Brown	As Needed		33751 Mission Trail, Wildomar
Western Riverside Council of Governments (WRCOG) - Executive Committee	\$150	Ehrenkranz	Warren	First Monday	2:00 PM	4080 Lemon St, Riverside, 1st Floor
Western Riverside County - Regional Conservation Authority (RCA)	\$100	Brown	Ehrenkranz	First Monday	1:00 PM	4080 Lemon St., 1st Floor, Riverside
Southwest Cities Coalition		Mayor	Mayor Pro Tem	Quarterly	Lunch	Rotates Cities
League of California Cities (Legislative)		Mayor	Mayor Pro Tem			Rotates Cities
Southern California Association of Governments (SCAG)	\$120	Warren		First Friday	7:30 AM	818 West 7th St. 12th Floor, Los Angeles
Murrieta/Temecula Group (Open to anyone)		Warren				Varies
Regional Task Force on Health		Brown		As Needed		Murrieta City Hall, 1 Town Square, Murrieta
South Coast Air Quality Management District (SCAQMD)		Mayor	Mayor Pro Tem			21865 Copley Drive, Diamond Bar
Northwest Mosquito and Vector Control District	\$100	Ehrenkranz		Third Thursday Expires 12/15 Term	3:00 PM	1966 Compton Ave., Corona
<b>Appointment by Agency</b>		<b>Member</b>	<b>Member</b>	<b>Meeting Date</b>	<b>Time</b>	<b>Place</b>
Public Entity Risk Management Authority		City Manager	City Clerk	6 times per year		Rancho Mirage
Quail Valley Environmental Coalition (501C3)		Warren	Brown			
County Free Library Advisory Committee		Ginger Harris	Sandra Brautigam	Quarterly, Thursdays	10:00 AM	Rotates Riverside County
SCAG- WRCOG appointment		Ehrenkranz				
League of California Cities Riverside Division		Warren				Rotates Cities



City of Canyon Lake  
City Council  
Staff Report

**TO:** Mayor and City Council  
**FROM:** Michelle Gomez, Accountant  
**DATE:** January 6, 2016  
**SUBJECT:** List of Demands

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**Recommendation:**

That the City Council adopts a resolution entitled: RESOLUTION NO. 2016-01

A RESOLUTION OF THE CITY COUNCIL OF THE  
CITY OF CANYON LAKE ALLOWING CERTAIN  
CLAIMS AND DEMANDS AS SET FORTH IN EXHIBIT A

**Background:**

All claims and demands are reported and summarized for review and approval by the City Council on a routine basis at each City Council meeting. The attached claims represent the paid claims and demands since the City Council meeting of December 2, 2015.

**Budget (or Fiscal) Impact:**

All claims and demands are paid from appropriated funds or authorized resources of the City and have been recorded in accordance with the City's policies.

**Attachments:**

Resolution  
List of Demands

**RESOLUTION NO. 2016-01**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CANYON LAKE, CALIFORNIA, ALLOWING CERTAIN CLAIMS AND DEMANDS AS SET FORTH IN EXHIBIT A**

The City Council of the City of Canyon Lake does hereby resolve as follows:

Demands are approved as shown on the Demand\Warrant Register of January 6th, in the amount of \$205,048.15 as follows:

Payroll Earnings (Gross)	\$	28,524.63	(2nd Half of November & 1st Half of December)
Payroll Taxes - Employer	\$	574.49	(2nd Half of November & 1st Half of December)
On-line Retirement		2,920.56	(2nd Half of November & 1st Half of December)
On-line Health		1,325.66	(For the Month of December)
General		171,702.81	
TOTAL	\$	<u>205,048.15</u>	

PASSED, APPROVED AND ADOPTED this 6th day of January 2016.

\_\_\_\_\_  
Mayor, Timothy Brown

ATTEST:

\_\_\_\_\_  
Ariel M. Hall, City Clerk

State of California  
County of Riverside ) ss  
City of Canyon Lake )

I, Ariel M. Hall, City Clerk of the City of Canyon Lake, California, DO HEREBY CERTIFY, that the foregoing is a true and correct copy of the Resolution No. 2016-01 adopted by the City Council of the City of Canyon Lake, California, at a regular meeting thereof, held on January 6, 2016, by the following vote:

AYES:  
NOES:  
ABSTAIN:  
ABSENT:

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Ariel M. Hall, City Clerk

**City of Canyon Lake**  
**Check/Voucher Register - Council Report - Expenditures**  
**From 12/1/2015 Through 12/31/2015**

Check Num...	Matching Docum... Date	Vendor Name	Transaction Description	Check Amount	Fund Code	Fund Short Title
22082	12/17/2...	AMERICAN FORENSIC NURSES LLC	Blood Draw	40.00	10	GENERAL
Total 22082	12/17/2...			40.00		
22083	12/17/2...	ANIMAL FRIENDS OF THE VALLEYS	Animal Control Srv June 2015	3,500.00	10	GENERAL
22083	12/17/2...	ANIMAL FRIENDS OF THE VALLEYS	Animal Control Srvs Oct 2015	3,500.00	10	GENERAL
Total 22083	12/17/2...			7,000.00		
22084	12/17/2...	BIO-TOX LABORATORIES	Blood Screen	41.70	10	GENERAL
Total 22084	12/17/2...			41.70		
22085	12/17/2...	CITY CLERKS ASSN OF CALIF	Annual Membership Dues	130.00	10	GENERAL
Total 22085	12/17/2...			130.00		
22086	12/17/2...	CANYON LAKE PEST CONTROL, Steven E. Young	Pest Control	100.00	10	GENERAL
22086	12/17/2...	CANYON LAKE PEST CONTROL, Steven E. Young	Pest Control Storage Unit	90.00	10	GENERAL
Total 22086	12/17/2...			190.00		
22087	12/17/2...	Canyon Lake Property Owners Assoc.	Postage for Oct 2015	542.35	10	GENERAL
Total 22087	12/17/2...			542.35		
22088	12/17/2...	Corelogic Information Solutions, INC.	Property Detail Report	1.25	10	GENERAL

**City of Canyon Lake**  
 Check/Voucher Register - Council Report - Expenditures  
 From 12/1/2015 Through 12/31/2015

Check Num...	Matching Docum... Date	Vendor Name	Transaction Description	Check Amount	Fund Code	Fund Short Title
22088	12/17/2...	Corelogic Information Solutions, INC.	Property Report for Code Enforcement	1,650.00	10	GENERAL
Total 22088	12/17/2...			1,651.25		
22089	12/17/2...	Cota Cole LLP	Attorney Services Nov 2015	5,715.00	10	GENERAL
Total 22089	12/17/2...			5,715.00		
22090	12/17/2...	CTAI PACIFIC GREENSCAPE	Landscape Service Nov 2015	5,200.00	20	GAS TAX
Total 22090	12/17/2...			5,200.00		
22091	12/17/2...	Eagle Graphic Creations Inc.	Gavel for outgoing Mayor	32.40	10	GENERAL
Total 22091	12/17/2...			32.40		
22092	12/17/2...	ELSINORE VALLEY MUNI WATER DIS	Billing Period 10/22/15 - 11/20/15	100.60	10	GENERAL
22092	12/17/2...	ELSINORE VALLEY MUNI WATER DIS	Billing Period 10/23/15 - 11/23/15	281.70	20	GAS TAX
Total 22092	12/17/2...			382.30		
22093	12/17/2...	Executive Cleaning Services, LLC	Cleaning Service Dec 2015	925.00	10	GENERAL
22093	12/17/2...	Executive Cleaning Services, LLC	Cleaning Services Nov 2015	925.00	10	GENERAL
Total 22093	12/17/2...			1,850.00		
22094	12/17/2...	Fontis Solutions	New Citation Books for Police Officers	1,932.34	10	GENERAL
Total 22094	12/17/2...			1,932.34		
22095	12/17/2...	FRIDAY FLYER	Block Grant Applications	39.90	10	GENERAL

**City of Canyon Lake**  
 Check/Voucher Register - Council Report - Expenditures  
 From 12/1/2015 Through 12/31/2015

Check Numb...	Matching Docum... Date	Vendor Name	Transaction Description	Check Amount	Fund Code	Fund Short Title
22095	12/17/2...	FRIDAY FLYER	Block Grant Funds	17.25	10	GENERAL
22095	12/17/2...	FRIDAY FLYER	Marijuana Dispensaries Notice	31.50	10	GENERAL
22095	12/17/2...	FRIDAY FLYER	Notice of Ordinance Adoption	107.50	10	GENERAL
22095	12/17/2...	FRIDAY FLYER	Ordinance No. 162	91.35	10	GENERAL
22095	12/17/2...	FRIDAY FLYER	Ordinance No. 163	195.05	10	GENERAL
22095	12/17/2...	FRIDAY FLYER	Ordinance No. 164	107.50	10	GENERAL
22095	12/17/2...	FRIDAY FLYER	Ordinance no. 165	91.35	10	GENERAL
22095	12/17/2...	FRIDAY FLYER	Public Hearing Solar Energy	79.50	10	GENERAL
Total 22095	12/17/2...			760.90		
22096	12/17/2...	Ariel Hall	Mileage Task Force, El Nino, Contract City Partners	83.17	10	GENERAL
Total 22096	12/17/2...			83.17		
22097	12/17/2...	MIG / HOGLE-IRELAND	Planning Nov 2015	3,205.00	10	GENERAL
Total 22097	12/17/2...			3,205.00		
22098	12/17/2...	Joseph Holt Plastering, Inc.	Overpaid Business License Renewal	1.00	10	GENERAL
Total 22098	12/17/2...			1.00		
22099	12/17/2...	League of California Cities	LCC Division Meeting - Warren & Haggerty	80.00	10	GENERAL
Total 22099	12/17/2...			80.00		
22100	12/17/2...	NEXTEL COMMUNICATIONS	Phones Oct 25- Nov 24 2015	208.66	10	GENERAL
Total 22100	12/17/2...			208.66		
22101	12/17/2...	Pierce Law Firm, Bradley D. Pierce	Attorney Srvs Nov 2015	255.57	10	GENERAL

**City of Canyon Lake**  
 Check/Voucher Register - Council Report - Expenditures  
 From 12/1/2015 Through 12/31/2015

Check Num...	Matching Docum... Date	Vendor Name	Transaction Description	Check Amount	Fund Code	Fund Short Title
Total 22101	12/17/2...			255.57		
22102	12/17/2...	Rogers, Anderson, Malody & Scott, LLP	Accounting Serivces Oct 2015	7,500.00	10	GENERAL
Total 22102	12/17/2...			7,500.00		
22103	12/17/2...	JOHN REGUS	Library Rent Feb 2016	983.45	10	GENERAL
Total 22103	12/17/2...			983.45		
22104	12/17/2...	JOHN REGUS	Rent for Conference Room	250.00	10	GENERAL
Total 22104	12/17/2...			250.00		
22105	12/17/2...	County Executive Office	Southwest Communities Financing Authority	997.47	10	GENERAL
Total 22105	12/17/2...			997.47		
22106	12/17/2...	RIV. CO. SHERIFF'S DEPT., Acctg & Fin	Law Enforcement Services	108,006.01	10	GENERAL
Total 22106	12/17/2...			108,006.01		
22107	12/17/2...	COUNTY OF RIVERSIDE-TLMA	SLF Costs FY 2016	640.66	20	GAS TAX
Total 22107	12/17/2...			640.66		
22108	12/17/2...	SOUTHERN CALIFORNIA EDISON	Billing Period 10/15 - 11/16	1,142.34	10	GENERAL
22108	12/17/2...	SOUTHERN CALIFORNIA EDISON	Billing Period 10/21 - 11/20	26.76	10	GENERAL
22108	12/17/2...	SOUTHERN CALIFORNIA EDISON	Billing period 10/22 - 11/21	104.28	20	GAS TAX
22108	12/17/2...	SOUTHERN CALIFORNIA EDISON	Billing Period 10/29 - 12/1	497.03	20	GAS TAX

**City of Canyon Lake**  
**Check/Voucher Register - Council Report - Expenditures**  
**From 12/1/2015 Through 12/31/2015**

Check Num...	Matching Docum... Date	Vendor Name	Transaction Description	Check Amount	Fund Code	Fund Short Title
22108	12/17/2...	SOUTHERN CALIFORNIA EDISON	Billing Period 11/9 - 12/10	96.85	20	GAS TAX
22108	12/17/2...	SOUTHERN CALIFORNIA EDISON	Billing Period 9/21 - 10/21	15.53	20	GAS TAX
22108	12/17/2...	SOUTHERN CALIFORNIA EDISON	Billing Period 10/15 - 11/16	225.19	20	GAS TAX
Total 22108	12/17/2...			2,107.98		
22109	12/17/2...	Sparkletts	Drinking Water Oct 2015	13.89	10	GENERAL
Total 22109	12/17/2...			13.89		
22110	12/17/2...	STAPLES	Office Supplies	396.37	10	GENERAL
Total 22110	12/17/2...			396.37		
22111	12/17/2...	STATE COMP. INS. FUND	Workers Comp Ins Jan 2016	975.75	10	GENERAL
Total 22111	12/17/2...			975.75		
22112	12/17/2...	Synoptek	It Services Dec 2015	1,825.00	10	GENERAL
22112	12/17/2...	Synoptek	It Services Nov 2015	1,725.00	10	GENERAL
Total 22112	12/17/2...			3,550.00		
22113	12/17/2...	TelePacific Communications	Phone Nov 2015	490.39	10	GENERAL
Total 22113	12/17/2...			490.39		
22114	12/17/2...	The Gas Company	Billing Period 10/28/15 - 12/1/15	3.51	10	GENERAL
Total 22114	12/17/2...			3.51		
22115	12/17/2...	Tyco Integrated Security LLC	Alarm System	159.61	10	GENERAL

**City of Canyon Lake**  
**Check/Voucher Register - Council Report - Expenditures**  
**From 12/1/2015 Through 12/31/2015**

Check Num...	Matching Docum... Date	Vendor Name	Transaction Description	Check Amount	Fund Code	Fund Short Title
Total 22115	12/17/2...			159.61		
22116	12/17/2...	U. S. Bank	Office Supplies, Video Camera, CC snacks	805.85	10	GENERAL
Total 22116	12/17/2...			805.85		
22117	12/17/2...	VERIZON CALIFORNIA	Internet Nov 10 - Dec 9	150.00	10	GENERAL
Total 22117	12/17/2...			150.00		
22118	12/17/2...	VERIZON CALIFORNIA	Billing Period 11/13 - 12/12	221.40	10	GENERAL
Total 22118	12/17/2...			221.40		
22119	12/17/2...	VERIZON CALIFORNIA	Phone 11/13 - 12/12	123.11	10	GENERAL
Total 22119	12/17/2...			123.11		
22120	12/17/2...	Verizon Wireless	Billing Period 11/4/15 - 12/3/15	239.10	10	GENERAL
Total 22120	12/17/2...			239.10		
22121	12/17/2...	Vivint Solar	Overpaid on Business License Renewal	21.00	10	GENERAL
Total 22121	12/17/2...			21.00		
22122	12/17/2...	Willdan	Building and Safety Nov 2015	13,345.54	10	GENERAL
22122	12/17/2...	Willdan	Overpaid on Business License Renewal	21.00	10	GENERAL
Total 22122	12/17/2...			13,366.54		

**City of Canyon Lake**  
 Check/Voucher Register - Council Report - Expenditures  
 From 12/1/2015 Through 12/31/2015

Check Numb...	Matching Docum... Date	Vendor Name	Transaction Description	Check Amount	Fund Code	Fund Short Title
22123	12/17/2...	XEROX	Copier Lease Nov 2015	1,121.20	10	GENERAL
Total 22123	12/17/2...			1,121.20		
22124	11/30/2...	JOHN ZAITZ	Mileage, Phone and Internet for November 2015	105.75	10	GENERAL
Total 22124	11/30/2...			105.75		
22125	12/17/2...	AMERICAN FORENSIC NURSES LLC	Blood Draw	80.00	10	GENERAL
Total 22125	12/17/2...			80.00		
22126	12/17/2...	Special District Risk Management Authority	Dental Ins Jan 2016	92.13	10	GENERAL
Total 22126	12/17/2...			92.13		
<b>Report Total</b>				<b>171,702.81</b>		

City of Canyon Lake  
City Council  
Staff Report

TO: Honorable Mayor and Members of the City Council

FROM: City Manager and City Attorney 

DATE: January 6, 2016

SUBJECT: Second Reading and Adoption of Ordinance No. 165, An Ordinance of the City of Canyon Lake, California, Amending the Canyon Lake Municipal Code by Updating and Confirming Chapter 9.03 Continuing the Prohibition of Medical Cannabis Dispensaries, Including Mobile Dispensaries, and Explicitly Prohibiting any Cultivation within the City

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**Recommendation:**

Staff recommends that the City Council: Hold second reading and adopt Ordinance No. 165.

**Background**

This ordinance was introduced and had first reading at the December 2, 2015 City Council Meeting.

In 1996, the voters of the State of California approved Proposition 215 (codified as California Health and Safety Code § 11362.5 and entitled "The Compassionate Use Act of 1996" or "CUA").

The intent of Proposition 215 was to enable persons who are in need of marijuana for medical purposes to use it without fear of criminal prosecution under limited, specified circumstances. The proposition further provides that "nothing in this section shall be construed to supersede legislation prohibiting persons from engaging in conduct that endangers others, or to condone the diversion of marijuana for non-medical purposes." The ballot arguments supporting Proposition 215 expressly acknowledged "Proposition 215 does not allow unlimited quantities of marijuana to be grown anywhere."

In 2004, the Legislature enacted Senate Bill 420 (codified as California Health & Safety Code § 11362.7 et seq. and referred to as the "Medical Marijuana Program" or "MMP") to clarify the scope of Proposition 215 and to provide qualifying patients and primary caregivers who collectively or cooperatively cultivate marijuana for medical purposes with a limited defense to certain specified State criminal statutes.

Assembly Bill 2650 (2010) and Assembly Bill 1300 (2011) amended the Medical Marijuana Program to expressly recognize the authority of counties and cities to “[a]dopt local ordinances that regulate the location, operation, or establishment of a medical marijuana cooperative or collective” and to civilly and criminally enforce such ordinances.

In addition, the Compassionate Care Act and the MMP lead to a large amount of litigation regarding local agencies’ ability to prohibit or regulate dispensaries, cultivation and related uses. Canyon Lake initially banned the dispensing of marijuana within the City in by moratorium. That moratorium was updated as the case law progressed. In City of Riverside v. Inland Empire Patients Health and Wellness Center, Inc. (2013) 56 Cal.4<sup>th</sup> 729, the California Supreme Court held that “[n]othing in the CUA or the MMP expressly or impliedly limits the inherent authority of a local jurisdiction, by its own ordinances, to regulate the use of its land. . . .” Additionally, in Maral v. City of Live Oak (2013) 221 Cal.App.4<sup>th</sup> 975, the Court of Appeal held that “there is no right – and certainly no constitutional right – to cultivate medical marijuana. . . .” The Court in Maral affirmed the ability of a local governmental entity to prohibit the cultivation of marijuana under its land use authority.

The current ordinance was adopted in December 2014 and does not explicitly ban the cultivation of marijuana, although it does so by implication.

On October 9, 2015 Governor Brown signed 3 bills into law (AB 266, AB 243, and SB 643) that collectively are known as the Medical Marijuana Regulation and Safety Act (hereafter “MMRSA”). The bills become effective January 1, 2016. The MMRSA set up a State-licensing scheme for commercial medical marijuana uses while protecting local control by requiring that all such businesses must have a local license or permit to operate in addition to a State license. The MMRSA allows the City to completely prohibit commercial medical marijuana activities, including dispensaries, mobile dispensaries and cultivation. Alternatively, a City may choose to regulate medical marijuana uses along with the State (although the City ordinances must be as strict) or to leave regulation to the State. A medical marijuana use must have a local permit before applying for a state permit so a local ban effectively means no state permit may be obtained.

Copies of the new legislation are attached. In addition, we have provided and will discuss the League of Cities’ summary of the three bills.

### **Revision Of The Current Ordinance**

First, the new legislation takes a different approach than our ordinance, which was based on case law that had developed, and specifically the Inland Empire Patients’ case. The legislation provides definitions and sets out an overall system covering “commercial cannabis activity” with a broad definition of medical analysis.

“Commercial cannabis activity” includes medical marijuana cultivation and sale from a mobile dispensary.

Second, under AB 243, for a cultivation ban to be applicable, the City must have it in place (i.e. adopted and effective 30 days later) by/before March 1, 2016. A cultivation ban may be total or may exclude medical marijuana grown by a patient or caregiver for the patient’s use. If such a ban on cultivation is adopted, it must be done as a land use ban either directly or impliedly (i.e. because it’s not set out as an allowed use, it’s banned). This is an explicit ban on cultivation not contained in the current ordinance. In order to be effective by the March 1, 2016 deadline, the ordinance must be introduced at the December 2 meeting, with second reading on the January 6, 2016 meeting, to be effective 30 days later on or about February 6, 2016.

### **Planning Committee Review**

The revised ordinance was reviewed and discussed at length by the Planning Committee on November 16, 2015. The discussion focused on cultivation because of the upcoming deadline. Initially, the Committee discussed excluding the amount of medical cannabis which State law allows a patient to grow (or a caregiver for a patient) which is approximately 6 mature plants or 12 immature plants. However, that system is abused because a patient may have up to three caregivers and a caregiver may grow medical cannabis for more than one patient. There does not appear to be any ability to limit the number of plants grown by a caregiver or to require that a patient grow medical cannabis on his or her own property. At this point, it is not possible to tell how the three new laws will work regarding cultivation.

Therefore, albeit somewhat reluctantly as the Committee feels that those who need medical cannabis should be accommodated, the Committee recommends a complete ban on cultivation along with the retention of the current ban on dispensaries, including mobile dispensaries. The ban explicitly refers to, but is not limited to, the BLM area, POA common areas and public property as included.

The Committee also recommends that 1) the City send a letter to its state representative urging a more realistic set of rules for medical cannabis which would limit the possibilities for abuse, i.e. limits on the ability of caregivers to grow more than a certain number of plants and licensing conditions which treat dispensaries as pharmacies dispensing controlled substances (a copy of which letter is included with this staff report and ordinance); 2) that the cultivation, mobile dispensary and dispensary bans be revisited as the law and licensing regulations develop.

### **CEQA**

The adoption of the ordinance is exempt from CEQA pursuant to CEQA Guidelines section 15305, minor alterations in land use limitations in areas with an average slope of less than 20% that do not result in any changes in land use or density and section 15061(b)(3) which is the general rule that CEQA applies only to projects which

have the potential for causing a significant effect on the environment and CEQA does not apply where it can be seen with certainty that there is no possibility that the activity may have a significant effect on the environment.

**Attachments**

1. Ordinance No. 165

ORDINANCE NO. 165

AN ORDINANCE OF THE CITY OF CANYON LAKE, CALIFORNIA, AMENDING CANYON LAKE MUNICIPAL CODE BY UPDATING AND CONFIRMING CHAPTER 9.03 CONTINUING THE PROHIBITION OF MEDICAL CANNABIS DISPENSARIES, INCLUDING MOBILE DISPENSARIES, AND EXPLICITLY PROHIBITING ANY CULTIVATION WITHIN THE CITY

Section 1. Findings. In enacting this Ordinance, the City Council finds and takes legislative notice as follows:

- (a) In 1970, Congress enacted the Controlled Substances Act ("CSA") (21 U.S.C. Section 801 et seq.) that, among other things, makes it illegal to import, manufacture, distribute, possess, or use marijuana for any purpose in the United States and further provides criminal penalties for marijuana use.
- (b) Marijuana is listed as a Schedule 1 drug under the CSA. As a Schedule 1 drug, the CSA provides that the manufacture, cultivation, distribution, and dispensing of marijuana is illegal for any purpose, and establishes criminal penalties for marijuana use.
- (c) On November 5, 1996, the voters of the State of California approved Proposition 215, codified as Health and Safety Code Section 11362.5 et seq. and entitled "The Compassionate Use Act of 1996" ("CUA"). The express intent of Proposition 215 was to enable persons who are in need of medical marijuana for specified medical purposes to obtain and use it under limited, specified circumstances.
- (d) The California Legislature adopted Senate Bill 420, effective January 1, 2004, adding Article 2.5, "Medical Marijuana Program," to Division 10 of the California Health and Safety Code §11362.7 et seq. ("Medical Marijuana Program Act" or "MMPA"). The MMPA created a state-approved medical marijuana identification card program and provided certain additional immunities from state marijuana laws.
- (e) On August 25, 2008, then California Attorney General Edmund G. Brown issued "Guidelines for the Security and Non-Diversion of Marijuana Grown for Medical Use" ("Guidelines"). These Guidelines were intended to clarify the state's laws governing medical marijuana and provide clear guidance for patients and law enforcement to ensure that medical marijuana is not diverted to illicit markets. However, as reflected by the acknowledgement of the current Attorney General, Kamala Harris, these guidelines have proven to be inadequate and require revision to prevent continued abuses.
- (f) In April 2009, the California Police Chiefs Association issued a "White Paper" which explains that throughout California, many violent crimes have been committed that can be traced back to the proliferation of marijuana dispensaries, including armed robberies and murders. Increased noise and pedestrian traffic,

including nonresidents in pursuit of marijuana and out of area criminals in search of prey, are commonly encountered just outside marijuana dispensaries. The City Council hereby finds the report contains persuasive anecdotal and documentary evidence that both storefront and mobile medical marijuana dispensaries pose a threat to public health, safety and welfare, and therefore this report, which is part of the record before the City in this matter, is hereby incorporated into the City Council's findings in this ordinance.

(g) Other California cities that have permitted the establishment of medical marijuana dispensaries have experienced an increase in crime, such as burglary, robbery, and assaults; the distribution of tainted marijuana; the sale of illegal drugs in the areas immediately surrounding such medical marijuana dispensaries, collectives and cooperatives; the unavoidable exposure of school-age children and other sensitive residents to medical marijuana; fraud in issuing, obtaining, or using medical marijuana recommendations; and the diversion of marijuana for non-medical and recreational uses.

(h) Concerns about non-medical marijuana use in connection with medical marijuana distribution operations have been recognized by federal and state courts. One example is *People v. Leal*, 210 Cal.App.4th 829 (2012):

*"Not surprisingly, it seems that the enhanced protection from arrest has proven irresistible to those illegally trafficking marijuana, for if there is even rough accuracy in the anecdotal estimate by the arresting detective in this case – that nearly 90 percent of those arrested for marijuana sales possess either a CUA recommendation or a card – then there is obviously widespread abuse of the CUA and the MMP identification card scheme by illicit sellers of marijuana. Ninety percent far exceeds the proportion of legitimate medical marijuana users one would expect to find in the populace at large. For this and other reasons, it is impossible for us not to recognize that many citizens, judges undoubtedly among them, believe the CUA has become a charade enabling the use of marijuana much more commonly for recreational than for genuine medical uses."*

(i) A May 27, 2013 study published in the Journal of the American Medical Association Pediatrics showed that, as marijuana appears in an increasing number of homes, so too does evidence of accidental ingestion of marijuana and marijuana-infused food by young children. According to the study, more children appear to access marijuana-laced brownies, cookies and beverages sold through marijuana dispensaries, leading to increased emergency room visits. These children often suffer anxiety attacks when they start to feel unexpected symptoms of being under the influence: hallucinations, dizziness, altered perception, and impaired thinking. In addition, the study found that ingestion of highly potent marijuana by young children can suppress respiration and even induce coma.

(j) Successful enforcement actions involving storefront dispensaries have coincided

with an increase in mobile marijuana dispensaries. In parts of the state, shuttered marijuana dispensaries have converted their operations to mobile delivery services. An attorney in the region is also advising his marijuana dispensary clients to change their business model to distribution from a mobile source to avoid bans on storefront enterprises.

(k) Mobile medical marijuana dispensaries have been associated with criminal activity. Delivery drivers, for example, have been targets of armed robbers who seek cash and drugs. As a result, many of the drivers for medical marijuana dispensaries reportedly carry weapons or have armed guards as protection. Examples of such criminal activity reported in the media include the following, each of which the City Council finds contain persuasive, documented evidence that mobile medical marijuana dispensaries and deliveries pose a threat to public health, safety and welfare.

1. A West Covina deliveryman was reportedly robbed after making a delivery. The deliveryman told police that he was approached by two subjects in ninja costumes who chased him with batons and took the marijuana and money he was carrying.
2. A Temecula deliveryman was reportedly robbed of cash outside of a restaurant, which led to a vehicular chase that continued until the robbers' vehicle eventually crashed on a freeway on-ramp.
3. Marijuana deliverymen in Imperial Beach were reportedly robbed after being stopped by assailants (one with a semiautomatic handgun) after making a stop.
4. A deliveryman was reportedly robbed of three ounces of marijuana while making a delivery outside a restaurant in Riverside, and he told police that the suspect may have had a gun.
5. A deliverywoman in La Mesa was reportedly shot in the face with a pellet gun by assailants who subsequently carjacked her vehicle.
6. A marijuana delivery from a Los Angeles mobile marijuana dispensary turned deadly in Orange County when four individuals reportedly ambushed the dispensary driver and his armed security guard and tried to rob them. One of the suspects approached the delivery vehicle and confronted the driver and a struggle ensued. A second suspect armed with a handgun, approached the security guard, who fired as the suspect hitting him multiple times.
7. A deliveryman was reportedly robbed of \$20,000 worth of marijuana (approximately 9 pounds) and a cellular phone in Fullerton, and suffered a head injury during the crime.

(l) The California Constitution grants cities the power to make and enforce all ordinances and regulations with respect to municipal affairs. Article XI, Section 7 of the California Constitution provides a city may make and enforce within its limits all police, sanitary, and other ordinances and regulations not in conflict

with general laws.

- (m) In the matter of *City of Riverside v. Inland Empire Patients Health and Wellness Center, Inc.*, 56 Cal.4th 729 (2013), the California Supreme Court affirmed "the authority of California cities and counties, under their traditional land use and police powers, to allow, restrict, limit, or entirely exclude facilities that distribute medical marijuana, and to enforce such policies by nuisance actions."
- (n) Effective January 1, 2016, the California legislature has adopted a system of statewide regulation for sale and cultivation of medicinal marijuana to try to address the lack of consistent regulatory oversight and the adverse secondary effects experienced by cities and counties, (AB 243, AB 266 and SB 643), which legislation specifically provides that a city may continue its prohibition on the sale, delivery and cultivation of medical marijuana (subject to certain exceptions). For prohibition or local regulation of cultivation, such requirements must be in place on or before March 1, 2016.
- (o) Having reviewed the new laws, the City Council continues to believe that there is a high likelihood that medical marijuana dispensaries (including but not limited to mobile delivery services) and cultivation will immediately increase in the City without the adoption of this ordinance. The City does not wish to cede to the state its authority to prohibit commercial cultivation of medical marijuana and, for all these reasons, finds that this ordinance is necessary to preserve the public peace, health and/or safety.
- (p) Nothing herein is intended to prevent the legal use of medical cannabis, as defined below, by patients or caregivers pursuant to the Compassionate Care Act, as that may be amended from time to time.
- (q) The City Council held a duly noticed public hearing on this Ordinance on December 2, 2015, at which time it considered all evidence presented, both written and oral.
- (r) Authority. This ordinance is adopted pursuant to the authority granted by the California Constitution and State law, including but not limited to Article XI, Section 7 of the California Constitution, the Compassionate Use Act, the Medical Marijuana Program, and The Medical Marijuana Regulation and Safety Act.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF CANYON LAKE DOES HEREBY ORDAIN AS FOLLOWS:

Section 2.

Chapter 9.03 of the Canyon Lake Municipal Code is repealed in its entirety and readopted to read as follows:

**Chapter 9.03 - Prohibition of Commercial Cannabis Activity, Dispensaries, Mobile Dispensaries and Cultivation of Any Kind**

Section

- 9.03.010 Definitions
- 9.03.020 Prohibition of Commercial Cannabis Activity
- 9.03.030 Nuisance Declared
- 9.03.040 Violations

**9.03.010 Definitions**

For the purpose of this Chapter, the terms below shall be defined as follows or as set out in the applicable provisions of the Health & Safety Code or the Business & Professions Code:

- (a) “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 marijuana. “Cannabis” also means marijuana as defined by Section 11018 of the Health and Safety Code as enacted by Chapter 1407 of the Statutes of 1972. “Cannabis” does not include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seed of the plant which is incapable of germination. For the purpose of this chapter, “cannabis” does not mean “industrial hemp” as defined by Section 81000 of the Food and Agricultural Code or Section 11018.5 of the Health and Safety Code.

The definition of “cannabis” includes “Cannabis concentrate” which means manufactured cannabis that has undergone a process to concentrate the cannabinoid active ingredient, thereby increasing the product’s potency. An edible medical cannabis product is not considered food, as defined by Section 109935 of the Health and Safety Code, or a drug, as defined by Section 109925 of the Health and Safety Code.

The definition of “cannabis” further includes “cannabis concentrate” “cannabinoid” or “phytocannabinoid” which means a chemical compound that is unique to and derived from cannabis. “Manufactured cannabis” 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.

- (b) “Caregiver” or “primary caregiver” has the same meaning as that term is defined in Section 11362.7 of the Health and Safety Code.
- (c) “Commercial cannabis activity” shall have the same meaning as that set forth in Business & Professions Code § 19300.5(k) as the same may be amended from time to time, and includes any and all cultivation, possession, transfer, manufacture, processing, storing, laboratory testing, labeling, transporting, distribution, or sale of medical cannabis or a medical cannabis product.

- (d) “Cooperative” “Cooperative” shall mean two or more persons collectively or cooperatively cultivating, using, transporting, possessing, administering, delivering or making available medical marijuana, with or without compensation.
- (e) “Cultivation” shall have the same meaning as set forth in Business & Professions Code § 19300.5(l) as the same may be amended from time to time, and includes but is not limited to harvesting, drying, curing, grading, or trimming of cannabis. Cultivation includes cultivation allowed pursuant to Health & Safety Code Section 11362.7 by or for a caregiver or patient.
- (f) “Delivery” shall have the same meaning as set out in Business & Professions Code Section 19300.5(m) and includes but is not limited to the commercial transfer of medical cannabis or medical cannabis products from a dispensary and includes the use by a dispensary of any technology platform owned and controlled by the dispensary that enables qualified patients or primary caregivers to arrange for or facilitate the commercial transfer by a licensed dispensary of medical cannabis or medical cannabis products.
- (g) “Dispensary” shall have the same meaning as set forth in Business & Professions Code Section 19300.5(n) and means any facility or location, club, cooperative, where medical cannabis, medical cannabis products, or devices for the use of medical cannabis or medical cannabis products are offered, either individually or in any combination, for retail sale, including an establishment that delivers, provides, or transports medical cannabis and medical cannabis products as part of a retail sale, whether or not associated with a fixed location within the City. “Dispensing” shall have the same meaning as set forth in Business & Professions Code § 19300.5(o) as the same may be amended from time to time.
- (h) “Distribution” shall have the same meaning as set forth in Business & Professions Code Section 19300.5(p) and includes but is not limited to the procurement, sale, transfer or transport of medical cannabis and medical cannabis products. “Distributor” shall have the same meaning as set forth in Business & Professions Code § 19300.5(q) as the same may be amended from time to time.
- (i) “Manufacture” shall have the same meaning as set out in Business & Professions Code Section 19300.5(y) and means the production, preparation, propagation, or compounding of medical cannabis or medical cannabis products either directly or indirectly or by extraction methods, or independently by means of chemical synthesis or by a combination of extraction and chemical synthesis at a location that packages or repackages medical cannabis or medical cannabis products or labels or re-labels its container.
- (j) “Medical cannabis,” “medical cannabis product,” or “cannabis product” shall have the same meanings as set forth in Business & Professions Code § 19300.5(ag) as the same may be amended from time to time and means a product containing cannabis, including, but not limited to, edibles, concentrates and extractions, intended to be sold for use by medical cannabis patients in California pursuant to the Compassionate Use Act of 1996 (Proposition 215), found at Section 11362.5 of the Health and Safety Code. For the purposes of this chapter, “medical cannabis” does not include “industrial hemp” as defined by Section 81000 of the Food and Agricultural Code or Section 11018.5 of the

Health and Safety Code or topical cannabis intended only for external use, which is not a drug as defined by Health and Safety Code Section 109925.

- (k) "Patient" means a person with an identification card as identified in Health & Safety Code Section 11362.5 or a qualified patient defined in Health & Safety Code Section 11362.7.
- (l) "Person" means an individual, volunteer, 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 and includes the plural as well as the singular number (am)
- (m) "Transport" shall have the same meaning as set out in Business & Professions Code Section 19300.5(am) and means the transfer of medical cannabis or medical cannabis products from one business location to another location for the purposes of conducting commercial cannabis activity

#### **9.03.020 Prohibition of Commercial Cannabis Activity**

Commercial cannabis activity" expressly is prohibited in any zone or specific plan area of the City of Canyon Lake. It is the intent of this prohibition to include the delivery of cannabis within the City from a fixed location, from a Mobile Dispensary, the prohibition on cultivation, and any effort to locate, operate, own, lease, supply, allow to be operated, or aid, abet, or assist in the operation of a commercial cannabis activity.

- (a) Commercial cannabis activities of all types are expressly prohibited in the City. No person shall establish, operate, conduct or allow a commercial cannabis activity anywhere within the City. No person shall locate, operate, own, lease, supply, allow to be operated, or aid, abet, or assist in the location, operation, ownership, lease or supply of a commercial cannabis activity.
- (b) To the extent not already covered by subsection (a) above, all deliveries of medical cannabis are expressly prohibited within the City. No person shall conduct any deliveries that either originate or terminate within the City.
- (c) Cultivation of cannabis for non-commercial purposes, including cultivation by a qualified patient or a primary caregiver, is expressly prohibited in the City, including but not limited to the Bureau of Land Management area, the Canyon Lake Property Owners' Association common areas, and any public property. No person, including a qualified patient or primary caregiver, shall cultivate any amount of cannabis in the City, even for medical purposes.
- (d) This section is meant to prohibit all activities for which a State license is required., The City shall not issue any permit, license or other entitlement for commercial cannabis activities any activity for which a State license is required.

#### **9.03.030 Nuisance Declared**

A violation of any portion of this Chapter is hereby declared a public nuisance and

shall be subject to abatement pursuant to all available remedies, including but not limited to administrative citations.

**9.03.040      Violations**

A violation of this Chapter shall be punishable under Section 1.01.200 and may be enforced by any applicable law. In addition to any other enforcement permitted by this Chapter 18.66, the City Attorney may bring a civil action for injunctive relief and civil penalties pursuant to this Code against any person or entity that violates this Chapter. In any civil action brought pursuant to this Chapter, a court of competent jurisdiction may award reasonable attorneys fees and costs to the prevailing party.

Section 3. To the extent the provisions of the Canyon Lake Municipal Code as amended by this Ordinance are substantially the same as the provisions of that Code as they read immediately prior to the adoption of this Ordinance, then those provisions shall be construed as continuations of the earlier provisions and not as new enactments.

Section 4. This ordinance shall take effective 30 days from the date of its adoption.

PASSED, APPROVED AND ADOPTED this 6th day of January, 2016.

\_\_\_\_\_  
Tim Brown, Mayor

Attest:

Approved as to form:

\_\_\_\_\_  
Ariel M. Hall, CMC, City Clerk

\_\_\_\_\_  
Elizabeth Martyn, City Attorney

State of California )  
County of Riverside )ss  
City of Canyon Lake )

I, Ariel M. Hall, City Clerk of the City of Canyon Lake, California do hereby certify that the foregoing Ordinance No. 165 was introduced at a regular meeting of the City Council held on the 2nd day of December, 2015 and was duly adopted by the City Council of the City of Canyon Lake, California, at a regular meeting held on the 6th day of January, 2016, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

---

Ariel M. Hall, CMC, City Clerk



City of Canyon Lake  
City Council  
Staff Report

**TO:** Honorable Mayor and Members of the City Council  
**FROM:** Ariel M. Hall, Interim City Manager   
**DATE:** January 6, 2016  
**SUBJECT:** Supplemental Law Enforcement Services Account (SLESA)/CalCOPS expenditure plan for FY 2015-2016

---

**Recommendation**

Staff recommends that that City Council: Approve the expenditure plan for Fiscal Year 2015-2016 Supplemental Law Enforcement Services Account (SLESA) funds.

**Background**

Each year, the City receives \$100,000 in SLESA funds, better known as the CalCOPS grant. There is a requirement that the City Council approve an expenditure plan for the funding during a public meeting in order to receive these funds.

It is being recommended that the City Council allocate the funding to offsetting the Sheriff Contract's patrol deputies' salaries.

**Budget (or Fiscal) Impact**

The City will receive a total of \$100,000 for the current fiscal year, as previously included in the budget.

**Attachments**

1. Letter from Riverside County Sheriff's Department re: SLESA funding
2. Fiscal Year 2015-2016 Expenditure Plan



November 18, 2015

Ms. Ariel Hall  
Interim City Manager  
City of Canyon Lake  
31516 Railroad Canyon Rd  
Canyon Lake, CA 92587

Dear Ms. Hall,

The Supplemental Law Enforcement Services Account (SLESA) provides money to support front line law enforcement services. In April 2002, Senate Bill 823 amended the Government Code Sections 30061 and 30063 to require that, "The city council shall appropriate existing and anticipated moneys exclusively to fund frontline municipal police services, in accordance with written requests submitted by the chief of police of that city or the chief administrator of the enforcement agency that provides police services for that city."

Please submit your city expenditure plan for the FY 2015-2016 allocation as requested. The expenditure form is attached. Your allocation is \$100,000. Amended Government Code 30061 states "the Controller shall allocate funds in monthly installments to local jurisdictions for public safety in accordance with this section as annually calculated by the Director of Finance." The request to the city council should specify the personnel, equipment, and programs necessary to meet the city's needs. The council, at a public meeting, considers the request and determines the allocation of funds.

Once your city council has approved your local expenditure plan, please submit a copy to the Riverside County Sheriff's Department Specialized Accounting Unit. Please submit your expenditure plan by **December 31, 2015**. You may email the completed plan to [etsou@riversidesheriff.org](mailto:etsou@riversidesheriff.org) or fax it to the Specialized Accounting Unit at 951-955-9650. If you have any questions, please contact Erik Tsou at 951-955-2737. Thank you for your assistance.

Sincerely,

STAN L. SNIFF, SHERIFF-CORONER

A handwritten signature in blue ink, appearing to read "Joseph Cleary" with a date "12/5/15" written to the right.

Joseph Cleary, Assistant Sheriff

SS/et

cc: Captain Michael Judge

Enclosure: SLESA Expenditure Plan

**Supplemental Law Enforcement Standardized Forms**  
**Expenditure Plan**  
**FY 2015-2016**

City Name: Canyon Lake

Beginning Fund Balance	25,494.00
Prior Yr Allocation	100,000.00
Received in Current Year	25,000.00
Current Year Allocation	100,000.00

**EXPENDITURE PLANNED**

Salaries and Benefits	125,494.00
Services and Supplies	
Equipment	
Administrative Overhead	
<b>Total Expenditure Planned</b>	<b>125,494.00</b>

Date approved by the City Council: \_\_\_\_\_

The City Manager hereby certifies that the Supplemental Law Enforcement Services Plan was submitted to the City Council and approved as listed.

\_\_\_\_\_  
City Manager Signature

\_\_\_\_\_  
Date

Please provide the name of a contact person if there are any questions:

\_\_\_\_\_  
Name

\_\_\_\_\_  
Date



**City of Canyon Lake  
City Council  
Staff Report**

**TO:** Honorable Mayor and Members of the City Council

**FROM:** Ariel M. Hall, Interim City Manager 

**DATE:** January 6, 2016

**SUBJECT:** Fourth Amendment to Library Lease

---

**Recommendation**

Staff recommends that that City Council: Approve the Fourth Amendment to the Library Lease to extend the lease until January 31, 2018.

**Background**

The City originally entered into a lease with Riverside County for the library space on February 15, 2000, and approved a first amendment to that lease on March 22, 2005 to extend the term.

On May 13, 2008 a second amendment to the lease was approved to expand the square footage of the library space to include a portion of the building that the City leases from John Regus. On August 16, 2011 a third amendment was approved to extend the term to February 29, 2016.

At this time, the City Council is being asked to approve a fourth amendment to the lease to update the monthly rent for the library space, and to extend the term of the library lease to coordinate with the City's lease term with John Regus for the additional library space.

In the last amended lease, the monthly rent increased 2% each year. The initial increase in the monthly rent for this amendment is approximately 8%, bringing the monthly rent to \$3,546.13, to compensate for the annual increases that the City has realized in its lease for the additional space as well as the increase in the cost of providing cleaning and maintenance services for the library space. The increase for the second year of the lease is 3% to cover the yearly increase the City has in its lease with John Regis in that same amount.

The County of Riverside's legal counsel and real property agent have agreed to the changes to the rent amount and term of the lease. After approval by the City Council, the lease will go to the County Board of Supervisors for final approval.

**Budget (or Fiscal) Impact**

The City will receive a total of \$82,732.17 in monthly rent payments over the 23-month term of this agreement, and will disperse \$22,973.35 in monthly rent for the additional library space, in addition to a portion of the City's monthly cleaning services and HVAC system maintenance costs.

**Attachments**

1. Fourth Amendment To Lease

1 **FOURTH AMENDMENT TO LEASE**

2 **31516 Railroad Canyon Road, Canyon Lake, California**

3  
4 **THIS FOURTH AMENDMENT TO LEASE** (“4<sup>th</sup> Amendment”), dated as of  
5 \_\_\_\_\_, is entered into by and between the COUNTY OF RIVERSIDE, a  
6 political subdivision of the State of California, as County, and CITY OF CANYON  
7 LAKE, as Lessor, sometimes collectively referred to as the “Parties.”

8 **RECITALS**

9 a. Lessor and County have entered that certain Lease, dated February 15,  
10 2000, (the “Original Lease”) pursuant to which Lessor has agreed to lease to County  
11 and County has agreed to lease from Lessor that certain building located at 31516  
12 Railroad Canyon Road, Canyon Lake (the “Building”), as more particularly described in  
13 the Lease (the “Original Premise”).

14 b. The Original Lease has been amended by:

15 i. That certain First Amendment to Lease dated March 22, 2005, by  
16 and between County of Riverside and City of Canyon Lake (the 1<sup>st</sup> Amendment),  
17 whereby the Parties amended the Lease to extend the term; and

18 ii. That certain Second Amendment to Lease dated May 13, 2008, by  
19 and between County of Riverside and City of Canyon Lake (the 2<sup>nd</sup> Amendment),  
20 whereby the Parties amended the Lease to, among other things, to amend the  
21 description of the premises to increase the square footage from 1,886 to 2,711 square  
22 feet and amend the tenant improvements to the new space; and

23 iii. That certain Third Amendment to Lease dated August 16, 2011, by  
24 and between County of Riverside and City of Canyon Lake (the 3<sup>rd</sup> Amendment),  
25 whereby the Parties amended the Lease to, among other things, to extend the term,  
26 the monthly rent, amend the County’s representative to administer the Lease and the  
27 address for both parties under Notices; and

1 c. The Original Lease together with this amendment are collectively referred  
2 to herein as the "Lease."

3 d. The Parties now desire to amend the Lease to extend the term period  
4 and rental amounts.

5 **NOW THEREFORE**, for good and valuable consideration the receipt and  
6 adequacy of which is hereby acknowledged, the Parties agree as follows:

7 1. **Term.** Section 3 (a) of the Original Lease is hereby amended by the  
8 following:

9 The term of this Lease shall be extended from March 1, 2016, and terminating  
10 on January 31, 2018.

11 2. **Consideration.** Section 5 of the Original Lease is hereby amended by  
12 the following:

13 County shall pay to Lessor the monthly sum as rent for the leased  
14 premises during the term of this Lease as indicated below.

<u>Monthly Amount</u>	<u>Year</u>
\$3,546.13	March 1, 2016 to February 28, 2017
\$3,652.51	March 1, 2017 to January 31, 2018

18 3. **CAPITALIZED TERMS.** Fourth Amendment to Prevail. Unless defined  
19 herein or the context requires otherwise, all capitalized terms herein shall have the  
20 meaning defined in the Lease, as heretofore amended. The provisions of this Fourth  
21 Amendment shall prevail over any inconsistency or conflicting provisions of the Lease,  
22 as heretofore amended, and shall supplement the remaining provisions thereof.

23 4. **MISCELLANEOUS.** Except as amended or modified herein, all terms of  
24 the Original Lease shall remain in full force and effect and shall apply with the same  
25 force and effect. This is of the essence in this Amendment and the Lease and each  
26 and all of their respective provisions. Subject to the provisions of the Lease as to  
27 assignment, the agreements, conditions and provisions herein contained shall apply to  
28 and bind the heirs, executors, administrators, successors and assigns of the parties

1 hereto. If any provision of this Amendment or the Lease shall be determined to be  
2 illegal or unenforceable, such determination shall not affect any other provision of the  
3 Lease and all such other provisions shall remain in full force and effect. The language  
4 in all parts of the Lease shall be construed according to its normal and usual meaning  
5 and not strictly for or against either Lessor or Lessee. Neither this Amendment, nor the  
6 Original Lease, nor any notice nor memorandum regarding the terms hereof, shall be  
7 recorded by Lessee.

8 (Remainder of Page Intentionally Left Blank)

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1           5.     EFFECTIVE DATE. This Fourth Amendment to Lease shall not be  
2 binding or consummated until its approval by the Riverside County Board of  
3 Supervisors and fully executed by the Parties.

4           IN WITNESS WHEREOF, the parties have executed this Amendment as of the  
5 date first written above.

6  
7 LESSEE:  
8 COUNTY OF RIVERSIDE

LESSOR:  
CITY OF CANYON LAKE

9 By: \_\_\_\_\_  
10 Marion Ashley, Chairman  
11 Board of Supervisors

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

12 ATTEST:  
13 Kecia Harper-Ihem  
14 Clerk of the Board

15 By: \_\_\_\_\_  
16 Deputy

17  
18 APPROVED AS TO FORM:  
19 Gregory P. Priamos  
20 County Counsel

21 By:   
22 R. Todd Fourn  
23 Deputy County Counsel

24  
25  
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27 MH:ra/102215/CL002/17.795 S:\Real Property\TYPING\Docs-17.500 to 17.999\17.795.doc

City of Canyon Lake  
City Council  
Staff Report

**TO:** Honorable Mayor and Members of the City Council  
**FROM:** Ariel M. Hall, Interim City Manager   
**DATE:** January 6, 2016  
**SUBJECT:** Resolution No. 2016-02 Approving Participation in the Riverside County Mortgage Certificate (MCC) Program

---

**Recommendation**

Staff recommends that that City Council: Approve Resolution No. 2016-02 approving participation in the Riverside County Mortgage Credit Certificate (MCC) Program and authorize the Interim City Manager to prepare and execute the necessary related documents.

**Background**

Historically, the City has participated in the Riverside County MCC Program to make the program available to qualified homebuyers purchasing homes in Canyon Lake. The County Economic Development Agency (EDA) applies periodically to the California Debt Limit Allocation Committee for an allocation of Mortgage Credit Certificates. Adoption of the attached resolution is necessary for the City to participate in the County’s MCC Program.

A Mortgage Credit Certificate (MCC) entitles qualified homebuyers to reduce the amount of their federal tax liability. The advantages to the homebuyer include:

- The homebuyer’s federal income tax is directly reduced by the amount of the tax credit
- Homebuyers may qualify more easily for their primary mortgage loan because lenders may factor in the tax credit when underwriting the loan application, which may allow the borrower to qualify for a larger loan amount or improve the borrower’s qualifying debt ratios

If the amount of the MCC exceeds the homebuyer’s tax liability, the unused portion of the credit can be carried forward for the next three years, or until used, whichever comes first.

Although there has not been a large amount of participation (in the past year no MCC’s were issued for Canyon Lake), staff recommends continuing to participate in the program

to provide another tool of qualified homebuyers to purchase homes in Canyon Lake with a minimal cost to the City.

**Budget (or Fiscal) Impact**

The City will be required to publish two notices a year in the Friday Flyer to notify lenders and potential homebuyers that the City participates in the program. The estimated cost for two publications is approximately \$100.

**Attachments**

1. Resolution No. 2016-02
2. MCC Program Information



1           **NOW, THEREFORE BE IT RESOLVED**, by the City Council of the City of Canyon Lake  
2 as follows:

3 The City of Canyon Lake agrees

- 4           1.           to participate in the MCC Program administered by the EDA in connection with  
5                       mortgage loans it will make available for the acquisition of new and existing  
6                       single-family housing in Riverside County;
- 7           2.           to assist the County of Riverside to market the MCC Program within the city's  
8                       jurisdictional boundary by publishing a general public notice in the local  
9                       newspaper at least twice a year.

10           **PASSED, APPROVED, and ADOPTED** by the City Council of the City of Canyon Lake,  
11 California, on the 6<sup>th</sup> day of January, 2016.

12  
13 \_\_\_\_\_  
14 Tim Brown, Mayor

15 **ATTEST:**

16  
17 \_\_\_\_\_  
18 Ariel M Hall, CMC, City Clerk

1 State of California )  
2 County of Riverside ) ss  
3 City of Canyon Lake )  
4

5 I, Ariel M. Hall, CMC, City Clerk of the City of Canyon Lake, California, do hereby certify that the  
6 foregoing is a true and correct copy of the Resolution No. 2016-02 adopted by the City Council of  
7 the City of Canyon Lake, California, at a regular meeting held on the 6th day of January, 2016,  
8 by the following vote:

9

10 AYES:

11

12 NOES:

13

14 ABSTAIN:

15

16 ABSENT:

17

18

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19 Ariel M. Hall, CMC, City Clerk

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RESOLUTION NUMBER 2016-02

MORTGAGE CREDIT CERTIFICATE

# RIVERSIDE COUNTY ECONOMIC DEVELOPMENT AGENCY

## MORTGAGE CREDIT CERTIFICATE (MCC) PROGRAM

### Overview

A Mortgage Credit Certificate (MCC) entitles qualified home buyers to reduce the amount of their federal income tax liability for an amount equal to 20% of the mortgage interest paid during the year on their primary mortgage loan. The advantages to the home buyer include:

- The home buyer's federal income tax liability is directly reduced by the amount of the tax credit;
- Home buyers can qualify more easily for their primary mortgage loan-lenders may factor in the tax credit when underwriting the loan application, which may allow the borrower to (i) qualify for a larger loan amount, or (ii) improve the borrower's qualifying debt ratios.

If the amount of the MCC exceeds the homebuyer's tax liability, the unused portion of the credit can be carried forward to the next three years or until used, whichever comes first.

### Homebuyer Eligibility Criteria

There are three basic criteria for determining a home buyer's eligibility for the MCC tax credits:

1. The borrower must be a first time Home Buyer defined as a person who has not had an ownership interest in improved-upon residential real property for the previous three (3) years.\*
2. The borrower's annual income must fall within the program income limits as follows:
  - Max Income Outside Target Area<sup>1</sup>
    - Household w/ 1-2 persons: \$69,700
    - Household w/ 3+ persons: \$80,155
  - Max Income Inside Target Area
    - Household w/ 1-2 persons: \$83,640
    - Household w/ 3+ persons: \$97,580

---

<sup>1</sup> Target Areas are census tracts designated by the Federal government to encourage investment.

3. The home being purchased must fall within the program purchase price limits as follows:
  - Max Home Purchase Price
    - Outside Target Area: \$347,625
    - Inside Target Area: \$424,875

\*If the home is located in a Target Area census tract, then the first-time buyer requirement does not apply and the income and purchase price limits are higher. There are target area census tracts throughout Riverside County.

The residence purchased in conjunction with an MCC must be the borrower's principal residence and may not be used as a business, rental or vacation home. The home may be a new or re-sale, detached or attached single-family home, condominium unit, a co-op unit, or a manufactured home on a permanent foundation. The home must be located within the City limits of participating cities.

#### Mortgage Credit Certificate Application Process

The jurisdiction in which the home is located must be a participant in the County MCC program administered by the EDA. The application process is as follows:

1. Borrowers must apply for a MCC through a Participating Lender.
2. The Participating Lender will perform an initial qualification and assist the borrower in completing the MCC submission forms.
3. Buyer makes offer on home and goes into escrow.
4. The Lender then submits the MCC application to the County.
5. The County reviews Borrower and property qualifications and, if they meet the program guidelines, issues a letter of commitment to the Lender.
6. The Commitment Letter must be issued prior to the close of the loan.
7. The loan must close within 60 days of the commitment.
8. Upon loan closing, the Lender submits the MCC Closing Package to the County and the County issues the MCC, with the Lender and borrower each receiving a copy.
9. The borrower may then claim the tax credit on their Federal Income Tax Returns.
10. Borrowers can realize the tax credit annually as a tax refund or adjust their W-4 withholding allowances form to receive the benefit via an increased pay check.

The following table illustrates how an MCC may increase a borrower's "effective home buying power":

<b>Effective Home Buying Power With and Without an MCC</b>		
	<b>Without MCC</b>	<b>With MCC</b>
<b>First Mortgage Amount</b>	\$300,000	\$300,000
<b>Mortgage Interest Rate</b>	4%	4%
<b>Monthly Mortgage (Principal &amp; Interest Only)</b>	\$1,432	\$1,432
<b>MCC Rate</b>	N/A	20%
<b>Monthly Credit Amount</b>	N/A	\$200
<b>"Effective" Monthly Mortgage Payment</b>	\$1,432	\$1,232
<b>Annual Income Needed *</b>	\$61,371	\$52,800

\* Annual Income Needed is based on monthly Principal and Interest (P&I) not exceeding 28% of monthly income.

**City of Canyon Lake  
City Council  
Staff Report**

**TO:** Honorable Mayor and Members of the City Council

**FROM:** Ariel M. Hall, Interim City Manager/City Clerk 

**DATE:** January 6, 2016

**SUBJECT:** Discussion regarding City Council term limits

---

**Recommendation**

It is recommended that the City Council: Discuss the proposed term limit ordinance and provide further direction to staff.

**Background**

This item was originally presented to the City Council on October 7, 2015. The City Council requested that this item be brought back with additional information.

At the November 4, 2015 City Council Meeting, the City Council discussed the various aspects of setting term limits and instructed staff to bring the item back in January. Staff has drafted an Ordinance according to some of the discussion that took place at the November meeting. Any of the proposed term limit specifics may be changed by the City Council.

As currently written, the draft ordinance would set a lifetime limit of three (3) terms, or 12 years, for any Council Member, with an appointment of two (2) or more years being considered a term.

The City Council may discuss and provide changes to any part of the draft ordinance, such as:

- Change the number of terms or years served to any number or terms or years
- Term limits may be for consecutive terms or years served rather than lifetime terms, which would allow someone to run for office and start the clock again after an election cycle or longer
- Change the consideration of appointments longer than two (2) years to any amount of time desired, or not consider appointments as a term served at all

If the City Council chooses to move forward with holding an election in June 2016 to set term limits, the resolution to call the election for the measure would have to be adopted no later than March 11, 2016.

If the City Council chooses to move forward with holding an election in November 2016 to set term limits, the resolution to call the election for the measure would have to be adopted no later than August 12, 2016.

**Budget (or Fiscal) Impact**

The estimated cost payable to the Registrar of Voters for holding an election in June 2016 is \$3,500 and the estimated cost for holding an election in November 2016 is \$13,800. In addition to the cost for the Registrar of Voters conducting the consolidated election, there would be an associated cost for staff and attorney time used in relation to the election filings.

**Attachments**

1. Draft Term Limit Ordinance

Ordinance No. XXX

AN ORDINANCE OF THE CITY OF CANYON LAKE ADDING SECTIONS 2.01.054, 2.01.055 and 2.01.056 TO CHAPTER 2.01 OF TITLE 2 OF THE CITY OF CANYON LAKE MUNICIPAL CODE TO ESTABLISH TERM LIMITS FOR CITY COUNCIL MEMBERS

The City Council of the City of Canyon Lake does ordain as follows:

Sections 2.01.054 – 2.01.056 are added to Chapter 2.01 of the Canyon Lake Municipal Code to read as follows:

**Section 2.01.054      Purpose of Term Limits**  
**Section 2.01.055      Term Limits**  
**Section 2.01.056      Effective Date of Term Limits**

**Section 2.01.054      Purpose of Term Limits.**

(a) Government Code Section 36502 permits a city to adopt an ordinance proposing to limit the number of terms that a member of the City Council may serve, subject to the approval of the voters of the City at a regularly scheduled election

(b) The purpose of lifetime term limits is to promote a free and democratic system of fair elections, and to encourage qualified candidates to seek public office by limiting the powers of incumbency.

(c) In order to provide the opportunity of continuity of leadership by members of the City Council while at the same time limiting the power of incumbency, it is appropriate to amend the City of Canyon Lake Municipal Code to place lifetime limits on the total number of terms which members of the City Council may serve.

(d) Pursuant to Elections Code Section 1415, and Government Code Section 36502, the City Council of the City of Canyon Lake has determined to submit to the voters at a regularly scheduled election a ballot measure amending the City of Canyon Lake Municipal Code to place lifetime limits on the number of years which members of the City Council may serve.

**2.01.055      Term Limits.** Any Council Member who has served a total of three (3) terms, or for a total of 12 years, in his/her lifetime by election or appointment (whether or not those terms are consecutive) shall be ineligible to serve again in that office by election or appointment. Any Council Member who serves for two or more years of an appointed or elected term shall be considered to have served a full term.

**2.01.056 Effective Date of Term Limits.** Such terms limits shall be effective on and after 10 days from the date of its approval by the voters of the City.

The foregoing ordinance was passed by a \_\_\_\_\_ vote of the voters voting at the municipal election held on June 7, 2016.

Attest:

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

State of California )  
County of Riverside )ss  
City of Canyon Lake )

I, \_\_\_\_\_, City Clerk of the City of Canyon Lake, California do hereby certify the foregoing Ordinance No. XXX was approved by a vote of the voters voting at an election held on June 7, 2016.

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



City of Canyon Lake  
City Council  
Staff Report

**TO:** Honorable Mayor and Members of the City Council  
**FROM:** Ariel M. Hall, Interim City Manager/City Clerk   
**DATE:** January 6, 2016  
**SUBJECT:** Revised Committee Appointments Chart

---

**Recommendation**

It is recommended that the City Council: Receive information and vote to approve the revised Committee Appointment chart.

**Background**

This item was originally presented to the City Council on December 2, 2015. The City Council requested that this item be brought back with additional information regarding the appointments to the Southern California Association of Governments (SCAG) – General Assembly.

Staff has since received additional information regarding the appointments. The City does not have an appointed member that sits on the Regional Council, which meets regularly. The City would only have to appoint two voting members for the Annual General Assembly, which all Council Members are invited to attend. This is done via selection at a meeting just prior to the Annual General Assembly.

Western Riverside Council of Governments (WRCOG) select appointees to the SCAG Regional Council, and our Council Member Jordan Ehrenkranz is one of WRCOG's appointees to represent the region.

In order to clarify the appointments, Staff has removed the SCAG General Assembly item and the SCAG – WRCOG appointments from the chart of appointments because our City Council does not approve those appointment.

**Budget (or Fiscal) Impact**

There is no fiscal impact.

**Attachments**

1. Revised Chart of Appointments

## 2016 Agency and Committee Assignments; and Appointments

Committee	Per Meeting Stipend	Chair	Member	Meeting Date	Time	Place
Administration and Finance Committee		Zaitz	Brown	Tuesday before Regular Council Meeting	8:00 AM	Municipal Building
Planning Committee		Brown	Zaitz	As Needed		Municipal Building
Public Safety Committee		Haggerty	Ehrenkranz	Tuesday before Regular Council Meeting	9:30 AM	Municipal Building
Public Works Committee		Haggerty	Ehrenkranz	As Needed		Municipal Building
Water Committee		Warren	Ehrenkranz	Every Other Month as Needed	10:30 AM	Rotate Between City and EVMWD
Veterans Committee		Warren	Ehrenkranz	As Needed		Municipal Building
Econ Dev and Healthy Cities Committee		Warren	Zaitz	As Needed		Municipal Building
Fire Department Start-Up Committee		Haggerty	Warren	2nd and 4th Thursday	6:00 p.m.	Municipal Building
<b>Agency</b>		<b>Designee</b>	<b>Alternate</b>	<b>Meeting Date</b>	<b>Time</b>	<b>Place</b>
Lake Elsinore San Jacinto Watersheds Authority (LESJWA)	\$100	Warren	Zaitz	Third Thursday	3:00 PM	EVMWD, 31315 Chaney St, Lake Elsinore
Riverside County Transportation Commission	\$100	Haggerty	Ehrenkranz	Second Wednesday	9:30 AM	4080 Lemon St, Riverside, 1st Floor
Riverside Transit Agency (RTA)	\$150	Zaitz	Haggerty	Fourth Thursday	2:00 PM	4080 Lemon St, Riverside, 1st Floor
SCFA - JPA (Animal Friends)	None	Warren	Brown	As Needed		33751 Mission Trail, Wildomar
Western Riverside Council of Governments (WRCOG) - Executive Committee	\$150	Ehrenkranz	Warren	First Monday	2:00 PM	4080 Lemon St, Riverside, 1st Floor
Western Riverside County - Regional Conservation Authority (RCA)	\$100	Brown	Ehrenkranz	First Monday	1:00 PM	4080 Lemon St., 1st Floor, Riverside
Southwest Cities Coalition		Mayor	Mayor Pro Tem	Quarterly	Lunch	Rotates Cities
League of California Cities (Legislative)		Mayor	Mayor Pro Tem			Rotates Cities
Murrieta/Temecula Group (Open to anyone)		Warren		First Friday	7:30 AM	Varies
Regional Task Force on Health		Brown		As Needed		Murrieta City Hall, 1 Town Square, Murrieta
South Coast Air Quality Management District (SCAQMD)		Mayor	Mayor Pro Tem			21865 Copley Drive, Diamond Bar
Northwest Mosquito and Vector Control District	\$100	Ehrenkranz		Third Thursday Expires 12/15 Term	3:00 PM	1966 Compton Ave., Corona
<b>Appointment by Agency</b>		<b>Member</b>	<b>Member</b>	<b>Meeting Date</b>	<b>Time</b>	<b>Place</b>
Public Entity Risk Management Authority		City Manager	City Clerk	6 times per year		Rancho Mirage
Quail Valley Environmental Coalition (501C3)		Warren	Brown			
County Free Library Advisory Committee		Ginger Harris	Sandra Brautigam	Quarterly, Thursdays	10:00 AM	Rotates Riverside County
League of California Cities Riverside Division		Warren				Rotates Cities