



City of Needles
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Mayor, Janet Jernigan
Vice Mayor Kirsten Merritt
Councilmember Tona Belt
Councilmember Ellen Campbell
Councilmember Jamie McCorkle
Councilmember JoAnne Pogue
Councilmember Henry Longbrake

City Manager Patrick J. Martinez

MEMORANDUM

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: PATRICK J. MARTINEZ, CITY MANAGER

SUBJECT: WEEKLY MEMORANDUM

DATE: June 14, 2024

1. Join the Eagles for a fun-filled afternoon on **June 22, 2024, from 2:00 p.m. to 6:00 p.m.** at the City of Needles Aquatics Center, located at 1101 Civic Center Dr. The Fraternal Order of Eagles (FOE) is hosting a free open swim for children aged 16 and under. Every child will also receive a complimentary snow cone. For more information, please get in touch with the FOE at (760) 326-2599. Take advantage of this exciting event!
2. Rivers Edge Golf Course invites the youth of Needles to join our **2024 Summer Junior Camp**, a 7-week program running from **June 12 to July 31, 2024**. For just \$60, young participants can learn the game of golf, enjoy the fresh air, and develop new skills. **Sign up today!** For more details, please refer to the attached flyer or call us at (760) 326-3931. Visit our [website](#) for information about the course and additional events.
3. **On May 31, 2023**, the City of Needles broke ground on the \$8.9 million Well #11 Water Treatment Project. **On June 13, 2024**, the Needles Board of Public Utilities received an update from City staff and the contractor team and toured the facility, which is nearing completion. A ribbon-cutting ceremony is anticipated for mid-July. We thank the State Water Resources Control Board, the US Environmental Protection Agency (EPA), and California Climate Investments for their crucial grant funding, making these essential water system improvements possible. Refer to the attached images for more insights.
4. We invite you to visit the newly revitalized swim area at Jack Smith Park, now ready for the summer season. Thanks to the dedicated efforts of our City Staff, we have successfully enhanced this public space, aligning with our adopted Council Goals. This improvement aims to attract more families and engage both residents and visitors. We will perform this work annually to ensure a better experience for everyone. Please refer to the attached images for more details.

5. On **Tuesday**, the City of Needles City Council celebrated the remarkable accomplishment of the Needles Boys Baseball and Girls Softball teams for winning the Nevada Interscholastic Activities Association 2A State championships. The council praised the city's recreation program for its commitment to supporting Needles' youth. This program has been instrumental in developing their leadership skills and offering significant opportunities for growth.
6. On **June 13, 2024**, an Administrative Hearing of Public Nuisance was held at the City Council Chambers in Needles. The hearing officer reviewed City staff presentations and listened to property owners' testimony. As a result, three properties—1510 Washington Street, 209 Goodwill Street, and 406 D Street—were declared public nuisances. This effort aligns with the City Council's goal of implementing clean-up initiatives and beautifying private spaces in the community.
7. **Early this year in February**, the \$1 million Water Service Lateral Replacement Project commenced, and we are thrilled to announce its completion under budget by \$35,000. The next step is to begin Phase 4A of the street projects, with groundbreaking anticipated in the **last week of July**. Now in its fourth year, the city has dedicated \$2.2 million for the current fiscal year to support essential waterline and street upgrades, as detailed in the attached Street Improvement and Water Service Replacement Project Maps.
8. This week, Needles Little League hosted the 2024 Tournament of Champions for both Minor and Major League divisions. Teams from Needles, Parker, Blythe, Bullhead, Kingman, Lake Havasu, and Mohave Valley competed, with Mohave Valley winning the Major League Division and Lake Havasu winning the Minor League Division. City staff and community volunteers ensured Ed Parry Ball Field was in top condition. The City of Needles is proud of its reputation as a sports tourism destination, consistently hosting various sporting events year-round. This effort aligns with the City Council's goal of promoting and supporting sports and recreation activities to attract visitors and boost athletic tourism.
9. The [League of California Cities](#) featured Needles in "[A Tale of Two Cities: Needles and Rohnert Park's Pro-Housing Journeys](#)," highlighting the city's achievement in earning the Prohousing designation from the California Department of Housing and Community Development. Discover how Needles overcame geographic and economic challenges by streamlining processes, reducing fees, increasing housing density, and attracting significant state funds for housing development. Refer to the attached article for more insights.
10. The San Bernardino County Behavioral Health Clinic in Needles has received \$1 million in Community Project Funding secured by Congressman Dr. Raul Ruiz. This grant will rehabilitate the critical behavioral health facility, enhance office and treatment spaces, and improve infrastructure. These upgrades align with the City's mission to ensure long-term access to essential services, such as quality healthcare, for a safe and healthy community. The Board of Supervisors, Needles City Council, and Department of Behavioral Health sincerely thank Congressman Ruiz. [Click here to watch the video news release.](#)

11. The City of Needles extends heartfelt thanks to Arrowhead Credit Union's ArrowHeart Foundation for donating over 450 pet items to the Needles Animal Shelter in celebration of National Pet Month. Additionally, we are grateful to the Needles Rodeo Association for their generous \$500 donation towards the shelter's spay and neuter program.

12. **IMPORTANT UPCOMING DATES:**

- **Ribbon Cutting on June 17, 2024 at 12:30pm**, U.S. Cannabis Laboratories located at 1410 W Broadway St.
- **City Hall will be closed on June 19, 2024**, in observance of Juneteenth.
- **Bob Belt Beach Park** ribbon cutting on **June 21, 2024, at 9 AM**, meet in the new parking area on Marina Drive, near the new playground at Manny Morris Park.
- **Needles Elks Lodge** is hosting the **Annual 4th of July Pool Party from 12pm to 4pm** at the City of Needles Aquatics Center. Free open swim for everyone.

2. JUNIOR GOLF CAMP 2024

2024 Summer Junior Camp Opening Day

Wednesday, June 12, 2024, 07:00am - 10:00am

Contact JJ DeLeon



RIVERS EDGE GOLF COURSE

JUNIOR GOLF CAMP 2024

JUNE 12th 2024

COME AND JOIN

WHY PLAY GOLF:
GOLF IS A GREAT GAME FOR YOUNGSTERS AS IT:

- HELPS BOOST THEIR HEALTH AND CONFIDENCE
- TEACHES THEM PERSONAL SKILLS
- KEEPS THEM ACTIVE WHILE HAVING FUN
- GETS THEM OUTSIDE INTO THE FRESH AIR
- PROVIDES AN OPPORTUNITY TO MEET OTHERS
- HELPS THEM TO DEVELOP NEW SKILLS
- IS A GAME FOR ALL ABILITIES

HELPING BOYS & GIRLS

\$60 per Child

**AGES 6-10
7:00-8:00AM**

**AGES 11-17
8:00-9:00AM**

FOR DETAILS: 760-326-3931

Location Rivers Edge Golf Course

3. WELL #11 WATER TREATMENT PROJECT



3. WELL #11 WATER TREATMENT PROJECT

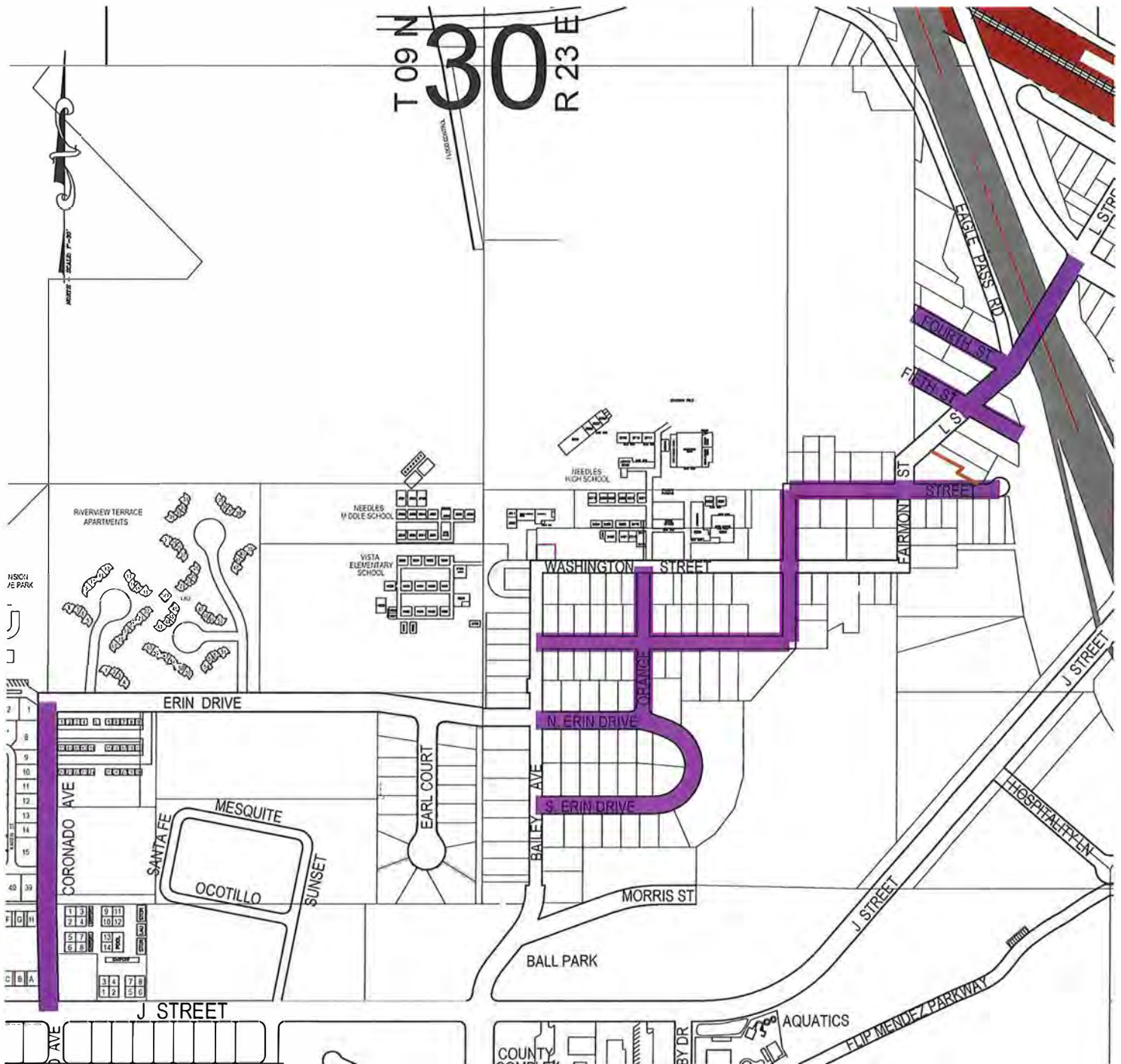


4. JACK SMITH PARK SWIM AREA



7, Street Improvements & Water Service Replacement

OBERNOLTE STREET PROJECT



HIGH SCHOOL HILL

L STREET	(5th Street to W. Broadway Ave)
4TH STREET	(L Street to End)
5TH STREET	(L Street to End)
HIGHLAND STREET	(Park Ave to End)
PARK AVE	(Highland Street to Collins Street)
ORANGE AVE	(Washington Ave to Erin Drive)
COLLINS STREET	((Bailey Ave to Park Ave)
ERIN DRIVE	(Bailey Ave - The Loop)
CORONADO STREET	(Erin Dr to J Street)

LEGEND

Obernolte Water Service Replacements & Street Improvements Project - Awarded by Rep. OBERNOLTE

7. Street Improvements & Water Service Replacement

PHASE 4 A



DOWNTOWN AREA

DESOTO STREET	(D Street to W. Broadway Ave)
CIBOLA STREET	(D Street to W. Broadway Ave)
F STREET / ARMY RD	(Broadway Ave to Interstate 40)
E STREET	(Broadway Ave to Interstate 40)
DOWNEY AVE	(D Street to F Street)
VALLEY AVE	(D Street to F Street)
FOURTH STREET	(F Street to E Street)
G STREET	(@ Army Rd)

LEGEND

 PHASE 4A - PAVING IMPROVEMENTS
Including Water Services

9. Prohousing Article



A tale of two cities: Needles and Rohnert Park's pro-housing journeys

Jun 5, 2024

Guest article by Jackie Krentzman, *freelance writer and editor*
(<http://www.krentzmancommunications.com/>)

#LocalWorks

Just what makes a community “pro-housing?” Although the answer can vary, the state has introduced one possible standard: the

Prohousing Designation Program (<https://www.hcd.ca.gov/planning-and-community-development/prohousing-designation-program>) . So far, 40 cities have earned the designation by showing their willingness (<https://www.hcd.ca.gov/about-hcd/newsroom/seven-california-communities-earn-prohousing-designation>) to “cut through red tape, reduce construction and development costs, and create housing policies with a growth mindset.”

What that looks like in practice can vary from community to community. Two of those cities, the isolated desert community of Needles in San Bernardino County and Rohnert Park in Sonoma County, have taken very different journeys.

From housing desert to housing oasis?

Very few cities are as geographically challenged as Needles, a city of 5,200 on the border of California, Arizona, and Nevada. Developers have not built a new housing tract in the city since 1990, largely because the city's remote location makes it challenging to attract contractors and investment from homebuilders.

The city doesn't qualify for rural housing support programs since it's located in San Bernardino County, which is classified as urban.

The city began focusing on economic development after suffering significant revenue losses from retailers closing. The decline began in the 1980s after the interstate diverted traffic away from Route 66. The city's proximity to Arizona, where prices tend to be lower, further hurt its commercial endeavors.



Then in 2019, the Department of Housing and Community Development (HCD) and Gov. Gavin Newsom notified Needles that it was out of compliance with state housing element law. The Governor had signed a package of housing bills the year previously, which penalized Needles and other non-compliant cities.

Needles, which last adopted a housing element in 2005, turned its full attention to updating its housing policies. The need was acute. The city's business-friendly environment had attracted the cannabis industry, bringing both jobs and a demand for housing.

It was also a daunting goal. It would take \$1.2 million to achieve compliance with an update to the city's General Plan. The city's total budget was approximately \$5.5 million. (It has since doubled to almost \$13 million.)

Needles streamlined its processes, reduced development impact fees, and increased allowable density in single-family zoned residential areas. In 2019 — the same year it was notified — the city qualified for [a state planning grant](https://www.hcd.ca.gov/grants-and-funding/programs-active/sb-2-planning-grants) (<https://www.hcd.ca.gov/grants-and-funding/programs-active/sb-2-planning-grants>) that provided technical assistance and helped the city to achieve compliance. That in



turn helped Needles bring in a series of grant dollars, totaling nearly half a million dollars.

“That changed everything,” said City Manager Patrick Martinez, who made housing compliance one of his core priorities when he joined in 2017.

Needles became one of the first cities in San Bernardino County to complete the sixth housing element cycle in 2023. This success attracted the notice of the [Institute for Local Government \(ILG\)](https://www.ca-ilg.org/case-story/big-strides-small-city) (<https://www.ca-ilg.org/case-story/big-strides-small-city>) , which gave it a [standing ovation](https://www.hcd.ca.gov/about-hcd/newsroom/hcd-technical-assistance-helps-city-of-needles-adopt-housing-elements) ([https://www.hcd.ca.gov/about-](https://www.hcd.ca.gov/about-hcd/newsroom/hcd-technical-assistance-helps-city-of-needles-adopt-housing-elements)

[hcd/newsroom/hcd-technical-assistance-helps-city-of-needles-adopt-housing-elements](https://www.hcd.ca.gov/about-hcd/newsroom/hcd-technical-assistance-helps-city-of-needles-adopt-housing-elements)) at a housing workshop.

“Representatives from HCD said: ‘You have been our golden child, going from being on the naughty list to receiving a half million in grants to get into compliance,’” Martinez noted.

The city then earned the state’s [prohousing designation](https://www.gov.ca.gov/2023/04/05/governor-newsom-announces-11-new-jurisdictions-to-receive-a-prohousing-designation-for-accelerating-housing-production/) (<https://www.gov.ca.gov/2023/04/05/governor-newsom-announces-11-new-jurisdictions-to-receive-a-prohousing-designation-for-accelerating-housing-production/>) in 2023. That allowed the city to secure \$445,000 in [state funds](https://www.hcd.ca.gov/grants-and-funding/programs-active/prohousing-incentive-program) (<https://www.hcd.ca.gov/grants-and-funding/programs-active/prohousing-incentive-program>) , which it directed to affordable housing incentives for developers, a first-time homebuyers program, and joining the San Bernardino Regional Housing Trust.

To further its housing goals, the city plans to marry these funds with growing tax revenues. In 2012, **Needles voters overwhelmingly** ([https://ballotpedia.org/City_of_Needles_Marijuana_Business_Tax,_Measure_S_\(November_2012\)\)](https://ballotpedia.org/City_of_Needles_Marijuana_Business_Tax,_Measure_S_(November_2012))) voted to tax **cannabis business income** (<https://www.nytimes.com/2018/12/09/business/cannabis-business-needles-california.html>) and regulate the industry. Manufacturing, distribution, and cultivation facilities soon mushroomed, as did dispensaries. Cannabis sales tax revenue soared to new highs in 2022, from \$14,920 to \$4.8 million.

This growth has allowed the city to build substations, pave roads, and upgrade its aging water infrastructure — things needed to attract residents and builders. The city also funds non-cannabis businesses, including housing development, through an economic development fund.

Yet, Needles still has a long way to go. The industry has created roughly 600 new jobs, out of 2,000 total jobs in the city. However, most of those employees can't find housing in Needles and are forced to commute long distances from Nevada or Arizona. And despite the city's meeting its housing cycle goals, there's no guarantee that those goals will translate into homes. Needles has nearly 60 zoned lots available, but the costs are prohibitive for homebuilders.



Martinez estimates that the average sales price of a home in Needles is \$250,000, but costs \$300,000 to build. He urges the state government to recognize the unique needs of rural cities like Needles.

“We are thankful for the funds we have received,” Martinez said. “But rural communities like ours are at a disadvantage. We need state subsidies more than bigger cities because market-rate development doesn’t pencil out.”

Still, Martinez and Utility Manager Rainie Torrance, are optimistic that Needles is on a continuing upward trajectory.

“I have lived in Needles since I was two and I am raising my children here,” said Torrance. “I am hopeful for our future, proud of what we have been able to provide to the community. If we keep on the path we are going, development will come, and we will see new housing, new residents, and even more schools. The sky’s the limit for us.”

Rohnert Park: planning is in its DNA

Rohnert Park is perhaps a more familiar tale for some. In 1962, the Sonoma County community was incorporated as a planned city with 2,700 residents clustered in neighborhoods near schools and parks. But like many other cities during the 2007 economic downturn, it struggled to promote housing development. In fact, between 2007 and 2014, Rohnert Park issued no permits for new housing.



However, Rohnert Park (now 45,000) has made tremendous progress in the last decade. It has issued 1,972 new housing permits (300 affordable), far exceeding its state-mandated target of 899 units for the past eight years. The city has another 3,000 planned housing units in

the pipeline. Many of these units are in three new, distinct neighborhoods: University District, Willowglen, and SOMO Village. Each development includes a park, market-rate and affordable housing units, and access to neighborhood retail.

Rohnert Park's history as a planned community played a significant role in its ability to meet its housing goals. The city long had a robust general and specific housing plan, which means the sites that can accommodate housing have already been studied and approved.

"This prework provides certainty for developers and streamlines the development process," said Housing Manager Jenna Garcia. "Our city council has always been very engaged in the long-term vision for how the Rohnert Park is being developed and has long prided itself on being developer friendly."

The city also has gone above and beyond the state's requirements by requiring that 15% of all new developments over 50 units be affordable. In 2022, Labath Landing — a 60-unit city-owned and sponsored interim housing project funded in part through the State's Homekey program — opened. The city promotes affordable housing developments throughout the city and partners with the nonprofit Housing Land Trust of Sonoma County for an affordable ownership program.

"We've enjoyed tremendous success in the region and have developed a strong relationship with the city of Rohnert Park and its commitment to providing much-needed affordable housing to residents," said Geoff Brown, president of USA Properties Fund.

For these efforts, Rohnert Park earned the [state's prohousing designation](https://www.hcd.ca.gov/planning-and-community-development/prohousing-designation-program) (<https://www.hcd.ca.gov/planning-and-community-development/prohousing-designation-program>) in 2023. This designation made the city more competitive for several state funding programs, including Affordable Housing and Sustainable Communities, Infill Infrastructure Grant, and Transformative Climate Communities.

The designation and the funding it unlocks will improve the city's ability to fulfill its vision of a robust downtown. For many years, residents have asked the city to create a vibrant mixed-use downtown district — a "heart" for Rohnert Park. In 2022, the city purchased a 30-acre parcel near the Sonoma-Marin Area Rail

Transit train station as the site for the future downtown. This new, walkable heart of Rohnert Park will include 300 to 500 residential units, a quarter of which will be affordable. Residents will also have access to a range of food, beverage, art, and retail options, an upscale hotel, walkable streets, and a central community square.



“The fact that the state has recognized our efforts is extremely gratifying and a major milestone that will allow us to build upon our ongoing commitment to housing development for all Rohnert Park residents,” said Mayor Susan Hollingsworth Adams. “We are committed to developing a vibrant community where residents have access to safe and affordable housing, both in our welcoming neighborhoods and in the coming years, a dynamic downtown.”

The Cal Cities #LocalWorks initiative shines the spotlight on examples of local actions that are making a difference to their communities. Show how #LocalWorks in your community by contacting communications@calcities.org (<mailto:communications@calcities.org>) .